

Council Meeting Agenda

Wednesday, 22 January 2020 at 7 p.m.

**Council Chamber, Civic Centre, Duke Street,
Chelmsford, Essex**

MEMBERSHIP

The Mayor – Councillor Bob Massey
The Deputy Mayor – Councillor Janette Potter

and Councillors

R H Ambor, L Ashley, H Ayres, K Bentley, M W Bracken,
N B Chambers, D J R Clark, P H Clark, W A Daden,
A E Davidson, C K Davidson, J A Deakin, S M Dobson,
N A Dudley, J A Frasca, I D Fuller, J Galley,
M C Goldman, S M Goldman, I S Grundy, N Gulliver,
P V Hughes, R J J Hyland, A M John, D G Jones, G B R Knight,
J C S Lager, J S Lardge, R J Lee, M J Mackrory, L A Mascot,
L A Millane, R J Moore, G H J Pooley, R J Poulter, S Rajesh,
J M C Raven, I C Roberts, S J Robinson, T E Roper, E J Sampson,
C M Shaw, R J Shepherd, M Sismey, A B Sosin, J E Sosin,
M Springett, M S Steel, C R Tron, N M Walsh, M D Watson,
R T Whitehead, T N Willis, I Wright, S Young

Local people are welcome to attend this meeting, where your elected Councillors take decisions affecting YOU and your City. If you would like to find out more, please telephone Brian Mayfield in the Democracy Team on Chelmsford (01245) 606923, email brian.mayfield@chelmsford.gov.uk, call in at the Civic Centre, or write to the address above.

Recording of the part of this meeting open to the public is allowed. To find out more please use the contact details above.

COUNCIL

22 January 2020

AGENDA

PART 1

1. **Apologies for Absence**

2. **Mayor's Announcements**

3. **Declarations of Interest**

All Members are reminded that they 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.

4. **Minutes of the meeting held on 16 July 2019** (copy attached)

5. **Public Question Time**

To receive questions from members of the public in accordance with Council Rules 10.1 to 10.6 on any matter for which the Council is responsible.

6. **Cabinet Question Time**

The Leader and Members of the Cabinet to answer questions submitted by Members of the Council in accordance with Council Rules 10.18 to 10.22.

7. **Reports from the Cabinet Member for Fairer Chelmsford**

7.1 Medium Term Financial Strategy

7.2 Treasury Management Mid-Year Review 2019/20

7.3 Local Council Tax Scheme for 2020/21

The recommendations of the Cabinet on each of the above reports are attached

7.4 Homelessness and Rough Sleeping Strategy 2020-24

8. **Reports from the Leader of the Council**

8.1 Review of the Members' Allowances Scheme

8.2 Appointment of Substitute for the Planning Committee

To approve the appointment of Councillor Smita Rajesh as one of the Liberal Democrat Group's designated substitutes for the Planning Committee.

8.3 "Our Chelmsford, Our Plan"

8.4 Cabinet Deputies

The Leader will report on changes to the Cabinet Deputies appointments

9. **Reports from the Governance Committee**

9.1 Code of Conduct for Employees/Workers

9.2 Appointment of Independent Person

10. **Notice of Motion – Fireworks Displays**

Pursuant to notice duly give, Councillor M Steel will move:

“A number of councillors have been contacted by residents in relation to the RSPCA initiative to reduce the impact of fireworks and Sky Lanterns on animals, and have asked their Council to support a motion to support measures which will help ensure people can enjoy fireworks responsibly whilst minimising the risk to animal welfare, horses, farm animals and wildlife and residents.

Chelmsford City Council can play its part in this by direct action or by lobbying other Government departments and retailers to play their part. Accordingly, the Council resolves to:

- Encourage all publicly organised firework displays within the Chelmsford City Council area to be advertised in advance of the event, so that residents can enjoy the celebrations and allow residents to take precautions for their animals and vulnerable people.
- Actively promote a public awareness campaign about the impact of fireworks on animal welfare and vulnerable people including the precautions that can be taken to mitigate risks.
- Encourage retailers to follow the lead of Sainsburys in withdrawing the sale of fireworks to the public
- Write to the UK Government urging them to introduce legislation the limit the maximum noise level of fireworks to 90dB for those sold to the public for private display.
- Encourage trading standards to enforce more rigorously the regulations of the selling of fireworks both in terms of age appropriateness, licencing and CE markings.
- Noting that CCC already ban the release of sky lanterns from council land, to write to UK Government urging them to consider banning sky lanterns in the UK in total.”

11. **Notice of Motion – Provision of Online Petition Site**

Pursuant to notice duly given, Councillor W Daden will move:

“Further to CCC declaring a desire to be a carbon neutral council, this Council agrees to offer an online petition site as the most modern and convenient way for residents to be heard that will also complement our ecological position.”

12. **Notice of Motion – Fair Trade**

Pursuant to notice duly given, Councillor R Moore will move:

“Chelmsford City Council notes that 2019 marked 25 years since the Fairtrade Mark was launched in the UK, and that 2020 is Chelmsford’s 15th year as a Fairtrade Town (now City).

Despite these achievements, exploitation remains rampant in global supply chains. More than 40 million people are trapped in modern slavery, including forced labour, and 152 million young people in child labour. Hundreds of millions more are earning less than a living income or wage.

Chelmsford City Council believes that Fairtrade and the wider Fair Trade movement has a significant contribution to make towards ending exploitation in global supply chains and achieving the Sustainable Development Goals (SDGs).

Chelmsford City Council therefore resolves to:

- Promote Fairtrade locally.
- Celebrate and incentivise businesses championing Fairtrade products in the local community.
- Review its procurement policy, including its catering offer, to ensure that Fairtrade produce is chosen wherever possible, and that Fair Trade considerations are included in any contracts going out to tender.”

PART II (EXEMPT ITEM)

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

13. **Proposed Property Acquisition**

To consider a report by the Director of Financial Services

Category: Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972
Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Public interest statement: The public interest in not disclosing the content of this report outweighs the public interest in disclosing it because any publicity about the negotiation of terms for the acquisition of the property may affect the financial interests of the Council and, by extension, those of the residents of Chelmsford as well as the other parties involved in the acquisition. In particular, it would undermine the attainment of best value during the negotiations as other interested parties would be aware of the seller’s financial position and intentions in advance.

CHELMSFORD CITY COUNCIL
MINUTES OF THE COUNCIL MEETING

held on 16 July 2019 at 7pm

PRESENT:

The Mayor (Councillor R Massey)
The Deputy Mayor (Councillor J A Potter)

Councillors

R H Ambor	S M Goldman	I Roberts (left at 8.57pm)
L Ashley	I S Grundy	S J Robinson
H Ayres	N Gulliver	T E Roper
M W Bracken	P V Hughes	C M Shaw
N Chambers	R J J Hyland	R J Shepherd
D J R Clark	A M John	M Sismey
P H Clark	D G Jones	A B Sosin
W A Daden	G B R Knight	J E Sosin
A E Davidson	J C S Lager	M Springett
C K Davidson	J S Lardge	M S Steel
J A Deakin	R J Lee	C R Tron
S M Dobson	M J Mackrory	N M Walsh
N A Dudley	L A Mascot	M D Watson
C L Finneycy	L A Millane	R T Whitehead
J A Frasca	R J Moore	T N Willis
I D Fuller	R J Poulter	I Wright
J Galley	J M Raven	S Young
M C Goldman		

1. **Apologies for Absence**

Apologies for absence were received from Councillors K Bentley, G H J Pooley and E J Sampson

2. **Mayor's Announcements**

The Council observed a minute's silence to mark the 24th anniversary of the Srebrenica massacre.

The Mayor reported on a number of the 44 engagements he had attended since his election.

3. **Declarations of Interest**

Members were reminded to declare at the appropriate time any personal and prejudicial interests in any of the items of business on the meeting's agenda. None were declared.

4. **Minutes**

The minutes of the meetings on 27 February and 22 May 2019 were signed as correct records.

5. **Public Question Time**

Members of the public asked questions or made statement on the following matters:

1. Maisie Goldman on concerns about schools in Chelmsford continuing to use single use plastics and her hope that the Council would encourage them to discontinue the practice.

The Cabinet Member for Safer Chelmsford said that through its educational and promotional work the Council was encouraging people and bodies, including schools, to recycle and reuse materials where possible and to avoid single use plastics. Thirty-five schools in Chelmsford did not make use of the Council's recycling collection service and the Cabinet Member welcomed the efforts of pupils to encourage their schools to be more conscious of the need to recycle more and avoid single use plastics.

2. Peter Fowler on when the Council would publish on the Essex Air website raw data on nitrogen dioxide concentrations in the air for the whole of 2018.

The Cabinet Member for Safer Chelmsford apologised for not being able to answer the question at the meeting but said that she would send him a full written reply once she had obtained the information.

3. Jane Gutteridge, Allan Triggs and Helen Wood on the welcome withdrawal of the John Shennan playing field as a development site in the Local Plan; the problems, including increased traffic, its development for housing would have caused; whether the Council would sell 31 Gloucester Avenue to enable more public car parking to be provided in the area, particularly for use by those dropping off and collecting children from local schools; whether the rest of the site would be used for green space and trees planted; and whether the Council had access to the 2016 study by Atkins into contamination of the site.

The Cabinet Members for Greener and Safer Chelmsford said that, if confirmed at this meeting, the intention to remove the John Shennan playing fields from the Local Plan, together with the other modifications, would be the subject of public consultation over the summer before a final decision was made by the Inspector later in the year. The Council wanted to consult and work in partnership with local people on the future options for the use of the playing fields, including addressing the deficiency in open space in the area and the possibility of planting more trees. The Council was aware of an earlier study than that mentioned on the condition of the site and it was anticipated that further reports would be commissioned as part of the exploration of its future use.

4. Neil Huckle, David Lawrence, Mick Scanell, Ian Madgett and Julie Hirrell, on concerns about the effect of the development at 10-12 Hanbury Road on nearby residents; why no meeting had yet been arranged between planning officers and residents to discuss the planning and enforcement issues associated with the work; the accuracy of information provided by planning officers; and concerns that the works being carried out by the developer would

block the water course and destroy vegetation. resulting in increased risk of flooding.

The Cabinet Member for Greener Chelmsford said that the Planning Development Services Manager had sent a detailed email to Mr Huckle that day about the issues and concerns he had raised and the current planning situation. All affected residents would be consulted on the application for a Certificate of Lawful Development and any future planning application associated with the works at 10-12 Hanbury Road, both of which would be considered on their merits and in accordance with normal procedures. He would make enquiries of the planning service as to why no meeting had yet been arranged with residents.

- 5. Edward Massey, who hoped that a system of proportional representation would be introduced for electing representatives and who expressed the view that the Council should aim for a minus net -ero carbon target by 2030. Peter Cracknell also spoke in support of the motion to the meeting on declaring a Climate Change Emergency.

In response to the first point, the Leader said that decisions on the electoral system were out of the Council's hands but that he would personally welcome a system of proportional representation. On the second point, the Cabinet Member for Safer Chelmsford said that the motion on a Climate Change Emergency set targets that she believed to be achievable rather than simply desirable.

7.06pm to 7.42pm

6. **Cabinet Question Time**

6.1 **Question from Councillor J Lardge to the Cabinet Member for Safer Chelmsford**

What is the Council planning to do to reduce the number of nappies going into landfill and what is the Council planning to do to promote the use of cloth nappies?

The Cabinet Member said that there was an ongoing promotion of the Real Nappy initiative through Love Essex. More information could be accessed via the website <http://www.loveessex.org/news-and-ideas/cloth-nappies/>. This was part of a long-running national campaign. Currently there was an offer of a £30.00 refund as an incentive to try cloth nappies.

As part of the City Council's waste reduction and recycling education activities, the Real Nappy campaign was specifically promoted to Chelmsford residents.

The Cabinet Member pointed out that whilst increase use of cloth nappies may be an aspiration, it should be noted that, in Essex, single-use nappies were not disposed of into landfill. The treatment process for general non-recyclable waste in Essex was through a combination of a mechanical and a biological process (often referred to as MBT) which separated out any residual recyclable materials and then subjected the remaining waste to an indoor composting process that produced a material suitable for use as a source of energy. Residents had the option to use either cloth or disposable nappies and the waste collection service was able to deal with both.

6.2 Question from Councillor R Lee to the Cabinet Member for Fairer Chelmsford

On 22nd May we announced that a fairer Chelmsford should be where people come together and no one gets left behind. Almost 1000 people in our city are homeless and many others are waiting for social housing. What progress has been made to address these issues since 22nd May?

The Cabinet Member emphasised his wish to give people with no home and no roof over their head hope and support. There were too many rough sleepers and homeless families and that, in his view, was unacceptable. There was a shortage of affordable housing and the Council was making every effort to facilitate its provision. There was a need for a joined-up approach to these problems, so the Policy Board had established working groups to support the development and implementation of the Council's new Homelessness and Rough Sleeper Strategy and to encourage the development of affordable housing, recognising how those two issues were inextricably linked.

Work had also progressed with improving the services provided, through government funding to those who were at risk of sleeping rough in Chelmsford and the surrounding area, putting in place joint working between all district councils in mid-Essex, Essex County Council and organisations such as CHESS. The Cabinet Member expressed appreciation for the continued efforts of all those involved and the work they were doing to work in partnership and coordinate their strategies for tackling all aspects of homelessness.

The majority of those who were homeless in Chelmsford were thankfully not on the streets but in temporary accommodation, either provided by family and friends or by the Council. Over the last few weeks officers had been working on a new contract for the provision of housing management and support to those housed by the Council in temporary accommodation.

Members were supporting the Housing and Planning Services and other services of the Council to continue to maintain this pace of working to prevent and relieve homelessness and meet local housing need. This would be facilitated by the working group and would be based on a coherent and joined up approach that sought practical solutions. There would be more announcements about plans and outcomes, especially in partnership with others, throughout the year.

7.42pm to 7.55pm

7.1 Capital Outturn and Update 2018/19

On 1 July 2019 the Cabinet had considered a report which detailed capital expenditure incurred in 2018/19 and the resources used to finance it; set out variations to approved capital schemes and the Asset Replacement Programme; and presented a budget for asset replacements in 2019/20. Under delegated authority it had approved a number of capital schemes and the Asset Replacement Programme for 2019/20 and had made recommendations to Council on a number of other matters relating to the capital programme.

In approving the recommendations, members thanked the Council's finance officers for their work.

RESOLVED that:

1. the Director of Public Places, after consultation with the Cabinet Member for Safer Chelmsford, be authorised to spend the proposed budget of £436,000 for asset replacements in 2020/21, as detailed in paragraph 8.4 of the report to the Cabinet on 1 July 2019;
2. the method of funding the capital expenditure in 2018/19, as set out in paragraph 9.2 of the report, be noted;
3. the latest proposed budgets for capital schemes totalling £90.873 million shown in Appendix 1 and paragraph 7.2 of the report be noted;
4. the outturn on the 2018/19 Asset Replacement Programme amounting to £3.747 million shown in Appendix 3 and paragraph 8.1 of the report be noted; and
5. the Asset Replacement Programme for 2019/20 amounting to £4.257 million shown in Appendix 3 and paragraph 8.2 of the report be approved.

7.52pm to 7.55pm

7.2 Treasury Management Outturn 2018/19

The Cabinet had recommended that the Council endorse the findings of the annual review of the Council's Treasury Management function and the rates of return on investments in 2018/19.

RESOLVED that the Treasury Management Outturn for 2018/19 be endorsed.

7.55pm to 7.57pm

8. Chelmsford Local Plan – Approval of Main Modifications for Consultation

The Cabinet on 1 July 2019 had approved for publication the Main Modifications and changes to the Policy Map identified by the Inspector following the Independent Examination of Chelmsford's Draft Local Plan. It had also decided that the consultation should include the proposed removal of the John Shennan playing fields as an allocated site for residential development. A Green Sheet setting out minor amendments to the information in the report to the meeting was distributed.

Whilst the recommendation on the removal of the playing fields was welcomed by most present at the meeting, it was pointed out that the site could have potentially accommodated 70 affordable houses and it was asked how that loss would be made up. The Cabinet Member for Greener Chelmsford said that, historically, the actual numbers of houses provided on development sites tended to be greater than the numbers identified in the Local Plan and he was confident that this would be the case on other residential sites in the new Plan.

RESOLVED that:

1. the Schedule of Main Modifications to the Pre-Submission Chelmsford Local Plan (Publication Draft) set out at Appendix 3 of the report to the meeting and the consequential changes to the Policies Map set out at Appendix 5a to 5d be approved and published for public consultation; and
2. the Director of Sustainable Communities and the Spatial Planning Services Manager be authorised to prepare and approve the necessary supporting statements, evidence and documentation which are required to enable and support the public consultation on the Main Modifications.

7.57pm to 8.12pm

9. **Annual Report of the Audit Committee 2018/19**

The Council considered the Annual Report of the Audit Committee for 2018/19, submitted in accordance with the Chartered Institute of Public Finance and Accountancy's (CIPFA) recommended practice.

The report included among other things a review of the Committee's terms of reference; its work on the audit charter and internal audit strategy; the publication of information about the audit function; the Committee's work programme for 2018/19 and its planned work for 2019/20.

RESOLVED that Audit Committee Annual Report for 2018/19 be approved for publication.

8.12pm to 8.15pm

10. **Annual Report of the Governance Committee 2018/19**

The annual report of the Governance Committee for 2018/19 was presented for approval. It provided information on the statutory and procedural requirements of the standards regime; the terms of reference and membership of the Governance Committee; the work carried out by the Committee in 2018/19; details of complaints received about councillors; the training and development carried out for members; and the Committee's future work programme.

RESOLVED that the Annual Report of the Governance Committee for 2018/19 be approved for publication.

8.15pm to 8.17pm

11. **Annual Report on the Scrutiny Function 2018/19**

The annual report of the Overview and Scrutiny Committee on the activity of the scrutiny function of the Council for 2018/19 was submitted for information.

The Chairman of the Committee in 2018/19 outlined its main areas of work over the past year, which had included examining the annual report on housing delivery, holding an inform and debate session on planning enforcement, and considering the findings of a task and finish group on voter registration. The Committee had also monitored the performance of key services and activities and had received the annual presentation on the work of Essex Police and the Safer Chelmsford Partnership.

RESOLVED that the annual report on the activity of the scrutiny function in 2018/19 be approved and published.

8.17pm to 8.26pm

12.1 Appointment of Equality and Diversity Champions

The Council was requested to approve the appointment of three councillors to act as champions for groups or sections of the community who had particular issues or problems to help ensure that their interests were represented and addressed.

RESOLVED that Councillors L Ashley, J A Deakin and M Springett be appointed as the Council's Equality and Diversity Champions.

8.26pm to 8.28pm

12.2. Membership of Committees

A number of changes to the membership of Committees were submitted for approval.

RESOLVED that the following be approved:

1. the replacement of Councillor Tron by Councillor Mascot on the Overview and Scrutiny Committee;
2. the replacement of Councillor Mascot by Councillor A Davidson on the Planning Committee; and
3. the appointment of Councillor Willis as a substitute on the Governance Committee.

8.28pm to 8.29pm

12.3 Review of Polling Districts and Polling Places

The Council was recommended to delegate to the Governance Committee responsibility to carry out the next scheduled review of polling districts and polling places in Chelmsford and authority to take all necessary decisions to implement the findings of that review.

In response to a question, it was confirmed that the review would encompass the whole of the city and not just districts in the city centre area.

RESOLVED that the Governance Committee be authorised to conduct and make all necessary decisions on the 2019 review of polling districts and polling places in Chelmsford.

8.29pm to 8.31pm

13. **Notice of Motion – Review of Ward Boundaries**

Pursuant to notice given in accordance with Council Rule 4.1.11, Councillor R T Whitehead moved, and Councillor J Galley seconded, a motion to request that the Local Government Boundary Commission for England (LGBCE) carry out a review of all ward boundaries in Chelmsford.

The Leader of the Council said that he had been told Commission that it planned to include in its next work programme a review of all remaining districts in Essex and of the County Council. He therefore suggested an amendment that took into account that likelihood. Councillor Whitehead was content to accept the amendment, which was debated and approved.

RESOLVED that

“The City Council elections on May 2nd 2019 were conducted on ward boundaries that have not been revised since 2003.

Due to the increase in the population of Chelmsford the City Council has a number of large wards, in particular Chelmer Village & Beaulieu Park with 8157 electors and Moulsham & Central with 8783, resulting in an imbalance of workload for the local councillors compared with other wards.

The Local Government Boundary Commission conducts an electoral review

1. at the request of the Local Authority; or
2. if the Local Authority meets the Commission’s intervention criteria;
 - (a) If one ward has an electorate of +/- 30% from the average electorate for the authority
 - (b) If one ward has an electorate of +/- 10% from the average electorate for the authority.

Both test one and test two show that the intervention criteria have been triggered.

However, the LGBCE will announce in August its work programme for 2020 and its forward plan for the following five years which will include a review of all remaining Essex districts and Essex County Council. Therefore it is proposed that the City Council await the announcement from the LGBCE.”

8.31pm to 8.37pm

14. **Notice of Motion – Committee System of Decision-making**

Pursuant to notice given in accordance with Council Rule 4.1.11, Councillor R J Hyland moved, and Councillor P Clark seconded, a motion that the Council return to a committee led governance system.

Speaking to his motion, Councillor Hyland argued that a committee system integrated the voice of the public and widened decision-making. It was a constructive and transparent way to get things done, in contrast to the Cabinet system where decisions were made by a small number of councillors and meaningful public input and interest was lacking.

Others who spoke questioned that view and said that a system of governance based on the Leader and Cabinet model could take several different forms and be just as inclusive. The Leader of the Council said that the new Administration would ensure that all councillors and the public had direct access to the Cabinet, which would welcome constructive challenge and be open and transparent. All members would have a role to play in the development of policy via the Chelmsford Policy Board and its working groups, and public accessibility and participation would be improved through plans to broadcast meetings and make greater use of social media. Making a forward plan of forthcoming decisions available to all members and publishing Cabinet agendas a week earlier than at present would give all councillors greater opportunity to comment on planned decisions.

The Leader proposed an amendment to the motion that reflected those objectives and provided for a Cabinet form of governance that advanced many of the ideals associated with a committee system. On being seconded by Councillor M Goldman and put to the vote the amendment was carried and, after debate, the substantive motion was approved.

RESOLVED that

"This Council will have a more open governance system where all councillors will input into formulating both key decisions and strategic policies of the City Council, and the Officers of the Council will take most of the day to day decisions about the running of the Council and the provision of service. Any other proposals for amending the governance system will be brought to the Governance Committee."

8.37pm to 8.57pm

15. **Notice of Motion – Climate and Ecological Emergency**

Pursuant to notice given in accordance with Council Rule 4.1.11, Councillor R J Moore moved, and Councillor S J Robinson seconded, a motion that the Council declare a Climate and Ecological Emergency and take a number of related actions.

In moving the motion, Councillor Moore referred to the growing recognition, after 30 years of warnings, of the threat to the planet of climate change and the need at least to commit to net-zero carbon emissions by 2030 if there was to be any chance of preventing catastrophic global warming and protecting the future for subsequent generations. She said that humanity had a duty of care to the environment and the Council had a duty to act on the declaration proposed in the notice of motion, in the interests of the people of Chelmsford. Councillor Moore quoted from a speech by Greta Thunberg to the World Economic Forum in Davos in 2019 in which she expressed her fear at the effect of climate change on the planet and urged leaders, governments and business to take action before it was too late.

Those who spoke on the motion said that individuals could help contribute to the 2030 target by, for example, taking their own measures to reduce energy consumption, avoid single use plastics, opt for electricity from sustainable sources and install solar panels. They could also put pressure on businesses to act more environmentally responsibly. There was an opportunity to make a difference: for adults to show children how to act in the interests of their future and for the Council to lead by example. Whilst it could take the steps detailed in the motion, the Council would be more effective if it worked with partners and the community towards a common goal, one that was being recognised by an increasing number of local authorities and organisations as essential to the survival of the planet.

In passing the motion unanimously, the Council accepted that there was a compelling argument for supporting its principles and the action it proposed.

RESOLVED that:

“Council notes:

That the impacts of climate breakdown are already causing critical damage around the world.

That the ‘Special Report on Global Warming of 1.5°C’, published by the Intergovernmental Panel on Climate Change in October 2018
(a) describes the enormous harm that a 2°C average rise in global temperatures is likely to cause compared with a 1.5°C rise, and
(b) confirms that limiting Global Warming to 1.5°C may still be possible with ambitious action from national and sub-national authorities, civil society and the private sector;

That all governmental bodies (national, regional and local) have a duty to act, and local governments that recognise this should not wait for national governments to change their policies;

That bold policies to cut emissions also have associated health, wellbeing and economic benefits;

That a growing number of UK local authorities have already passed ‘Climate Emergency’ motions.

Council therefore resolves to:

- Declare a 'Climate and Ecological Emergency' that requires urgent action to make the Council's activities net-zero carbon by 2030;
- Achieve 100% low carbon energy across the Council's full range of functions by 2030;
- Ensure that all strategic decisions, budgets and approaches to planning decisions are in line with a shift to net-zero carbon by 2030;
- Support and work with all other relevant agencies towards making the City of Chelmsford and surrounding area net-zero carbon within the same timescale;
- Ensure that Officers and political leadership teams within Chelmsford City Council embed this work in all areas and take responsibility for reducing, as rapidly as possible, the carbon emissions resulting from the Council's own activities;
- Ensure that any recommendations are fully costed and that the Executive and Overview & Scrutiny bodies regularly review Council activities, taking account of production and consumption emissions, and produce an action plan within 12 months together with budget actions and a measured baseline;
- Request that the Council's Overview & Scrutiny Committee considers the impact of Climate Change and the Environment when reviewing Council policies and strategies;
- Work with, influence and inspire partnerships across the city to help deliver this goal through all relevant strategies, plans and shared resources by developing a series of meetings, educational events for City Council staff and the wider community and partner workshops focusing on the Climate and Ecological Emergency;
- Request that the Council and its partners take steps to proactively include young people in the process, ensuring that they also have a voice in shaping the future;
- Establish a Chelmsford Climate Change Partnership within the remit of the Chelmsford Policy Board, involving councillors, residents, young people below voting age, academics and other relevant parties, to prioritise carbon reduction measures, identify related benefits to employment, health, agricultural and transport sectors and develop a strategy in line with the 'net-zero carbon by 2030' target;
- Establish a baseline for Chelmsford's ecological status and monitor progress year on year;
- Report on the level of Council investment in the fossil-fuel industry and review the City Council's investment strategy to give due consideration to Climate Change impacts in their investment portfolio;
- Ensure that all reports in preparation for the 2020/21 budget cycle and investment strategy note the actions the City Council will take to address this Emergency;
- Call on the UK Government to provide such new powers and resources as are necessary to make this possible, and to work within the LGA to encourage other councils to back this plan."

8.57pm to 9.17pm

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 16 on the grounds that it involves 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)).

16. **Proposed Sale of Property in the City Centre**

Public interest statement: The public interest in not disclosing the content of this report outweighs the public interest in disclosing it on the grounds that any publicity about the negotiation of and terms for the acquisition of land may affect the financial interests of the Council and, by extension, those of the residents of Chelmsford as well as the other parties involved in the acquisition and future development of the site. In particular, it would undermine the attainment of the best terms during the negotiations as other interested parties would be aware of the land owner's financial positions and intentions in advance.

The Council considered a report on the proposed sale of its freehold interest in a property and associated retail premises in the city centre. The Cabinet Member for Fairer Chelmsford described in detail the background to the sale and the reasons for recommending it.

RESOLVED that the Director of Financial Services be authorised to conclude negotiations and dispose of the freehold interest of the property referred to in the report to the meeting.

Councillors P Clark and R Hyland voted against the recommendation and Councillor C Finnecy abstained from voting.

9.17pm to 9.32pm

The meeting closed at 9.32pm

Mayor

FINANCE REPORTS FROM THE CABINET

1. On 15 October 2019 and 19 November 2019, the Cabinet considered the following attached reports on financial matters on the agenda for this meeting:

1.1 Agenda Item 7.1 – Medium Term Financial Strategy

The Cabinet resolved as follows:

RESOLVED that:

1. the Medium Term Financial Forecast and the principal issues and risks associated with it and the Strategy be noted; and
2. £150,000 be approved to pilot an approach to increasing digital innovation in service delivery, the funding to be held in a Service Transformation Reserve.

RECOMMENDED TO THE COUNCIL that the Medium Term Financial Strategy for 2020/21 to 2024/25 detailed in Appendix 1 to the report to the meeting be approved.

1.2 Agenda Item 7.2 – Treasury Management Mid-Year Review 2019/20

The Cabinet resolved as follows:

RECOMMENDED TO THE COUNCIL that it note the Treasury Management activity to date in 2019/20 and approve an increase in the maximum permitted level of external debt from £25m to £45m, that level to be reviewed annually.

1.3 Agenda Item 7.3 – Options for Local Council Tax Support Scheme 2020/21

The Cabinet resolved as follows:

RECOMMENDED TO THE COUNCIL that it adopt the current year's Local Council Tax Support Scheme as the scheme for 2020/21.

2. **RECOMMENDED TO THE COUNCIL**

That the recommendations of the Cabinet on Agenda Items 7.1 to 7.3 be approved.

CABINET
15 October 2019

AGENDA ITEM 7.1

Subject	MEDIUM-TERM FINANCIAL STRATEGY 2020/21 – 2024/25
Report by	CABINET MEMBER FOR FAIRER CHELMSFORD

Enquiries contact: Amanda Fahey, 01245 606401, amanda.fahey@chelmsford.gov.uk

Purpose

To present a Medium-Term Financial Strategy for the period 2020/21 – 2024/25, which provides the framework to deliver a stable and sustainable financial position to enable the Council to achieve its strategic objectives, and which will support preparation of the 2020/21 budget. The report also sets out a Medium-Term Financial forecast, which is produced for indicative planning purposes, as final decisions on the overall Budget and Council Tax level will be made by Council in February 2020.

Options

To agree the Strategy set out at Appendix 1
To make changes to the Strategy

Recommendations

That Cabinet:

1. recommend the Medium-Term Financial Strategy 2020/21 – 2024/25 to Council for approval (Appendix 1);
2. note the Medium-Term Financial Forecast and the principal issues and risks associated with the forecast and considered in preparing the Strategy; and
3. approve a sum of £150,000, to be held in a Service Transformation Reserve, to pilot an approach to driving forward digital innovation in service delivery.

Corporate Implications	
Legal:	The Council is required to set a balanced budget. The Medium-Term Financial Strategy sets out the framework for this to be achieved.
Financial:	A robust financial strategy is essential in the delivery of the Council's objectives over the medium-term, ensuring decisions are taken with due regard to their financial consequences. Medium-Term financial planning is a key element in determining the organisation's future resilience.
Personnel:	The financial strategy, and the development of detailed budget proposals, is supported by the Council's values and behaviour framework, which promotes a culture of responsibility and accountability, where individuals are encouraged and supported to try out new ideas.
Risk Management:	Due regard to the Council's Principal Risk Register should be had when considering its budget plans, financial forecasts and level of reserves. The production of, and adherence to, the Strategy mitigates the risk of financial failure. Challenges to the Council's financial position are reflected in the Principal Risk Register, while the financial impact of other risks are considered within the Principal Risk Register as appropriate.
Equalities and Diversity:	Equality Impact Assessments will be considered as part of the detailed budget setting process rather than at the strategic level, to enable comprehensive assessments to be undertaken where necessary.
Health and Safety:	None
IT:	None
Other:	None

Consultees	Cabinet Members, Chief Executive and Directors, Monitoring Officer
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Policies and Strategies

The report takes into account the following policies and strategies of the Council:

- Draft corporate plan – "Our Chelmsford - Our Plan"
- Capital and Investment Strategy
- Treasury Management Strategy

1. Introduction

- 1.1 The Medium-Term Financial Strategy (MTFS) complements the Council's corporate plan by providing a framework for financial decision-making. While "Our Chelmsford – Our Plan" sets out the Council's priorities and how it intends to meet the needs of its residents, customers, businesses and visitors, the financial strategy describes how the financial management process will contribute to delivering these priorities.
- 1.2 It is a fluid strategy, adapting to local and national conditions, which aims to take account of the risks to the Council's financial position and to mitigate against such risk, in order to protect the financial health of the Council.
- 1.3 The MTFS covers both Revenue and Capital activities.
- 1.4 As the Council moves into the next budget-setting cycle it is appropriate to review and update the strategy in response to internal and external factors such as changing corporate priorities, the prevailing economic conditions, government policy and funding expectations.

2. Strategy Review – key areas for consideration

Central Government Funding – the Spending Round 2019

- 2.1 In recent years, local government has weathered significant cuts in funding coupled with additional risk and responsibility. Both the Business Rates Retention Scheme and the Localised Council Tax Support Scheme introduced a level of funding risk to local authorities balanced by some increased flexibility around level of reliefs, discounts or exemptions awarded. Both schemes demonstrated a step-change away from a traditional direct grant award that provided funding certainty but with central decision-making. Over time, various grants have been subsumed into overall funding levels and are no longer visible as individual lines within the Settlement Funding Assessment (SFA), with Revenue Support Grant (RSG) disappearing altogether in 2019/20. The multi-year funding settlement ending in 2019/20 reduced funding for Chelmsford City Council even further in 2019/20 by introducing an increased tariff payable against its business rates baseline, in effect a "negative" revenue support grant. However, this was removed in the final settlement figures for 2019/20 and has not been reintroduced for 2020/21.
- 2.2 The government previously stated its intention to hold a Spending Review in 2019, covering the period 2020/21 to 2022/23, in order to provide some certainty over future funding and the ability to plan over the medium rather than short-term. However, it was subsequently announced that there would be a one-year Spending Round covering 2020/21 only, with a full Spending Review in 2020, reviewing public spending as a whole and setting multi-year budgets.
- 2.3 Headlines from the spending round announcement of 4th September indicated a real-terms increase of 4.3% in Core Spending Power (CSP) for local government, including an additional £1bn for Social Care, and an inflationary uplift (CPI) in business rates funding baselines. The government will also consult on a 2% Adult Social Care precept for 2020/21, while an additional £54m is to be made available to help reduce homelessness and rough sleeping. CSP includes New Homes Bonus and assumptions for growth both in Council Tax base and Council Tax rate but excludes certain specific grants (e.g. Public Health grant).
- 2.4 While Chelmsford will benefit from the CPI uplift in the funding baseline and legacy

payments of New Homes Bonus will be honoured, there still remains uncertainty regarding new bonus payments. In addition, a Council Tax referendum limit of 2% will be proposed for Shire Districts such as Chelmsford (down from 3% in previous years), although there is as yet no confirmation as to whether the additional flexibility also allowed in recent years, i.e. the higher of 2% or £5, will be retained for 2020/21.

Business Rates Retention and Fair Funding Review

- 2.5 Two major changes to the funding regime were initially planned for 2020/21: the move to a 75% Business Rates Retention Scheme and a review of the mechanism used to distribute local government funding according to local needs (Fair Funding Review).
- 2.6 Under the Business Rates Retention Scheme introduced in 2013/14, an estimate of the total business rates to be collected was split 50% to local government as a whole, and 50% to central government to redistribute to local government as various grants. Historic collection rates then determined a proportionate share for each Billing Authority, to be applied to the 50% local share to create a business rates baseline (which is then further sub-divided between District (80%), County (18%) and Fire (2%)). Baseline funding levels were also determined by applying the old formula grant process to the local share to determine the level of funding required by each authority according to its relative needs. A tariff is payable where the baseline for business rates is greater than the funding baseline. There is both a safety net in the system (whereby an authority cannot fall below 92.5% of its funding baseline) and an incentive in that it gets to retain a proportion of any growth above the business rates baseline.
- 2.7 It was proposed to move to a 75% scheme for 2020/21, instead of the 50% scheme, and working groups have been meeting to design the new scheme, which was intended to provide greater freedom to local authorities by increasing the local share and altering the amount of growth that could be retained. The system, however, remains complex, and the introduction of a revised scheme has now been put back to 2020/21. One of the biggest risks within the scheme is the point at which baselines are reset, which can affect the level of historic growth retained. The operation of the appeals system has also been a major hurdle in the scheme, having been devolved to local authorities as part of the retention scheme, bringing with it risk around estimation of the level of successful appeals and the timing of consequential refunds. The revised scheme will consider whether to hold the appeals process centrally and how often and to what extent resets take place. This remains both a funding risk and an opportunity moving forward, depending on the levers local authorities have, to influence business rates growth. The system may well deliver more flexibility but once again with a greater transfer of risk to the sector.
- 2.8 In 2019/20, the Council entered into a Business Rates Pool whereby a number of authorities can pool their business rates and take advantage of a reduced levy on growth, leading to additional income (and shared risk). The Council is able to enter into a Pool again for 2020/21.
- 2.9 The Fair Funding Review seeks to simplify the methodology for assessing the relative needs of local authorities, thereby affecting baseline funding levels. Again, this has now been deferred until 2021/22 with all the potential risk of redistribution to unfold in the future, once the methodology has been defined. A balance is required between creating a simpler system, which by its nature will less accurately reflect the differing needs of each authority, and a complex system which may be more accurate but will be less transparent. The unwinding of previous “damping” mechanisms, introduced to reduce the effect of large swings in relative funding, will also be complex to manage.

- 2.10 Although shrouded in uncertainty, the combination of these two major funding changes, i.e. the move to a 75% Retention scheme and the outcome of the Fair Funding Review, could have a significant effect on the resources available to the Council in future years. While it is likely that transitional measures will be implemented to prevent excessive changes occurring in a single year, it is essential that the Council puts itself in a strong financial position so that it has the ability to absorb the potential downside impact of these changes.

New Homes Bonus (NHB)

- 2.11 The purpose of the New Homes Bonus Scheme is to reward councils for housing growth in their area. Currently the Scheme provides for an 80/20 split between lower and upper tiers, of a national average Band D Council Tax, payable for 4 years, for each net additional unit of growth, including long-term empty properties brought back into use (as measured via the CTB1, a statutory return completed in October each year). There is also a small payment for each net additional unit of affordable housing delivered in the period. The scheme was previously more favourable with additional legacy payments (6 years). In 2017/18, a national growth threshold was introduced, below which no bonus is payable, which severely curtailed the financial rewards from this scheme. As referred to in paragraph 2.4, the Core Spending Power headlines include legacy payments only and there is no certainty over future payments from the Scheme – a simple change to the threshold (currently 0.4%) could have a large effect on Chelmsford's figures (previous year growth as measured by CTB1 was around 1%). NHB payments are un-ringfenced meaning that councils can choose how they spend the funding; however, it would not be prudent to rely on NHB to fund on-going revenue costs as this may be financially unsustainable. In 2019/20, the Council was able to balance its revenue budget without reliance on NHB, instead using it to support capital expenditure. It is recommended that NHB again be transferred to the Chelmsford Development Fund to support capital spending plans but with flexibility to draw down this funding to support revenue spending if revenue balances fall below appropriate tolerances.

Transformational Change

- 2.12 The Council has an excellent track record in responding to financial challenges such as the significant cuts in central government funding and service pressures resulting from economic and demographic factors, for example. These on-going pressures and funding uncertainties mean that transformational change is now required to deliver savings necessary to put the Council in a stable position for the future, increasing its resilience and its ability to adapt in a fast-moving environment.
- 2.13 The Council must deliver efficiencies over the medium-term alongside developing new (and maximising existing) income streams, while having due regard to affordability by its residents and customers.
- 2.14 Part of this journey will include embracing and developing new technology in order to improve the way that the Council interacts with its customers; working smarter to benefit from efficiencies; building on, and expanding, the digital infrastructure that supports service provision.
- 2.15 Now that the introduction of key infrastructure such as Office 365, Windows10 and Skype for Business has been completed, a zero-based budgeting exercise has been undertaken within Digital Services to map the resources required to provide the necessary support to services and further develop the Council's Customer Relationship Management (CRM) platform. This will become "Business as usual" and is reflected in the Medium-Term financial forecast.

- 2.16 In order to truly embed a culture of transformational change into the organisation however, it is imperative that this is driven by services themselves. In order to drive this cultural change, it is proposed to set up a Digital Portfolio Office (DPO) which will be responsible for the oversight and reporting of every digital initiative within the Council. All digital initiatives will be subject to an approval process, which will include clear identification of the costs and benefits of the proposal (benefits may be financial and/or non-financial e.g. improved customer experience). The DPO will be responsible for the governance of the digital transformation while the identification of business change to bring into the programme sits firmly with those who deliver the services. The Chief Executive will be the ultimate sponsor of the programme while the DPO will consist of Management Team and key officers from Digital Services to provide technical expertise.
- 2.17 The DPO will be supported by a SharePoint site which will provide a central hub and resource for all staff to engage with the programme. The site will include training materials, news articles and discussion threads and will be highly interactive. This is where services will go to log new ideas and will include the tracking and reporting of digital initiatives and the benefits realised.
- 2.18 The DPO will consider which projects to embark on, after consideration of a business case, including the resources required to deliver the project. Some resource may be supplied in-house but in order to maintain speed of delivery, these initiatives which will be over and above the business-as-usual of the Digital Services team will require additional, external support or temporary resource brought in for specific projects. A Service Transformation Fund will be set up for utilisation where the business case meets the relevant criteria within the approval process. Before fully launching the programme, it is proposed to run two pilot initiatives through the process to prove the concept and to initially transfer £150,000 to the Fund from working reserves to “pump prime” the programme and deliver the two test cases. Future transfers to this fund will not be shown in current forecasting until the pilot has been evaluated and an assessment of funding requirements for future years, and the availability of funds, has been assessed.

Regulatory Environment

- 2.19 Recent concerns over the potential for local government failure have increased the focus on the long-term financial resilience of local authorities. 2019/20 saw the introduction of a Capital Strategy to local authority reporting requirements. The Capital Strategy is intended to give an overview of how capital expenditure, capital financing and treasury management activities contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability. An updated Capital Strategy will be presented to Council in February 2020 alongside the budget proposals.
- 2.20 As the Council transitions from being “debt free” to becoming a borrowing authority, it will be key to manage the impact of capital financing on the revenue account. While the setting of prudential indicators, and financial reporting compliance, will establish a framework for monitoring the cost of capital, it will be important to understand the true payback of capital investment in the medium- to longer-term relative to its affordability.
- 2.21 Once the Council has agreed its new priorities (Our Chelmsford-Our Plan) the estimated costs and phasing of capital expenditure can be better defined and the options for financing, and its effect on the revenue account, can be determined. This will be progressed as part of the budget process and referenced in the final budget report in February, as well as through the Capital and Investment and the Treasury Management Strategies.

- 2.22 The Chartered Institute of Public Finance & Accountancy (CIPFA) is developing a Resilience Index which will allow authorities to view their position in respect of a range of indicators linked to financial risk. Alongside this, a new Financial Management Code will be launched in October, designed to support good practice in financial management by setting out a series of principles supported by specific standards and statements of practice.
- 2.23 CIPFA has also consulted on additional draft guidance for local authorities borrowing to fund property investments. The Treasury and MHCLG have been concerned about this practice, and the controls currently in place, and this has been well documented in the press. While councils must have due regard to risk in any investment decisions, the danger of further prescription in this area is the potential to place limitations on the income streams that local authorities can use to provide statutory services to residents.

Climate and Ecological Emergency Declaration

- 2.24 At its meeting on 16th July 2019, this Council declared a Climate and Ecological Emergency and set out a number of related actions to be taken forward, which will also be reflected in Our Chelmsford – Our Plan. Given the scale and scope of these actions, an officer task group has been established to co-ordinate activities and ensure that the stated outcomes are achieved, and this will feed into the budget preparation.

Level of Reserves

- 2.25 The Council needs to consider whether it is holding sufficient reserves to mitigate the financial risk it faces and to demonstrate its financial resilience to tax-payers, regulators and other stakeholders.
- 2.26 Due to depletion of its capital receipts, the Council is now in a position where it needs to borrow to fund its capital expenditure, either internally by drawing down cash reserves, or externally e.g. via the Public Works Loan Board or from other local authorities. This will be explored further in the Treasury Management Strategy to be considered by Cabinet in January and Council in February. The scale of borrowing is reduced by available reserves to fund capital expenditure such as the Asset Replacement Reserve and the Chelmsford Development Fund.
- 2.27 Various revenue reserves are held for specific purposes, such as funding the pension deficit, while other reserves (General Fund and Contingency) are held to provide a buffer for the revenue account, in order to withstand sudden shocks to the system which may arise through the underachievement of income, or unexpected rising costs or demand pressures, for example. These reserves are key in determining the financial health of the organisation and it is a matter of judgement as to their level. This should be based on a consideration of risk, rather than an arbitrary, fixed amount. However, given the scale of uncertainty around future funding levels and the increasing external scrutiny of medium- to longer-term sustainability within the sector, coupled with current reported spending pressures internally, it is essential that these reserves are replenished over time to provide an adequate safeguard.
- 2.28 Current projections indicate that, taken together, the balance on the General Fund and Contingency Reserve will fall to around £4.8m by the close of 2019/20 but is expected to improve to around £6.4m in the following year. Further assessment of reserves will be carried out during the budget process to ensure an acceptable level is held, commensurate with the level of risk.

3. Medium-Term Financial Forecast

- 3.1 Production of a detailed financial forecast is exceptionally difficult at this time, due in part to the level of uncertainty referred to in the previous section. Added to this is the unique timing of this report, coming as it does during the Council's transition from debt-free status to borrowing. As important, is understanding the Council's priorities and objectives, following the change in administration in May 2019, and incorporating these into the financial planning process. Therefore, the Capital and Revenue forecast and the estimated level of reserves are by necessity a high-level indicator of the direction of travel for the Council's finances over the medium-term, rather than a detailed forecast. The forecasts will be refined as detailed financial plans and central funding levels unfold.
- 3.2 In addition to the overarching risk of delivery of key objectives within the financial envelope provided, and the economic, funding and service pressures already identified, including the rising costs of homelessness, the forecast will also contain a number of specific, detailed risks, such as achievement of significant income streams (commercial property/leisure). Another such risk is that expenditure plans relating to services which have significant VAT exempt income streams, such as the future provision of a new crematorium, could threaten the Council's VAT partial exemption position. This is a dispensation provided to local government that allows it to materially recover all of its VAT – however, this is subject to certain thresholds which are increasingly likely to be breached in the future. Further work will need to be carried out to determine what, if any, mitigation strategies remain within the current system and the possible timing and cost of any such breach.
- 3.3 In two-tier areas (County/District) risk may also stem from the financial pressures faced by upper tier councils, such as in the delivery of adult social care services. This may lead to attempts to transfer risk, or costs, to lower tiers or alterations in funding splits to direct greater resource to upper tiers. The Council is exposed to future risk through the potential for amendment of the relative proportions of business rates income flowing to upper and lower tiers under the Fair Funding Review, as well as for New Homes Bonus, for example. It is also at risk of the unwinding of collaborative agreements set up in the past.
- 3.4 Based on known pressures highlighted as part of the outturn for 2018/19 or in the current year's financial monitoring, and including high level assumptions around Council Tax, inflation, interest rates and borrowing levels, the forecast at Appendix 2 shows a potential revenue funding gap of approximately £1.8m for 2020/21, before taking into account any budget growth proposals that may come forward during the budget process or the results of work being undertaken to identify savings and efficiencies. Proposals for closing the gap will be incorporated into the detailed budget proposals for submission to Cabinet and Council in January/February 2020.
- 3.5 The delivery of net budget savings will be monitored by Management Team and by Members through the budget process and via the on-going reporting of financial information. Whilst previously, formal financial monitoring has been undertaken by the Audit and Risk Committee, with the Financial Strategy and annual budget reports going through Council, it is proposed that additional formal monitoring be undertaken by Cabinet and that a mid-year review be taken to Overview and Scrutiny Committee as part of the Council's overall performance monitoring regime. This is expected to supplement the work of the Audit and Risk Committee and strengthen financial governance within the organisation.

- 3.6 The Capital spending forecast attached at Appendix 3 includes initial estimates of spending plans for the period, which will be refined during the budget process. The forecast shows a potential debt position of some £19m by the end of the forecast period and the resultant effect on the revenue budget is included in the revenue forecast.

4. Conclusions

- 4.1 The Council has a good track record of setting robust budgets and identifying any necessary savings and efficiencies, or generating additional income, required to balance its budget, as evidenced by the proposal of the Council's external auditors to issue an unqualified opinion on the Council's use of resources. This is based on the criterion that *"in all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people."*
- 4.2 Further work is required to refine the forecast and ensure a robust process is in place to achieve the necessary reduction in net expenditure, required to balance the budget.

List of Appendices

Appendix 1 – Medium-Term Financial Strategy
Appendix 2 – Medium-Term Financial Forecast – Revenue
Appendix 3 – Medium-Term Financial Forecast – Capital

Background Papers

NIL

MEDIUM-TERM FINANCIAL STRATEGY 2020/21 - 2024/25

The fundamental aims of the Council's Medium-Term Financial Strategy are to:

- 1) Maintain a sustainable financial position against a backdrop of continuing financial uncertainty and reduced government funding;
- 2) Support the Council's aims in the delivery of a safer, greener, fairer and better-connected Chelmsford through the appropriate allocation of available resources and to
- 3) Maximise opportunities to increase resources, or use resources more effectively, whilst taking appropriate action to mitigate financial risk.

The Strategy is supported by five key principles. These are set out below with supporting actions for each principle.

Revenue Expenditure – The Council recognises that it must optimise its limited resources and target them to where they are most needed, in order to provide value for money services in the face of increasing financial pressures.

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| 1. | The Council will set a balanced budget each year, reflecting its objectives, priorities and commitments. |
| 2. | The Council will deliver efficiencies, cost reductions and new income streams in order to meet budget gaps; the delivery of which will be closely monitored by Management and Members. |
| 3. | A Digital Portfolio Office will be set up to drive forward digital innovation in service delivery, realising both financial and non-financial benefits in the efficient delivery of services (subject to the results and learning outcomes from the pilot). |
| 4. | There is no presumption that un-ringfenced grants will be spent on the purposes for which they are nominally provided (appropriate business cases will be provided for spending against such grants). |
| 5. | Services will carry out regular reviews of their fees and charges, to ensure income is maximised while taking into account the demand for services, the prevailing economic and market conditions, the wider strategic aims of the Council and the affordability to its customers. |
| 6. | Where costs are recharged to other parties on a cost-recovery basis, services will ensure that all relevant costs are considered when setting the charge. |
| 7. | The Council will review its income streams, taking account of the proportionality of any one revenue stream and mitigating the risk of over-reliance upon any one income type e.g. commercial property income. |
| 8. | The Council will consider the diversity of its investments, in order to spread risk. |
| 9. | The Council will consider its risk appetite in relation to commercial activity as part of its response to budgetary pressures. |
| 10. | The Council will seek to reduce its reliance in its revenue budget on uncertain funding streams, as it has with New Homes Bonus. |

Capital Expenditure – 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). Capital spending plans, whether funded from internal resources or through borrowing, will be affordable, prudent and sustainable.

11.	The Council will develop a capital strategy that seeks to optimise return on existing assets, divest itself of low-performing assets and sets out parameters for investment in property to increase income to the Council.
12.	Performance indicators will be developed and monitored for investment property.
13.	The Council will set prudential indicators, including borrowing limits, for capital financing through its annual Treasury Management Strategy, and understand the costs of capital and the return on capital invested, ensuring any future borrowing is affordable, prudent and sustainable.
14.	The Council will explore opportunities for borrowing as the need arises through the Public Works Loan Board, Local Enterprise Partnership, other Local Authorities and the Municipal Bond Agency, for example.
15.	The Council will seek alternative forms of funding to use of its existing resources where possible, maximising the use of external resources such as s106 contributions from Developers, Community Infrastructure Levy, funding from the Local Enterprise Partnership, Government departments, lottery funding and private sector opportunities as appropriate and ensuring that any funding conditions do not place an unreasonable burden on the Council.
16.	The Council will review the estimated level of contributions to the Asset Replacement Reserve annually as part of the budget process; the actual level of contributions being dependent on the overall Revenue budget position. As the Council moves towards borrowing, and given the financial pressure on the revenue budget, the revenue contributions the Council makes to fund capital expenditure may be replaced by the cost of carrying debt.
17.	Capital receipts from the sale of assets will be used to meet future corporate priorities, rather than be retained for use by the service that has relinquished the asset.
18.	Resources allocated to a particular capital project but subsequently not required will be returned to meet future corporate priorities rather than be retained for use by that service.
19.	No new capital schemes will be included in the programme without the necessary resources to meet the full capital costs, and any on-going revenue costs, being in place.
20.	All new capital projects are subject to a bid process for inclusion in the Capital Programme, which require whole-life costing information to be supplied. Where projects are not yet fully worked up but require an indicative sum to be allocated in the Capital Programme, for the purposes of assessing future funding requirements and the costs of borrowing, then a full business case should be worked up before commencement of the project. New capital schemes brought forward during the year should also be supported by business cases and reported to Management Team, Cabinet or Council in line with the Council's financial regulations.
Reserves – the Council will maintain a reasonable level of usable reserves to enable it to weather the volatility of its funding position, support capital spending plans, mitigate known risks and support invest-to-save schemes and service transformation.	
21.	The Council will seek to increase the level of its general fund reserves (General Fund plus Contingency) and maintain this at an appropriate level commensurate with the level of financial risk it faces. As a minimum, the Council should work towards a level of approximately 5% of its gross expenditure (which would be around £7m when compared to the gross expenditure figure included in the last Council Tax resolution), whilst recognising that the level of balances will fluctuate over time as it adjusts to short-term pressures in the revenue budget.
22.	Reserves will not be used to meet on-going expenditure but may be used in the short-term in conjunction with plans to reduce net revenue costs over the medium-term.

23.	Regular review of all reserves will be carried out in order to maintain and replenish funds which will be used to mitigate substantial risks identified over the medium-term, support the provision of major projects, invest-to-save schemes, service reviews or digital innovation and to release those reserves no longer required due to changing circumstances.
Governance and Performance – the Council will monitor the delivery of its financial strategy and performance against the savings requirement, adjusting the plans to meet changing demands or emerging risk.	
24.	Key strategies such as the Medium-Term Financial Strategy, the Capital and Investment Strategy and Treasury Management Strategy, will be reviewed annually.
25.	Appropriate training will be provided to officers and staff to enable them to carry out their duties in respect of the delivery and scrutiny of financial plans.
26.	Performance against budget will be monitored externally via the Council's external auditor, and internally via a framework including the senior management team, the Audit and Risk Committee, Overview and Scrutiny Panel, Cabinet and Council, while key strategy reviews enabling the delivery of Council priorities, such as the Homelessness and Rough Sleeping Strategy, will be incorporated into the work programme of the Chelmsford Policy Board. Budget and performance monitoring will be supported by the implementation of the Council's new financial management system and a refreshed approach to Risk Management.
27.	The Council will undertake a self-assessment against CIPFA's new Financial Management Code and produce an action plan to meet any shortfalls.
28.	The Council will consider CIPFA's new Resilience Index when considering the appropriateness of its reserves.
29.	The Council will stay abreast of regulatory developments and the latest Government and sector-led guidance in the formulation of key financial policies and strategies.
30.	A performance management culture will be embedded within the organisation, including the production of business cases, strong project management and the measurement and delivery of benefits.
31.	The Council will ensure that its budgets, financial records and accounts are prepared in line with accounting standards, CIPFA Code of Practice on Local Government Accounting, the CIPFA Prudential Code and the Council's own Constitution and Financial regulations.
32.	Budget guidance will be reviewed annually by the Council's section 151 Officer.
Partnership Working – the Council will seek out opportunities to work with partners to maximise outcomes for the residents of Chelmsford and other stakeholders, explore access to funding and maximise the shared benefits of joint working.	
33.	<p>The Council will explore joint working opportunities or shared services where they add benefit to the Council or its residents, with partners including (but not limited to):</p> <ul style="list-style-type: none"> • Other local authorities • Registered Housing Providers • Police and Crime Commissioner • Fire and Rescue Authority • Local Enterprise Partnership • Voluntary and Community organisations • Private sector
34.	The Council will seek to optimise external funding opportunities to defray the cost of services and capital investment.
35.	The Council will review its processes for awarding grant funding and the monitoring of service level agreements with third parties.
36.	The Council will explore models for delivering projects in partnership with others, particularly in respect of large-scale infrastructure projects and the Council's aspiration to deliver increased numbers of affordable housing units.

37.	The Council will consider options to facilitate or enable partners and the community to deliver outcomes that are in keeping with the Council's aims, as an alternative to direct delivery.
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Medium Term Financial Forecast - Revenue						
Projected Budget Shortfall	2020/21 £000's	2021/22 £000's	2022/23 £000's	2023/24 £000's	2024/25 £000's	Comments
Year on Year Changes in Budget +Increased costs or less income/ -reduced cost or additional income						
Net Changes in use of Reserves						
Asset Replacement Reserve	150					Review of short term asset financing and re-profiling of borrowing needs to be completed
Digital Services	291					Additional cost of Digital Services no longer funded from Reserves
Changes from Central Government and Local Taxes						
Council Tax Increase 2%	-259					Assumed increase within referendum limit - awaiting clarity from government
Taxbase Growth	-155	-155	-155	-155	-155	Assumption of additional 800 properties per year
Government Settlement Funding Change	-65					This assumption is based on initial announcements in the Spending Round 2019 - further detail will be released in the Provisional Settlement
Business Rate Retention	217					Reduction in Income - further work to be completed on this estimate
Cost of Capital						
Minimum Revenue Provision	64	62	38	3	22	This is in addition to the £200k in the base budget - based on the latest capital resource note
Interest on Debt	222	53	32	3	19	Interest assumptions are based on the latest capital resource note, however could be significantly reduced if borrowing is internalised
Service Cost Variations						
Inflation - Pay	634	646	659	676	690	An annual 2% pay award is assumed
Inflation - Other	86	86	89	92	94	A 2% increase for utilities and NNDR (business rates) is assumed
Inflation - Income	-626	-304	-654	-340	-690	A 2% income increase except Car Parking which assumes a 5% increase every two years
Housing	300					Assumptions based on additional case load and cost per case
Housing Benefit Subsidy Loss	200					Assumptions based on additional case load and cost per case
Enterprise Resource Planner	52					Ongoing costs of the Finance Module
Commercial Property Rental Income	270					Reduction in rental yields
Hylands House	72					Rebasing of income budget for Events, Weddings and Venue Hire
Riverside Ice and Leisure Centre	-37					To be reviewed as the new Centre continues to operate
Retail property disposals	60					Rental income forgone due to sale of assets (estimated £600k capital receipt to be received)
Riverside/Membership VAT	50					
New Policy Post	40					New post to support research and policy development
City Growth	169			70	70	Street Care and Recycling & Waste Services - additional cost to support growth of City
Other	38					
Budget Shortfall	1773	388	9	349	50	
Cumulative Budget Shortfall	1773	2161	2170	2519	2569	

Capital Expenditure and Resource Projection 2019/20 to 2024/25

The Council's capital programme has since 2002 been funded from Capital receipts, revenue contributions, grants and contributions, without the need to borrow. The funding of the capital programme in the majority of cases comes from one-off funding but the Council's commitment to enhancing services and replacing equipment means that logically the Council's one-off resources will eventually be exhausted or will not be sufficient to fund the Council's capital programme. Below is a projection of capital expenditure and income for the period 2019-2025.

	£000s
Approved Capital Programme	29,796
Potential Aquisitions and works	13,450
Service Planned Replacement Programme	19,335
Minimum Expected Capital Bids	8,000
	<hr/>
	70,581
Resources	
Capital Resources currently held 01/04/19	-342
Expected Resources	
Other Receipts	-19,935
Revenue ARR & Leasing	-14,479
Sec 106,CIL& Grants	-16,783
	<hr/>
	-51,197
	<hr/>
	-51,539
	<hr/>
Balance of Resources Borrowing Requirement	19,042

The projection shows a £19m negative balance of resources available at the end of the period. This is the sum forecast that the Council will need to borrow. Broadly the risks to forecast both positive and negative are:

- Slippage to the programme e.g. replacement programme delayed or amended
- Capital Schemes phasing and cost.
- Annual capital bids are more than expected assumed at £2m each full year
- Resources do not arrive within the time frame expected
- New Homes Bonus is higher, reduced or scrapped
- Contribution from revenue reduced or scrapped

The current forecast shows that there is a deficit on the balance of resources available at the end of March 2025 of £19.042m.

The forecast is based on estimates of spending and receipts generated from sales of our assets and grants and contributions received.

In 2019/20 there is currently forecast a shortfall in our resources to fund the programme of some £12.4m. If this forecast negative position results in a situation where we need to borrow to finance the Capital programme, the debt charges based over an average 47-year loan would be £487k in 2021/22. This would rise to an estimated £718k borrowing cost in 2024/25 as the requirement to borrow increases each year to the £19.042m. If the assets we need to borrow against have a shorter life than the 47 years this will also increase the debt charges. The period and amount of borrowing would be dependent upon when acquisitions and sales take effect and delays of either could impact the position.

We have assumed an average annual cost for replacements as £2.6m. Currently £1.7m is paid into the reserve each year. At the end of 2024/25, with annual increases, the amount being set aside from revenue to fund the capital replacements is projected to be £2.5m each year. Any shortfall in this contribution could result in replacements having to be funded from capital receipts if available or through additional borrowing.

CABINET
19th November 2019

AGENDA ITEM 7.2

Subject	TREASURY MANAGEMENT MID-YEAR REVIEW 2019/20
Report by	Cabinet Member for Fairer Chelmsford

Enquiries contact: Phil Reeves, Accountancy Services Manager
(phil.reeves@chelmsford.gov.uk, 01245 606562)

Purpose

To inform members of the Treasury Management (TM) activities undertaken in the first part of 2019/20 and report on compliance with the approved TM Strategy and consider whether any changes to the Strategy are required ahead of the full, annual review later in the financial year .

Options

1. Accept the recommendations contained within the report
2. Recommend changes to the way by which the Council's investments are to be managed

Recommendation(s)

It is recommended that the Cabinet accepts the report as endorsed by the Treasury Management Sub-Committee of the Audit & Risk Committee and recommends to Council that:

1. The Council should note Treasury Management operations in the period.
2. To provide increased flexibility to fund the Council's capital expenditure plans, the maximum level of permitted external debt be increased by £25m to £45m. The Director of Finance will determine the appropriate mix of internal or external borrowings.

Corporate Implications	
Legal:	The CIPFA code which is backed by legislation requires that a report is made to Members formally on investment activity. This report fulfils that obligation.
Financial:	Treasury Management activities will have a significant impact on the Council's finances. The impact will arise from interest income and borrowing costs charged to the Council's revenue budget.
Personnel:	None
Risk Management:	This report identifies the mitigations to the risks of undertaking any treasury management activity and provides an opportunity to review compliance with the approved strategy
Equalities and Diversity: (For new or revised policies or procedures has an equalities impact assessment been carried out? Y/N)	None
Health and Safety:	None
IT:	None
Other:	None

Consultees	Audit & Risk Committee
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Policies and Strategies
Treasury Management Strategy 2019/20 Capital and investment Strategy 2019/20

1. Background

- 1.1 Under statute and the CIPFA Code of Practice on Treasury management ("the Code"), members are required to receive reports on the Council's Treasury management activities.
- 1.2 The Council is required to have overall responsibility for treasury management; this report updates members and provides an opportunity for the Council to consider treasury management activity at a time where the Council is not approving the budget. A Treasury Management Strategy is recommended by Cabinet to Council every year to establish a framework for officers to invest Council funds. The Strategy for 2019/20 was approved by the Council in February.
- 1.3 The Council has cash to invest arising from its revenue activities, capital balances and the collection of Council Tax. This cash can be usefully invested to produce a return to help support the Council's services. The activities around the management of this cash are known as Treasury Management.

- 1.4 Treasury Management is also the monitoring, planning and undertaking of borrowing. The Council may use borrowing to fund capital expenditure. There are effectively two types of borrowing;

- External, where the Council borrows cash from say a bank, local authority or the Government with agreed repayment and interest terms. The Council's revenue budget is annually charged with interest for the loan and a charge is also made for principal debt repayment (**Minimum Revenue Provision**). It is important to note that MRP may assume capital expenditure is repaid over say 50 years but in cash terms for example a 5-year loan may have been agreed so new financing would need to be arranged at the end of this loan.
- Internal, where cash say from Community Infrastructure Levy (CIL) has been received by the Council but is not yet spent so it is 'borrowed' to fund the cash payments on capital expenditure. The Council still has to charge its revenue budget MRP arising from the use of internally borrowed funds and will forgo the income it would have earned had the internally borrowed money been invested.

All borrowing is undertaken by the Director of Finance and the role of members is to provide appropriate limits for borrowing and undertake scrutiny of the borrowing.

- 1.5 It has been previously reported (Capital & Investment Strategy) that the Council was projecting a need to borrow internally to fund the capital programme in 2019/20. Currently the capital programme is being partially funded by internal borrowing. However, changes to timing and funding of the current capital programme plus potential new capital proposals suggest that the Capital programme may require additional borrowing (either internally or externally) above the level previously approved.

2. Treasury Management Activity during the period 1st April 2019 – 31st August 2019

- 2.1 This report complies with the CIPFA Code by identifying the Council's investments and external borrowings as at 31/08/2019 and compares treasury activity to approved strategy. Details of investments as at 31/08/2019 are in **Appendix 1** and below is a summary of activity to date compared to the approved strategy.

Liquidity Management and borrowing

- 2.2 The Council has continued to keep a large proportion of its portfolio available in instant access UK Money markets during 2019/20 in order to allow it to fund the Riverside development and other capital schemes.
- 2.3 The Council has not undertaken any external borrowing in the year to date.
- 2.4 The funding of the Capital programme requires borrowing but that has been internal borrowing, which reduces the amount the Council has to invest, rather than taking external loans.

Counterparty compliance

- 2.5 A breach of Counter Party Limits occurred on the 27th June 2019. This was first time Counter Party controls have failed and the matter was due to human error. An investment of £3m was placed with Lloyds bank on the 27th June, unfortunately there was an existing deposit with Bank of Scotland of £3m. As both banks are part of the same group this meant that the £6m invested was above the authorised group limit of £3m. This error was identified a few days later by existing controls.

- 2.6 The breach of limits continued until the 5th August 2019, given the nature of the investments, it would not have been realistically possible to return to the approved limits earlier.
- 2.7 The risk to Council funds was negligible given the high strength and regulatory scrutiny placed on the Lloyds group.
- 2.8 The breach was caused by a failure to follow the standard process in a period when staff sickness and delayed recruitment left the Finance team under pressure. Had the standard process been followed, the breach would not have occurred. The Finance team's guidance has been expanded to stress the importance of following the standard process.

External Fund Managers

- 2.9 The Council has remained invested in the CCLA Property Fund during 2019/20. The performance of the fund in the first quarter of 2019/20 produced an annualised income of 4.17% based on the current market value of £6.671m.
- 2.10 Unrealised capital growth since 01/05/2013 has been £1.696m based on the valuation as at 31/08/19. The value of the holding has declined by £51,000 since 31st March 2019. No changes to this investment are recommended at this time, however, this will be reviewed in 2020/21 Treasury Management Strategy
- 2.11 Members of the Treasury Sub-committee in June 2019 were consulted on the risks and benefits of increasing by £10m the amount of cash managed by external fund managers. It was agreed the benefits were sufficient to justify their use. The Director of Finance will undertake such investment at an appropriate time and in conjunction with consideration of the Council's overall capital funding position and its liquidity requirements.

Rate of Return

- 2.12 The Bank of England Base rate stands at 0.75%.
- 2.13 Due to the cash demands of the capital programme and the possible increase in use of external managers, officers continued to keep a high proportion of the Council's portfolio in Money Market Funds, with an average of £21m in 2019/20 to date. Since August officers have reduced the amounts in short term Money Market Funds to £12m, offset by an increase in Local Authority deposits with maturity dates in January 2020. As at 31st August 2019 the average rate on the Council's variable rate portfolio stands at 0.75% compared to 0.56% at the end of August 2018.
- 2.14 Fixed term investments which have matured and been reinvested have seen a corresponding increase in prevailing rates at the point of maturity and reinvestment. As at 31st August 2019 the average rate on the Council's fixed portfolio stands at 0.91% compared to 0.72% at the end of August 2018.

- 2.15 The Council had an average yield on its portfolio of 1.24% at 31st August 2019. This compares to 0.99% at 31st March 2019.
- 2.16 Average cash balances to 31st August 2019 were £57m (£84m 2018), this is higher than anticipated due to re-phasing of the capital programme and, alongside interest rate increases, contributes to the projected overperformance of the interest budget for 2019/20.

Bail in Risk

- 2.17 In 2019/20 the Council has continued to prioritise the minimisation of 'bail in'. This is the risk that regulators will step in and enforce losses on depositors in order to recapitalise a failing bank or building society, rather than rely on taxpayer bail outs.
- 2.18 Following advice from Arlingclose, the Council has a relatively narrow pool of banks and building societies with which it is willing to place funds. Once the Council has invested up to the counterparty limit with these banks any remaining funds are placed with UK Local Authorities, which are considered to offer better security.
- 2.19 The table below shows the Council exposure to Bail In Risk. A change has been made from previous practice and Money Market Funds are now shown as subject to Bail In Risk (as they mostly contain bank based investments). Due to this more cautious categorisation comparisons have not been made to previous years. The move away from Money Market Funds in September to increased Local Authority Investment will lower Council exposure over the coming months.

Exposure	As at 31st August 2019
Bail in risk	58%
Exempt from bail in (including CCLA)	42%
Total	100%

3. Challenges to the Strategy

- 3.1 A number of challenges to the Council's strategy have been encountered this year as a result of market conditions.

Low interest rate environment

- 3.2 The direction of travel for interest rates is not clear, there are many political issues which cloud the economic situation. The Council remains in a position where its returns on investment are significantly below the rate of inflation – resulting in the real value of its financial assets being eroded. Officers will continue to monitor interest rate expectations when making investments but do not expect to achieve above inflation rates return without the greater use of external fund managers.

Liquidity Management

- 3.3 The consideration of greater capital investment in external fund managers and likely increase in capital expenditure by the Council mean that investments are likely to continue to be kept relatively short in duration during the rest of 2019/20.

Borrowing

- 3.4 A commercially sensitive proposal is being made to Cabinet in October that may require the use of external borrowing if approved at a later Council meeting. Due to changes to the existing capital programme and proposals for potential new schemes it is recommended that the Treasury Management Strategy is amended so external loan limits are increased by £25m to £35m for 2019/20. This borrowing limit excludes a finance lease borrowing limit of £10m previously agreed, so the overall total limit would be £45m. The external borrowing would only be undertaken if an affordable business case and new capital budgets were to be approved by Full Council.
- 3.5 The Council operates two borrowing limits, the Authorised (maximum limit) which cannot be exceeded without Council agreement and an Operational boundary (which provides an expected level of external debt). The proposed new limits would be:

Authorised 2019/20 to 2021/22 £45m

Operational 2019/20 to 2021/22 £25m

- 3.6 The Director of Finance will determine the mix of internal and external borrowings following advice from the Council's Treasury Management advisors.

4. Conclusions and recommendations

- 4.1 One breach has occurred of Treasury management limits in 2019/20, it had no impact on the Council financial position but is being used as a lesson to reduce ongoing risk of error.
- 4.2 The average return on investments has increased above that of the previous year due to an increase in national interest rates. However, earnings from investments continue to be significantly lower than the rate of inflation.
- 4.3 Proposals for new capital schemes require greater borrowing flexibility and an increase of £25m in the (authorised and operational) external debt limit is recommended. This capacity may not be used but all borrowings would be undertaken by the Director of Finance.

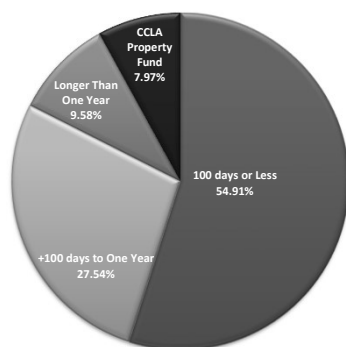
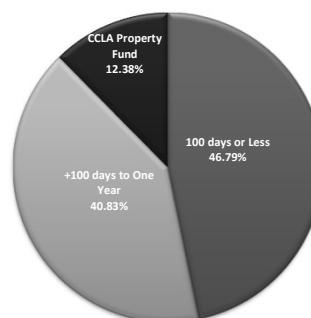
List of Appendices

Appendix 1 - Treasury Management mid-year activity report 2019/20

Background Papers

Nil.

Treasury Management Mid-Year Activity Report for 2019/20

Key Controls - Treasury Management**1) A minimum of 15% of all investments must be invested for periods of 100 days or Less****Investments at 31/08/18 By Length****Investments at 31/08/19 By Length**

Investments at:

	31/08/2018	
	£s	%
100 days or Less	45,866,000	54.91%
+100 days to One Year	23,000,000	27.54%
Longer Than One Year	8,000,000	9.58%
CCLA Property Fund	6,660,958	7.97%
	83,526,958	100.00%

	31/08/2019	
	£s	%
100 days or Less	25,210,600	46.79%
+100 days to One Year	22,000,000	40.83%
Longer Than One Year	0	0.00%
CCLA Property Fund	6,671,200	12.38%
	53,881,800	100.00%

Conclusion: No breach has occurred**2) Upper Limit for total sums invested in the money market for more than 364 days is £13m for 2019/20****Conclusion: No breach has occurred****3) Borrowing Undertaken 2019/20, excluding leasing finance**

Authorised Limit of Borrowing
Operational Boundary of Borrowing

Limit
£10m
£0m

Actual
Nil
Nil

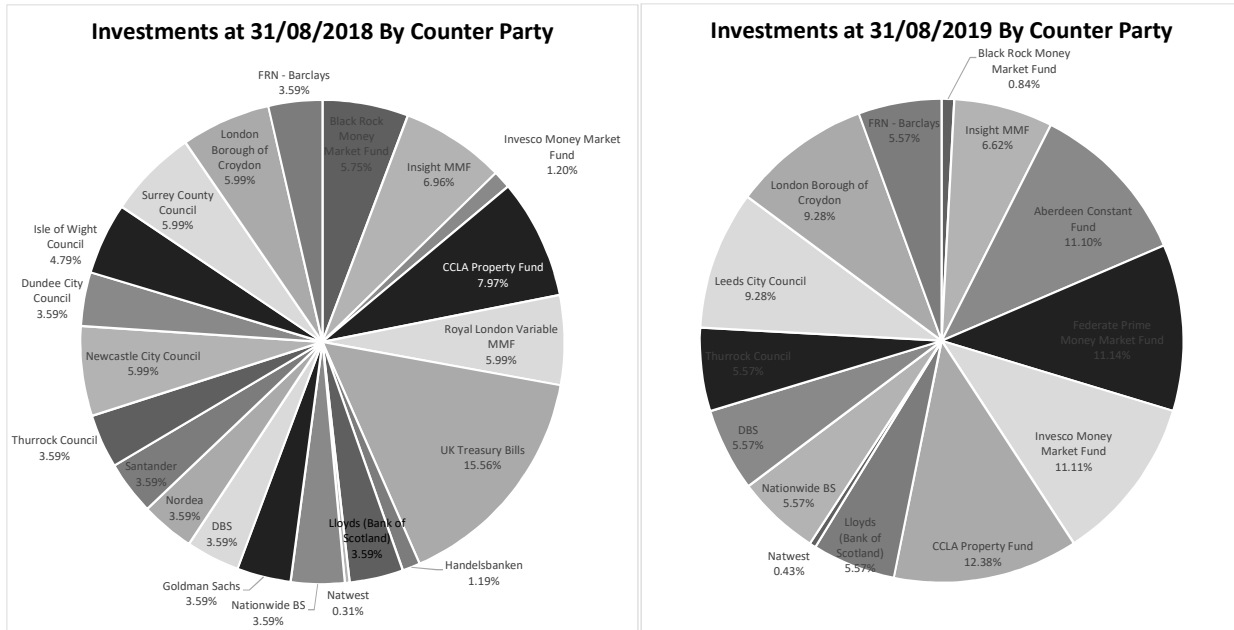
No borrowing has been undertaken

Conclusion: No breach has occurred in year to date**4) Lending to Individual Counter Parties 2019/20**

A breach occurred identified in report

Background Information

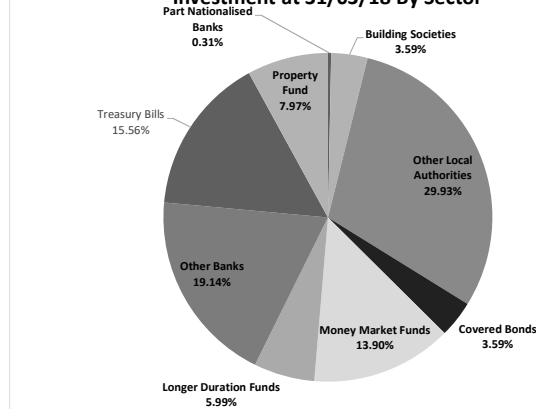
1) Deposits Made by Counter Party



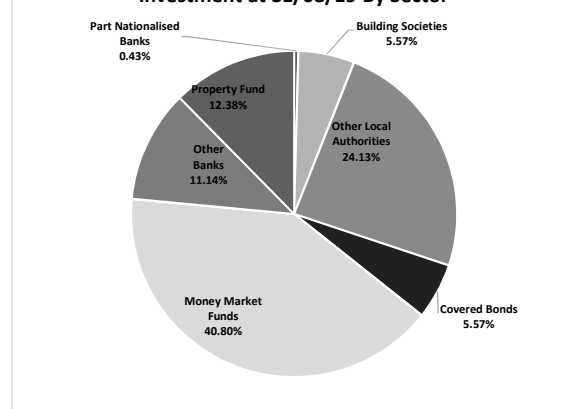
Counter Party	31/08/2018	31/08/2019	Limits for 2019/20
Money Market Funds & Long Term Funds	£s	£s	£s
Black Rock Money Market Fund	4,800,000	450,000	6,000,000
Insight MMF	5,812,000	3,566,000	6,000,000
Aberdeen Constant Fund		5,980,000	6,000,000
Federate Prime Money Market Fund		6,000,000	6,000,000
BNP Paribas Money Market Fund			6,000,000
Invesco Money Market Fund	1,002,000	5,985,600	6,000,000
CCLA Property Fund	6,660,958	6,671,200	8,000,000
Royal London Variable MMF	5,000,000		6,000,000
UK Treasury Bills	13,000,000		Unlimited
Handelsbanken	990,000		3,000,000
Lloyds (Bank of Scotland)	3,000,000	3,000,000	3,000,000
Natwest	262,000	229,000	3,000,000
Nationwide BS	3,000,000	3,000,000	3,000,000
Goldman Sachs	3,000,000		3,000,000
DBS	3,000,000	3,000,000	3,000,000
Nordea	3,000,000		3,000,000
Santander	3,000,000		3,000,000
Local Authorities			
London Borough of Enfield	0		20,000,000
Thurrock Council	3,000,000	3,000,000	20,000,000
Leeds City Council	0	5,000,000	20,000,000
London Borough of Croydon	0	5,000,000	20,000,000
Newcastle City Council	5,000,000		20,000,000
Dundee City Council	3,000,000		20,000,000
Isle of Wight Council	4,000,000		20,000,000
Surrey County Council	5,000,000		20,000,000
London Borough of Croydon	5,000,000		20,000,000
Covered -Fixed and Floating Bonds			
FRN - Barclays	3,000,000	3,000,000	6,000,000
	83,526,958	53,881,800	

2) Investment by Financial Sector

Investment at 31/03/18 By Sector



Investment at 31/08/19 By Sector



31/08/2018

	£s	
Part Nationalised Banks	262,000	0.31%
Building Societies	3,000,000	3.59%
Other Local Authorities	25,000,000	29.93%
Covered Bonds	3,000,000	3.59%
Money Market Funds	11,614,000	13.90%
Longer Duration Funds	5,000,000	5.99%
Other Banks	15,990,000	19.14%
Treasury Bills	13,000,000	15.56%
Property Fund	6,660,958	7.97%
	<u>83,526,958</u>	<u>100.00%</u>

31/08/2019

	£s	
Part Nationalised Banks	229,000	0.43%
Building Societies	3,000,000	5.57%
Other Local Authorities	13,000,000	24.13%
Covered Bonds	3,000,000	5.57%
Money Market Funds	21,981,600	40.80%
	0	0.00%
Other Banks	6,000,000	11.14%
	0	0.00%
Property Fund	6,671,200	12.38%
	<u>53,881,800</u>	<u>100.00%</u>

3) Rate of Return

Comparison of Historic and Annualised Returns to date 2018/19

	<u>01/04/2018 to</u> <u>31/03/2019</u>	<u>01/04/2019 to</u> <u>31/08/2019</u>
Yield CCLA fund	4.40%	4.17%
Running Yield (non-property)	0.62%	0.83%
Running Yield (all)	0.99%	1.25%
3 Month Libid Benchmark	0.71%	0.77%

Comparison of Budgeted Return, Historic Returns and Performance to 31st August

	<u>Budget 2019/20</u>	<u>Projection to</u> <u>year end as at</u> <u>31/08/2019</u>	<u>Notes</u>
Average balance	£53,770,000	£56,481,000	
Gross Budget Projection 2018/19	£542,000	£674,000	
Return %	1.01%	1.19%	

Notes

Higher cash balances than expected in the first half of the year and an increase in interest rates have lead to a higher total interest outturn for 2019/20

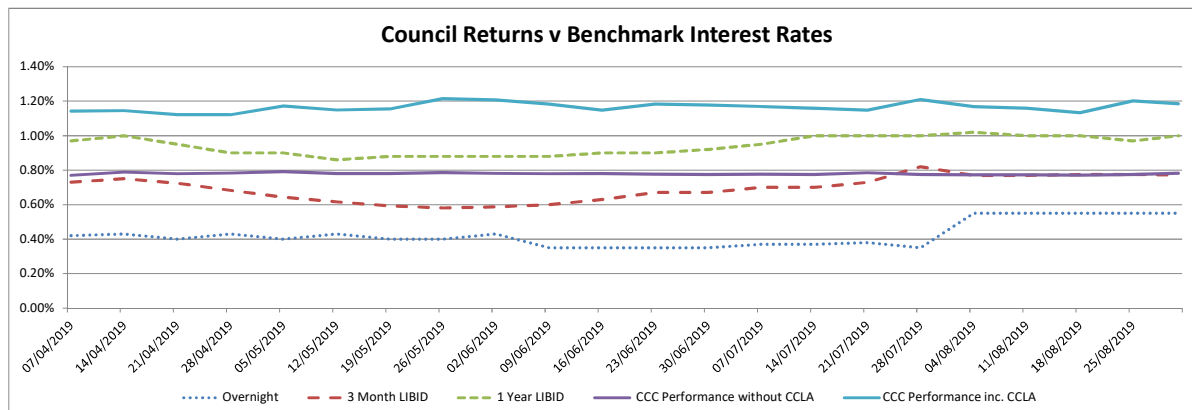
CCLA Fund update (provisional)

Activity

The Council invested on 1/05/2013 in the CCLA property fund. The increase in capital value is not realised until the Council sells units.

The Council has an unrealised gain of :

Council has no. of units	2,226,405
Acquisition price per unit	£2.23460
Current selling price per unit	£2.99640
Total Unrealised Gain	£1,671,075
Value at 31/08/2019	£6,671,200



4) Full List of Investments at 31st August 2019

Counter Party	Start	Maturity	Amount £s	Interest Rate
Instant Access Funds				
*Aberdeen Constant fund			5,980,000	0.73%
*Black Rock			450,000	0.70%
*Federated Investors (UK)			6,000,000	0.77%
*Insight Investment			3,566,000	0.74%
*Invesco			5,985,600	0.76%
NatWest			229,000	0.25%
* Money Market Funds				
Total Variable Temporary Loans			22,210,600	0.75%
Funds Available with Notice				
Nil			0	0.00%
			0	0.00%
Fixed Investments 100 days & under				
Development Bank of Singapore	08-May-19	08-Nov-19	3,000,000	0.94%
Total			3,000,000	0.94%
100 days & under total			25,210,600	0.77%
Total Fixed Investments +100 days to 1 year				
London Borough of Croydon	30-Apr-18	30-Apr-20	5,000,000	1.20%
Leeds City Council	02-Aug-19	31-Jan-20	5,000,000	0.73%
Lloyds	27-Jun-19	27-Dec-19	3,000,000	1.00%
Barclays AAA FRN	20-Jul-17	22-May-20	3,000,000	0.86%
Nationwide	08-Aug-19	10-Feb-20	3,000,000	0.78%
Thurrock Borough Council	30-Aug-19	31-Jan-20	3,000,000	0.77%
Total			22,000,000	0.90%
Fixed Investments over 1 year				
Nil			0	0.00%
			0	0.00%
CCLA Property Fund			6,671,200	4.17%
TOTAL INVESTMENTS			53,881,800	1.25%

CABINET
19 November 2019

AGENDA ITEM 7.3

Subject	OPTIONS FOR LOCAL COUNCIL TAX SUPPORT (LCTS) SCHEME 2020/21
Report by	CABINET MEMBER FOR FAIRER CHELMSFORD

Enquiries contact: Rob Hawes, 01245 606695, robert.hawes@chelmsford.gov.uk

Purpose

To agree a Local Council Tax Support (LCTS) scheme for 2019/20 to put forward for Full Council approval before 11 March 2019.

Options

1. To adopt 2019/20's existing LCTS scheme as the scheme for 2020/21 with no changes
- OR
2. To make changes to the existing 2019/20 LCTS scheme

Recommendation

That Cabinet recommends to Full Council a LCTS scheme for approval before 11 March 2020. The recommendation is that the 2019/20 scheme is adopted unchanged.

Corporate Implications

Legal:	A local scheme must be agreed by Full Council before 11 March 2020. 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. This paper cannot be deferred to a later meeting as a delay would mean that there would be insufficient time to consult on any changes and report on the results of that consultation.
Financial:	Until the local government settlement in December we will not know whether the overall amount of Government grant given to all preceptors will change for better or worse in 2020/21. This makes it impossible to estimate the ongoing cost of the LCTS scheme. 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 1% since LCTS was introduced in April 2013. 1% equates to a shortfall of £1.19m on an estimated Council Tax debit of £119m in 2019/20, although strong performance on arrears collection in subsequent years has offset this reduction.
Personnel:	The nature of any staffing issues will depend on the scheme ultimately chosen. A scheme requiring LCTS recipients to pay more than at present will place additional pressure on Customer Services and Recovery staff.
Risk Management:	None.
Equalities and Diversity: (For new or revised policies or procedures has an equalities impact assessment been carried out?)	No changes are recommended to the current scheme. The Equality Impact Assessment will be revised if changes are made.
Health and Safety:	None
IT:	The existing Benefits software is capable of maintaining the current scheme. Any radical proposed changes will need to be evaluated as to whether the software can deliver them.
Other:	

Consultees	Director of Financial Services, Director of Corporate Services, Legal and Democratic Services Manager, Pan Essex Council Tax Support Scheme Project Group
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Policies and Strategies

The report takes into account the following policies and strategies of the Council:

Benefits Operational and Internal Security Policy
Benefits Customer Service Policy

1. Background

- 1.1 Following the abolition of the national Council Tax Benefit scheme, the Local Government Finance Act 2012 laid down regulations which set out the process by which local authorities must approve a Local Council Tax Support (LCTS) scheme with effect from 2013/14. The LCTS scheme assists people on a low income to pay their Council Tax by reducing the amount that they have to pay. The regulations included protection for pensioners via the 'Prescribed Regulations' which retain the old Council Tax Benefit scheme in all but name and mean that pensioners can receive LCTS equivalent to a maximum of 100% of their Council Tax liability. Councils are allowed to make changes in the way that support is calculated for working age claimants. Importantly, the amount of Government grant available to preceptors to meet the cost of any support has reduced year on year since 2013/14.

- 1.2 Chelmsford decided that its 2013/14 LCTS scheme should reduce support to the working age to match the grant available from the Government. It did this by reducing the amount of support available to those of working age to a maximum of 80% of their Council Tax liability. This means that all working age recipients, regardless of their income, had to pay a minimum of 20% of their Council Tax liability. For 2014/15, this minimum payment was raised to 23% of the Council Tax liability. Subsequent reductions in Central Government grants mean that LCTS expenditure in 2020/21 will exceed grant contributions to all preceptors, which means that Chelmsford taxpayers are contributing to the cost of the scheme. The amount of that contribution cannot be calculated exactly as the direct link between Central Government grant for LCTS and cost of the scheme was broken in 2014/15 when the grant was incorporated into the overall Settlement Funding Assessment.

2. Introduction

- 2.1 In February 2019, the Full Council approved Chelmsford's Local Council Tax Support (LCTS) scheme for 2019/20.

- 2.2 The key principles of the 2019/20 LCTS scheme for the working age are summarised below.

- All working age recipients pay a minimum of 23% of their Council Tax liability. Pensioners can receive a maximum of 100% of their Council Tax liability.
- Council Tax liability, for the purposes of calculating entitlement, is restricted to the level for a Band D property. A working age person in a Band H property will have their LCTS calculated using the Band D liability as a maximum. A pensioner household receives LCTS based on their actual liability regardless of Band.
- LCTS is not available to working age people with more than £6,000 in savings. Pensioners can have up to £16,000 in savings before entitlement is removed.
- Other non-dependant adults in the household are required to contribute more, which reduces the LCTS payable to the person claiming. This provision exists for pensioner households, although the deductions are lower and are specified by 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 pensioner households.
- 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 minimum wage. This applies after the first year of self-employment.

- 2.3 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 to a set of allowances. These allowances vary depending on the personal circumstances of the household i.e. the number of children, any disabilities etc. Households with an income below the relevant allowances receive the maximum allowable LCTS ie 77% of Council Tax liability (capped at Band D rates). Households with an income above the relevant allowances have support withdrawn at a rate of 20p for every pound by which income exceeds allowances. The rules for pensioner households are set by Government. Local councils have the power to decide how much help is given to working age households.

- 2.4 Chelmsford's 2019/20 scheme made no change to the main feature of previous schemes in that all working age claimants are required to pay a minimum of 23% of their Council Tax liability, regardless of their income. Despite anticipated increases in 2020/21's Council Tax, expenditure on the LCTS scheme is expected to remain at the same level as in 2019/20; approximately £6.5m.
- 2.5 The Council is required to agree and approve a LCTS scheme for 2020/21. It is proposed that the 2019/20 scheme is retained without amendment. There may be amendments required for the pensioner households after any Council decision as a result of changes to the Prescribed Regulations. The 2020/21 LCTS scheme will be amended as required by law once any relevant Statutory Instrument is published. There is no requirement for Cabinet or Full Council to approve statutory changes.

3. Scheme Finances

- 3.1 The Government pays an amount of grant to Chelmsford City Council, Essex County Council and the Police and Fire authorities to assist with the cost of the LCTS scheme. It is the billing authority, this Council, which is responsible for assessing the amount of LCTS payable and reconciling this through the collection fund.
- 3.2 Since 2013/14, the Government has indicated that the amount of LCTS grant paid to authorities each year has remained constant. However, this grant was incorporated into the Settlement Funding Assessment (SFA) in 2014/15 and the overall amount of SFA has reduced each year. It is practical therefore to view the amount available to subsidise LCTS expenditure as also having reduced each year.
- 3.3 Billing authorities, such as Chelmsford, have to decide how much help is given to working age households to pay their Council Tax. They can decide to reduce the amount of LCTS to match the grant paid; not change the LCTS scheme at all; or, increase the support available. If support is reduced, it may mean that the amount of Council Tax collected falls if individuals are unable to meet their increased liability. However, if the scheme expenditure remains the same or increases, Chelmsford and the precepting authorities will bear the shortfall between the grant that the Government pays out and the cost of the LCTS scheme. Each body bears the cost of the shortfall in proportion to its share of the Council Tax collected.
- 3.4 Since the direct link between the cost of the LCTS scheme and the grant provided was broken in 2014/15, it is not possible to accurately estimate the shortfall between LCTS expenditure and government grant. As at October 2019, the amount of LCTS paid to working age households totalled £3.32m, with a further £3.18m being paid to pensioner households. £2.2m pa of the working age LCTS expenditure is being paid to households receiving minimum levels of income. As the only cost-effective method of recovery available in such cases is a £3.70pw deduction from benefits and average Band D Council Tax liability is £29pw, there is a strong likelihood that any 'saving' on scheme expenditure would be matched by a comparable fall in collection rates.

4. Equality Issues

- 4.1 When deciding upon a scheme, the Council is required to have due regard to its Public Sector Equality duties. The Public Sector Equality Duties (PSED) are to be found in section 149 of the Equality Act 2010, which requires public authorities to give due regard to the need to:
- 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; and,
- 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.

4.2 An Equality Impact Assessment (EIA) for 2020/21's Local Council Tax Support scheme is attached for reference at Appendix 1. As no changes are proposed to 200/21's LCTS scheme, the Equality Impact Assessment for 2019/20's scheme has been reproduced. This would need to be re-visited if further changes to the current scheme are proposed. Any scheme which reduces the amount of money paid out to recipients is going to impact upon them in a negative fashion. The EIA shows where these impacts are and describes which actions are possible to mitigate the negative effects. It is important that decisions relating to our local Council Tax Support 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.

5. Council Options

5.1 **Option 1 – Do nothing and adopt 2019/20's LCTS scheme with no changes**

This would involve not passing on any cut in Settlement Funding Assessment on to LCTS recipients and therefore the 2020/21 LCTS scheme cost would remain approximately the same as the 2019/20 scheme. There are some variables affecting this. The considerations are-

- i. any increase in the level of Council Tax will potentially increase expenditure on LCTS because the initial liability for Council Tax will be higher. For example, an increase of 3% in the overall rate of Council Tax would increase LCTS scheme expenditure by c£195k per year. However, reductions in LCTS caseload since 2015/16 have negated the inflationary effect of 2018/19's increase in Council Tax and annual expenditure has remained largely static.
- ii. If this option is chosen, the difference between Government grants and the cost of the LCTS scheme will have to be covered by the preceptors. As the local government settlement does not take place until December 2019, it has not been possible to estimate the potential cost of the scheme in 2020/21. An increase in the grant will reduce the cost of the scheme, a decrease will increase it. Any increases in overall scheme expenditure as a result of caseload increases would increase the cost to Chelmsford by approximately 13p for every pound increase.

5.2 **Option 2 – Amend the LCTS scheme to increase or reduce expenditure**

The Council has the power to amend working age scheme rules to increase or decrease amounts payable to all working age recipients or to target help to individual groups. It could also decide to introduce alterations to scheme design to reduce administration or move away from the current means-tested scheme to a banded scheme, whereby any changes in income do not affect entitlement unless a specified threshold is crossed.

Recent announcements by the Department for Work and Pensions (DWP) suggest that the migration to Universal Credit for the working age is proceeding far more slowly than planned. The DWP has also confirmed that pensioners will not be moved to Universal Credit at all. This means that the Council is likely to retain the majority of its joint housing benefit and LCTS caseload for some years to come. At present, the calculation of housing benefit and LCTS is closely linked and, in non-Universal Credit cases, can be carried out at the same time, which retains administrative efficiency. Implementing widely differing scheme principles would require staff to administer two different approaches for housing benefit and LCTS in respect of the working age. Pensioner households would have to remain on existing LCTS rules, thereby adding a further complication.

Changes to the LCTS scheme to increase or reduce working age expenditure would require extensive modelling and consultation to be carried out before the February 2020 Council meeting, which is the latest date that the 2020/21 LCTS scheme can be agreed. It is for this reason that this paper should not be deferred.

6. Conclusion

- 6.1 Cabinet is required to choose an option for discussion and approval at a meeting of Full Council.

List of appendices

Appendix 1 – 2020/21 LCTS scheme Equality Impact Assessment

Appendix 2 – Existing 2019/20 LCTS scheme rules (published on Council website)

Background papers

Nil

Chelmsford City Council Equality Analysis

This form enables an assessment of the impact a policy, strategy or activity on customers and employees.

A: Assessor Details	
Name of policy / function(s):	Local Council Tax Support Scheme 2020/21
Officer(s) completing this assessment:	Robert Hawes
Date of assessment:	15/1/19 – as no changes are proposed to the Local Council Tax Support Scheme in 2020/21, the Equality Impact Assessment produced for the 2019/20 scheme has been reproduced below.

B: Summary Details	
Description of policy, strategy or activity and what it is aiming to do	<p>This policy is required to continue the Local Council Tax Support scheme first introduced in April 2013. The Local Council Tax Support Scheme must be approved by Full Council every year, regardless of whether the scheme is to change or not. The 2019/20 Council Tax Support Scheme proposes to make minor technical changes to the existing scheme which will benefit disabled self-employed people and recipients of certain disability and terrorism-related capital payments.</p> <p>The policy aims:</p> <ul style="list-style-type: none"> To achieve a fair and equitable scheme which helps financially vulnerable people to pay their Council Tax To maintain support for vulnerable people within constraints imposed by Government policy and funding, without detrimental effects on services to council tax payers or residents as a whole and while maintaining overall Council Tax collection rates at a high level. <p>It affects:</p> <ul style="list-style-type: none"> Those liable to pay Council Tax within the borough Adults on a low income with low savings

Chelmsford City Council Equality Analysis

	Any public authority able to levy a charge as part of Council Tax <input type="checkbox"/> new OR <input checked="" type="checkbox"/> existing (<i>If existing, when was the last assessment?</i> 1/11/16) <input type="checkbox"/> internal OR <input checked="" type="checkbox"/> external (i.e. public-facing) <input type="checkbox"/> statutory OR <input checked="" type="checkbox"/> non-statutory (the part of the policy affecting pensioners is statutory, the part affecting working age people has a statutory basis but is amended at a local level)
Policy Owner (service)	Financial Services
Scope: Internal - Service/Directorate/Council wide External – specify community groups	External, affects anybody of working age making a claim for assistance with their Council Tax on the ground of having insufficient income or capital to meet their full liability

C: 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.

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?		People under 25	People of pension age	It has been a long-standing principle of the welfare benefit legislation that people under the age of 25 receive less assistance than people aged 25 and over. The Council Tax Support Scheme has retained this principle.	None.

Chelmsford City Council Equality Analysis

Disability Consider all disabilities such as hearing loss, dyslexia etc as well as access issues for wheelchair users where appropriate	Yes			Rule changes for 2019/20 are beneficial to some disabled self-employed people or recipients of payments from infected blood product or funds set up to assist victims of terrorist incidents	Self-employed disabled people in receipt of Universal Credit declaring very low income will be treated as receiving half the amount attributed to non-disabled self-employed people in the same situation. This may increase their entitlement. Rules have been clarified to ensure that people receiving payments from various infected blood product schemes will continue to have those payments disregarded. Rules have been added to disregard payments made to people as a result of the Westminster Bridge and Manchester terrorist attacks.
Pregnancy and maternity Pregnant women and new and breastfeeding Mums	Yes			Households with children	Chelmsford's local Council Tax Support scheme has not implemented Central Government rules regarding restricting the entitlements for households with more than two children.
Marriage or Civil Partnership Could this policy discriminate on the grounds of marriage or civil			No impact		

Chelmsford City Council Equality Analysis

partnership					
Sex Is the service used by more than one gender 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		
Religion or belief Includes not having religion or belief			No impact		
Sexual Orientation What is the impact on heterosexual, lesbian, gay or bisexual people?			No impact		
Race Includes ethnic or national origins		People with restrictions on their ability to reside in the UK and claim social security benefits		Entitlement to social security benefits of 'persons from abroad' are restricted by legislation.	No action can be taken locally, these rules are set by Central Government
Are there any other groups who could find it difficult to access or make use of the policy / function? For example: low income /			No impact		Entitlement is based on income and personal circumstances. Applications can be made online, in post or in person. Assistance is available to help complete

Chelmsford City Council Equality Analysis

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.					applications. Language line is available.
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Chelmsford City Council Equality Analysis

D: Information used to analyse the effects on equality:

Please itemise available evidence, stating which protected groups are covered and when this evidence was gathered. You may attach copies or links to the data / research you are using.

1.	<p><u>Consultation/engagement</u> What consultation or engagement has been undertaken regarding this policy? <i>[If yes, please summarise what, when, who was involved and key findings]</i></p>	<p>Each time the policy is altered, a six week public consultation is carried out seeking views. The consultation is publicised on the Council's website and on social media. Key findings over the years are that there is general agreement with the principle of making all Council Tax payers pay something towards their liability. There is also agreement that the Council should have regard to Council Tax payers who do not need assistance, by not creating a support scheme which requires the Council to reduce services to the public in order to pay for the scheme.</p>
2.	<p><u>Data/Information</u> What relevant data or information is currently available about the customers and employees who may use this service or could be affected by this policy? <i>[For example: equality monitoring, surveys, demographic data, research, evidence about demand/ take-up/satisfaction etc].</i></p> <p>What additional information could be collected which would increase your understanding about the potential impact of the policy? <i>What involvement or consultation with affected groups is still needed?</i></p>	<p>The arrears position on Council Tax accounts is the best indicator of people who may benefit from this policy. Council Tax payers who miss instalments or contact us with payment difficulties are always made aware of the existence of potential financial support available through the scheme.</p> <p>After 5 years of policy operation, it is clear that it is not generous enough to assist everybody, but that lack must be balanced against the Council's financial ability to provide further assistance and still provide services to the wider public.</p>
3.	<p><i>For existing policies only:</i> What has changed since the last assessment? <i>[For example: evidence of public concern or complaints / new information has come to light / changes in service provision /</i></p>	<p>The major change is an assessment of the impact of imposing the 'minimum income floor' equally on self-employed people regardless of their ability to work. The minimum income floor is a rule whereby a self-employed person is deemed to have income at least equivalent to working 37 hours at the National Minimum Wage. It has become clear that an easement should be applied in respect of disabled people to acknowledge that it may not be reasonable to expect them to increase their working hours to a full-time level. The minimum income floor</p>

Chelmsford City Council Equality Analysis

	<i>changes in service users etc]</i>	has been reduced to the equivalent of working 16 hours at National Minimum Wage in these cases.
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E: Relevance to the Equality Duty Aims:

Consider how the policy relates to the aims below (directly or indirectly), and if it could be adjusted to further meet these equality aims.

1.	To eliminate unlawful discrimination, harassment and victimisation	<i>The policy has no engagement with these aims. It is aimed at assisting people to pay their Council Tax.</i>
2.	To advance equality of opportunity between people who share a protected characteristic and those who do not <i>[This means removing or minimising disadvantages, taking steps to meet needs of different people and encouraging participation. It can involve treating people better than others, e.g. disabled people].</i>	<i>The policy has retained a core social security principle of means-testing to offer extra assistance to people with children and disabilities. All other things being equal, a disabled person will receive more benefit than a non-disabled person with the same income. Disability benefits are ignored for the purposes of calculating entitlement, which leaves more residual income available to a disabled person than a non-disabled person. All other things being equal, a household with children will receive more benefit than a household with no children. As mothers are generally responsible for the care of children after a relationship breakdown, this benefits gender equality.</i>
3.	To foster good relations between those who share a protected characteristic and those who do not. If so, how? <i>[This means promoting understanding between different groups and tackling prejudice].</i>	<i>The policy has no engagement with this aim. Applications are made on an individual basis and there is no public comparison between the outcomes for people with protected characteristics and those without.</i>

Chelmsford City Council Equality Analysis

F: Conclusion	
Decision:	Explanation:
<input type="checkbox"/> Continue the policy with no changes <i>[For example: evidence suggests no potential for discrimination / all opportunities have been taken to advance equality.]</i>	
<input checked="" type="checkbox"/> Continue the policy with adjustments <i>[For example: Low risk of negative impact / actions or adjustments would further improve positives or remove a potential negative impact.]</i>	<p>The existing policy has been in place, as amended, since April 2013. No significant negative impacts have been identified as arising from it in respect of those protected characteristics which are engaged by it – age, gender, disability and race, except those which are always present within social security legislation. The minor changes proposed for 2019/20 potentially improve outcomes for small numbers of disabled people.</p>
<input type="checkbox"/> Adverse impact but continue <i>[For example: Negative impact has been objectively justified.]</i>	
<input type="checkbox"/> Suspend or withdraw the policy for further review / consideration of alternative proposals <i>[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.]</i>	

Approved by:

Lead Officer / Responsible officer:Date:

Senior Manager:Date:

**Chelmsford City Council
Equality Analysis**

[Please save a copy and send one to Human Resources for publication on the website.]

HOMELESSNESS AND ROUGH SLEEPING STRATEGY 2020-24

Introduction

1. Every Local Housing Authority must carry out a Homelessness Review (assessment of the main causes and levels of homelessness in their area) which should form the basis of a Homelessness Strategy. The implementation of the Homelessness Reduction Act and National Rough Sleeper Strategy in 2018 led to changes to the Code of Guidance which details how a strategy should be developed and what it is expected to cover. All Local Housing Authorities are required to have an up to date strategy which includes these changes in place by the end of 2019.
2. The draft version of the Strategy was developed by the Homelessness Strategy Working Group during the summer as approved for consultation by Cabinet on 10th September 2019. It was then made available for consultation until 31st October 2019.
3. The consultation has involved a series of one-to-one meetings with various organisations, an on-line survey supported by a social media programme and a workshop on rough-sleeping held in July. A summary of the outcome of proposed changes is provided below.

Summary of Consultation and Proposed Changes

4. Feedback on the draft version of this strategy was sought through the Council's website, promoted by social media (56 responses) and direct contact with some organisations interested in supporting the Council (17 meetings with more planned). Response was positive overall:

Design and layout = 53% 'very good', 34% 'reasonable' and 13% 'poor'
Explaining causes = 43% 'very clearly', 43% 'reasonably clearly' and 9% 'not clear'
Explaining the duties of the Council and others = 40% 'very clearly', 40% 'reasonably clearly' and 12% 'not clearly'.
Explaining the importance of preventing homelessness = 46% 'very well', 38% 'reasonably well' and 13% 'not very well'.

Note that not everyone responded to all questions and the causes and duties are set out in more detail in the Homelessness Review document. The decision to keep this as a separate more detailed document is supported by both those who responded positively that the proposed strategy is 'clear and concise' and others who were critical because there are "too many words".

5. There were detailed responses from a number of statutory agencies including Essex County Council whose response and involvement is a statutory requirement of developing a Homelessness Strategy, along with others such as the Community Rehabilitation Company, the Office of the Police, Fire and Crime Commissioner and housing associations. The consultation on the draft strategy brought some organisations who have previously worked with the Council back into contact once more with ideas about ways to help prevent and reduce homelessness. It would be improper to propose targets for decision making as this would be prejudicial to any future application but following discussions with others, it is possible to formulate targets for particular actions and outcomes that will help reduce homelessness based upon the evidence from the review carried out earlier this year.
6. The Homelessness Strategy Working Group has proposed a more agile approach, working with partners throughout the lifetime of the proposed strategy, recognising that issues relating to homelessness are complex and determining a course of action that is fixed for five years is too inflexible to be effective. This proposed change in the way the Council works with others on an ongoing basis has been well received by partners as innovative, realistic and more effective. It also means that where the Council has begun a dialogue with some partners who need more time to look at options, discussion and planning can continue beyond the consultation stage, creating a better environment for developing opportunities in the future.
7. An inevitable question that has arisen frequently as part of the consultation is whether there is an adequate supply of suitable affordable homes to meet local housing need? Having identified an up to date profile of the housing needs of those at risk of becoming homeless including the need for temporary accommodation, the work of the Homelessness Strategy Working Group is complementing the Council's Affordable Housing Working Group. This means that the Council's Housing Strategy that is proposed for next year will ensure that any shortfalls in the supply of affordable housing identified in the Homelessness Review and actions of the proposed Homelessness and Rough Sleeper Strategy are included in future plans to improve supply from the existing stock as well as new developments, creating a consistent corporate approach to meeting local housing need.
8. The proposed Strategy has a much greater focus on tackling rough sleeping, meeting the government's requirements to ensure local housing authorities are working to meet the aims of the national Rough Sleeper Strategy that seeks to eliminate the need for anyone to be street-homeless by 2027, and reduce this by half within the next five years. This additional focus has been welcomed by many but has been balanced by others wanting to ensure that the Council and others also recognise that the majority of those who are homeless are outside of this definition but still very vulnerable, including children and young people. In response to this and to help develop a wider community response to help all those at risk of homelessness, the final version of the proposed Strategy will include an over-arching objective of improving awareness and understanding of what homelessness is about, the causes, the risks, the wider impacts and the important role that others do and could play in helping tackle this.

9. Another aim of the proposed strategy is to try and go beyond just meeting the Council's statutory duties, extending help and support to a wider number of people affected by homelessness. This is very challenging at a time when the Council is already reliant on temporary accommodation for homeless families who would otherwise be roofless. The planned appointment of Homelessness Navigators supported by funding from MHCLG will help us extend the Council's work to include others who may otherwise only be entitled to advice and assistance and support work that has already begun on developing a 'whole systems' approach to tackling homelessness in Chelmsford. To go beyond this, with existing resources will require a greater level of cooperation and joint working with and between other local services and organisations, beginning with building capacity and understanding which links to the need through the strategy to continue to explain to others both the issues of homelessness and opportunities that could be available as mentioned in para 8 above.

Conclusion

10. A final version of the proposed Strategy is attached and recommended for approval. Some minor typographical and grammatical corrections and points of clarification have been made to the version considered by the Cabinet on 19 November.
11. The action plan will take effect from January 2020 with the intention of monitoring this over the next year. Following the cycle of the development of the strategy, a number of partners, especially those working in other areas of housing, supported the idea of a strategy being a living document that gives direction but does not prevent the Council and others from taking a more agile approach in the future to changing trends, regulations and opportunities. This is consistent with the proposal that progress will be overseen by the Homelessness Strategy Working Group monitoring delivery throughout the year, shaping and forming an annual action plan on a continuous basis that can formally be agreed at the start of each year. This will ensure the Council's plans and actions remain up to date and responsive to any changes. An estimated cost of the actions of the Strategy for the next financial year has been calculated and this will be included in the financial planning of the Council's Strategic Housing Service.

RECOMMENDED that

the Homelessness and Rough Sleeper Strategy 2020-24 attached as Appendix 1 to this report be approved.



Chelmsford City Council Homelessness and Rough Sleeping Strategy 2020 - 2024

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Foreword

Every five years, we are obliged to review and update the City Council's Homelessness and Rough Sleeping Strategy. We have consulted on our draft version during the autumn of 2019 and are pleased to now have a new strategy in place.

But we want to make a step-change in our approach this time, going much further than merely complying with our statutory responsibilities, to allow us to develop and deliver a much more ambitious strategy. Our objective is to enable everyone in Chelmsford to have or at least look forward to having a place to live in that they can call their own and that meets their family's needs. This is a much bolder ambition that will take time to work through. So this document is also intended to be the start of a bolder discussion about how we achieve this ambition.

Homelessness reflects wider problems in the supply of housing: chronic lack of affordable housing over recent years has resulted in

acute problems for those who are homeless, are worried about the possibility of losing their home or are living in accommodation that doesn't meet their family's needs. Homelessness is now a structural problem of the housing market. The long-term solution is to improve supply. We have established the Affordable Housing Working Group to consider long-term housing needs. We will deliver our Housing Strategy next year, focused on improving the supply of affordable and specialist accommodation in Chelmsford.

But as well as developing tomorrow's vision, we also need to deal with today's realities. It's shocking that, in the 21st century, we still have people sleeping rough on Chelmsford's streets. We need to ensure that help is available so that rough-sleepers' immediate needs are met, that charities and public services work together to give rough-sleepers hope of a better future, and that we can prevent people falling into rough-sleeping in future. However, it is important to understand that rough-sleeping only accounts for 2% of the overall homelessness issue and our strategy must also address the

wider population of homeless people who are not always as visible. This includes people fleeing domestic abuse, those with physical and mental illnesses and many other complex issues which means they need a safe place to live, but can't necessarily pay market rates for it. Our strategy includes these types of homelessness.

In June 2019, a cross-party Working Group was created to progress this overall strategy. This will need to be Chelmsford's strategy, not just the Council's. That means we need to join up and bring together the ideas and services of all the many organisations and voluntary groups that are committed to helping rough-sleepers. The Working Group's role to facilitate a cross-collaboration approach will continue over the coming months as they consult with the various organisations to consider ideas and best practice which will all feed into our overall strategy and delivery.

We welcome your feedback through this formal consultation process, and also on an ongoing basis, to help us to shape a strategy which meets the needs of Chelmsford. Our objective is to build an approach which is flexible, enables innovation and challenges us to

continuously improve the way we work with others; those at risk of homelessness and the wider agencies who support them. Our strategy is intended to provide a network which will allow greater collaboration between all relevant organisations to reduce the main causes of homelessness.

We look forward to your input and involvement and the opportunity to build a fairer, safer and more connected Chelmsford together.

Cllr Chloe Tron, Cabinet Deputy for Affordable Housing



Executive Summary

A number of legislative and local council changes over the last year have led to our introduction of a new Homelessness and Rough Sleeper Strategy.

This new Strategy is up to date with the latest requirements and expectations, whilst introducing a more comprehensive approach; going beyond the legal framework to build upon the support from our local community to achieve more and really make a difference to all those at risk of becoming homeless. Our strategy therefore seeks to tackle both the causes of homelessness and the impact that results from homelessness on others, particularly the vulnerable who may need more than just accommodation to help them overcome the problems of homelessness.

The availability of housing is fundamental to dealing with homelessness and we have already begun work on a Housing Strategy to ensure we have a better supply of housing.

Our aim is to use the energy and innovation from the development and delivery of our new Homelessness and Rough Sleepers Strategy as a catalyst for future working relationships with others. This, in turn, will improve the supply of homes to meet a broader range of local housing need in the future. In consultation with others, it was agreed that producing a strategy today that anticipates all that may

be needed over the next five years is unrealistic, so we want to take a more agile and responsive approach; we want the discussions that were part of the consultation to continue as conversations throughout the lifetime of this strategy, building stronger partnerships and better understanding, developing a “whole-system” approach to tackling homelessness in Chelmsford. To support this, our cross-party group of elected members and officers of the Council will continue to work together on the delivery as well as the development of this strategy.

Our aim for this housing strategy is to be part of our three-pronged approach, linking with our Local Plan and Housing Strategy planned for 2020 to create a fairer Chelmsford, with fewer people at risk of homelessness and a better supply of homes to meet local housing need, creating a fairer Chelmsford.

Inevitably the main aim of this strategy has to be reducing the main causes of homeless and this begins with prevention and changing the way we work in accordance with the Homelessness Reduction Act. Our action plan has been laid out so it reflects the new duties to prevent and relieve homelessness. We have also taken on board the

aims of the national Rough Sleeper Strategy and dedicated considerably more action and plans to this than ever before.

The key outcomes of this strategy will be:

- To begin working on the elimination of the need for anyone to sleep rough in Chelmsford by improving and expanding the range of services;
- To strengthen our work on the prevention of homelessness so that a greater proportion of households in the future will be helped to avoid becoming homeless;
- To build stronger and more effective partnerships with other agencies, creating pathways that link support with housing;
- To improve awareness and understanding of homelessness, reducing the stigma of being homeless;
- To increase the choice of housing options for those in the most urgent housing need; and
- To improve the quality and reduce the need for temporary accommodation.

We are aware that housing policies and legislation are often complex, which is why we have presented this strategy in a simpler format—to make understanding the options for particular types of homelessness clearer.

We do not want to lose focus on the scale and detailed aspects of homelessness, whether this is dealing with an individual household or professionally with a range of partners so we shall also be

introducing changes to the way that we work, from making first contact with those who may be at risk of homelessness through to the way that this strategy is monitored, reviewed and developed.

Ultimately, we shall continue to carry out regular reviews of homelessness so that all causes and support needs are captured and catered for.

Introduction

The Homelessness Reduction Act took effect from April 2018 and has been described as one of the biggest changes to the way local housing authorities deal with homelessness since the introduction of the basic framework of homelessness legislation in the 1970s. It creates a statutory duty on all councils to prevent homelessness and for a number of other public bodies to become more involved in supporting this work.

Chelmsford City Council has carried out a restructure of its Strategic Housing Service, investing in a new team to implement these changes and creating more capacity to improve its strategic role, working in a proactive way to tackle all forms of homelessness beginning with prevention. This will reduce the hardship faced by those who are at risk of homelessness, at a time when the need for affordable housing is so great and will make best use of limited resources.

In the summer of 2018, the government announced a range of proposals to help those who are street homeless; although this is one of the smallest elements of homelessness we recognise the high risk to those who are roofless and vulnerable, and the concern caused to the public.

Throughout 2018, all the District Councils in Essex worked with Essex County Council and others on the Essex Vision, looking at ways to adopt a 'whole systems' approach to reducing homelessness in Essex. This has helped build stronger links with neighbouring districts who share the same challenges along with agencies such as health, criminal justice and voluntary organisations who all have an important role in helping us prevent homelessness. Some of the aims and actions of Essex Vision are included within our own action plan.

This 'whole system' approach is something that we want to bring forward, through this Strategy, into the way that we work as Chelmsford City Council, preventing and relieving homelessness. Very often those who face homelessness will have other support needs, sometimes because of the risk of homelessness, sometimes it may be these other needs which have led to them becoming homeless. As a local housing authority the Council is limited in its ability to meet these wider needs but we will work to develop and improve our ability to recognise these needs for support as well as the need for housing and put in place not just a system for referring to other agencies but where necessary, ways of working in collaboration with partners to improve the overall network of support, joint working and collective understanding.

This strategy replaces the previous one and reflects these changes—aiming to improve our approach at both a strategic and operational level. Our priority will be to reduce the number of households in Chelmsford becoming homeless, inevitably this will deal with the three main causes:

1. Ending of non-secure tenancies with private landlords;
2. Eviction from the home by parents, family or friends; and
3. Domestic abuse

We will also be improving the way that we and others work to reduce the need for those who are homeless to sleep rough, on the streets in Chelmsford.

Better ways of engaging with those in need and working with our partners will mean we can improve our service, not just to the groups outlined above but to everyone we work with, so that everyone's needs are assessed and our review of the strategy does not overlook any aspect or person.

The main aims of this strategy

All of these aims will be tracked through the monitoring of Key Performance Indicators and the annual service plan for the Council's Strategic Housing Service.

To increase the number of households that are prevented from becoming homeless –

We will do this by developing pathways for each of the main causes of homelessness. Over the lifetime of this strategy we shall review and refine these as well as developing additional ones for other groups. Homelessness is a complex issue and only through developing a wide range of actions, pathways and interventions can we hope to be able to increase prevention and reduce homelessness in Chelmsford.

To increase the involvement of other agencies supporting the Council to prevent homelessness –

In the section Our Pathways and Actions, we have presented our aims in a way that shows by particular groups what we aim to provide in order to prevent and relieve homelessness, making it easier for partners to understand the steps we may take with the people they are supporting. In the section Reviewing and Updating the strategy we will also aim to introduce new ways of engaging and working with our partners to encourage a joint approach to working on the aims of this strategy.

Understanding
&
Awareness

To increase choice and options for those at risk of homelessness –

We want to continue to expand the work we do with private landlords, reducing the demand and reliance on social housing so that we are able to use a wider selection of accommodation to prevent homelessness and discharge our main duty. This will be complemented by the development of a Housing Strategy which will be developed throughout 2019/20 that will also look at improving the supply of housing to meet local need.

To improve the quality and reduce the cost of temporary accommodation –

The Council has recently invested in new modular units as temporary accommodation that are affordable and local. In our section on Temporary Accommodation we explain how we shall be reviewing the supply, cost and quality of these homes.

Development of our strategy

We want our Strategy to be the starting point for the way that we work with people and partners, explaining our duties, the main causes of homelessness and ways that others can work with the Council to help us tackle the challenges that we face dealing with homelessness. We hope that the design of this Strategy will help improve understanding and stimulate closer partnership working.

The Homelessness Reduction Act has been described as one of the biggest changes to the way that local housing authorities deal with homelessness, so we have presented some of the Strategy in a way that we hope will make it easier to understand how we will be working with the new Act. We know that the legislation we use to make our decisions can seem complex, so we want this strategy to also be a helpful guide, explaining what we do, why we do it and what we want to do in the future. This is important to us as well because tackling homelessness often comes down to two key issues:

1. Reducing the risk and impact of homelessness – which is the aim of this strategy, and
2. Improving the availability of homes that are suitable and affordable – which is the aim of our Housing Strategy.

The Council transferred its housing stock over 15 years ago, so we must rely on housing associations and private landlords to help us provide homes. Following on from this strategy, we shall begin work on a new Housing Strategy aimed at making best use of existing and new homes.

The lack of suitable supported housing means that this will be a priority for our Housing Strategy, taking evidence from our review of homelessness and the development of this strategy as the basis of evidence for what is needed to meet the combination of housing and support. By dealing with these gaps in provision we can reduce the impact of moving from homelessness into independent living, and have accommodation-based solutions for those who need

support to help prevent them from becoming homeless in the future.

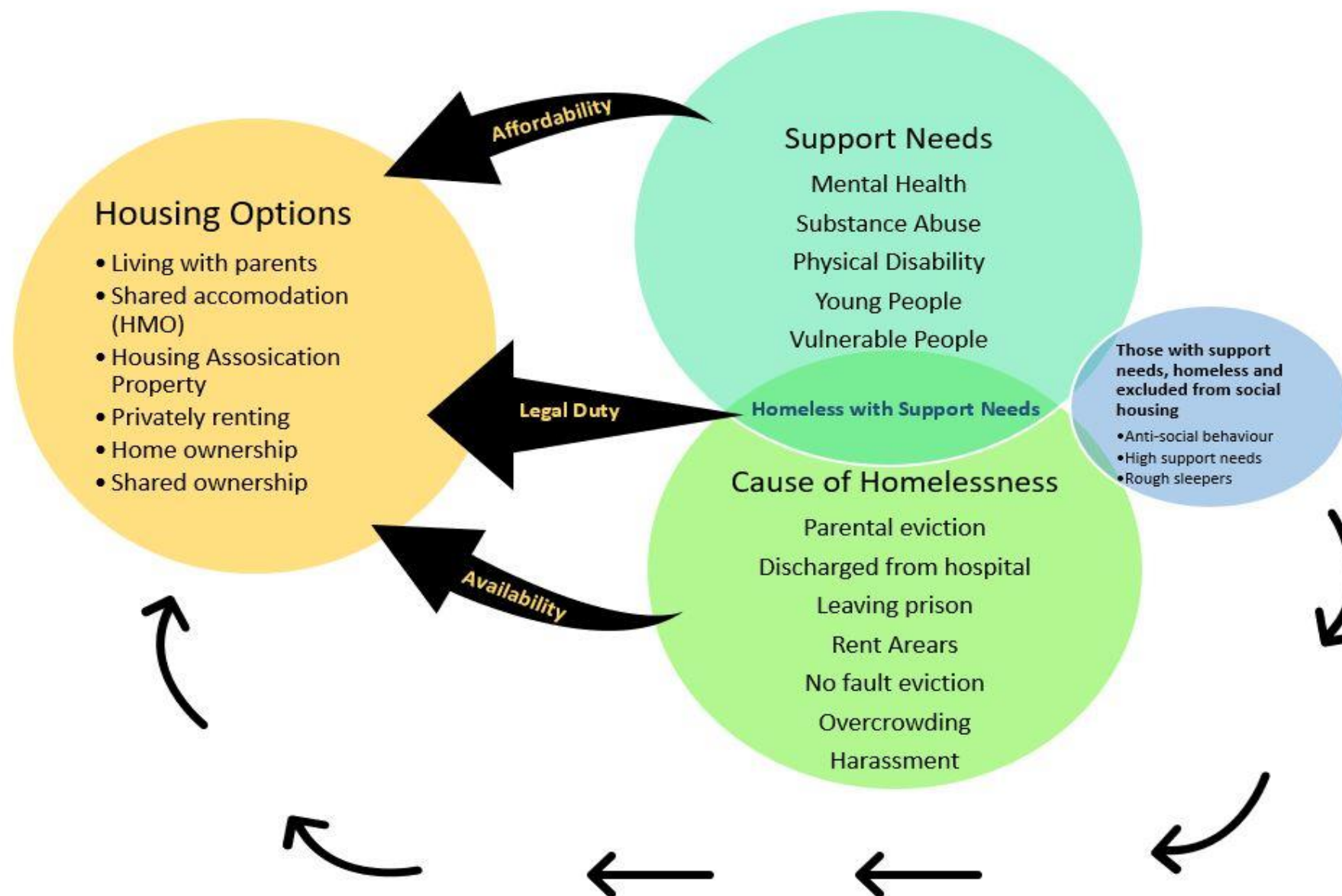
The diagram below shows how supported housing is important in helping us meet the need of some who become homeless. With suitable support, such as adaptations or help from other services, the housing options in the circle on the left may be suitable for most people with support needs in the top circle on the right as long as they can afford to move or are able to remain where they are. Likewise, if someone becomes homeless for one of the reasons in the circle at the bottom right, one or more of the options on the left may help prevent or relieve homelessness. Where the two circles on the right overlap, many of those in this sub-group may be entitled to accommodation under the homelessness legislation but the need for support will continue to be needed, whether in specialist housing or in one of the options in the circle on the left with visiting or 'floating' support.

In some cases, people with support needs may become homeless but the duty to relieve may only be for a short time, if for example there is no local connection to Chelmsford, or in cases where they have made themselves intentionally homeless. There is therefore a

need to make sure that there is also suitable accommodation for these groups as well, which may often include those who are sleeping rough, with the capacity to help them move back to areas where they may be a local connection.

In developing this strategy, it was clear that there is a lack of suitable accommodation in Chelmsford for those who have become homeless due to domestic abuse, those with poor mental health, very young parents and rough sleepers. Just as importantly is the ability to help people move on as well to prevent these schemes from becoming blocked. When people do move on, many have identified this as a time when the need for support may increase – and yet the provision of support decreases or even ends, with the risk of further homelessness.

We therefore want to work with others, not only to improve the supply of supported housing especially for those groups we have identified as a priority but also to help provide timely move-on and see that where needed, support also follows to help people settle into sustainable long-term independent living.



Help and Support

Many who are at risk of becoming homeless have additional support needs, which if not helped will mean the risk of further homelessness will still exist even when housed.

As well as working with partners in the development and implementation of a new Housing Strategy, we also want to make sure that best use is made of existing services that provide housing related support, such as Peabody's floating support service and drop-in and outreach services provided by others in Chelmsford. We will continue to work with a wide range of partners to make sure that their services are more closely linked with ours and where there are gaps, we will deal with these as a priority. As with the causes of homelessness, we shall continually review the need for support as well as housing for those at risk to improve our ability to prevent and relieve homelessness in the future. The table to the right shows the range of support based upon evidence from those presenting as homeless in 2018. Many had a combination of support needs, such as both alcohol and drug abuse.

Support needed based upon information provided by applicants

<i>Physical health / disability</i>	42%
<i>Mental health</i>	34%
<i>Domestic abuse</i>	30%
<i>Offending</i>	16%
<i>Previous history of rough sleeping</i>	13%
<i>Drug abuse</i>	7%
<i>Alcohol abuse</i>	6%
<i>Learning disability</i>	6%
<i>Young person leaving care</i>	2%
<i>Sexual abuse / exploitation</i>	1%
<i>Ex-armed forces</i>	< 1%

Reviewing and updating

We will be consulting with partners on ways to keep them informed on issues of homelessness and progress with this Strategy to achieve as an outcome better awareness and understanding of homelessness in Chelmsford. We believe that forums can be helpful to present general issues about homelessness but may not be so effective in dealing with some more specialised issues such as domestic abuse, mental health or rough sleeping. We therefore want to introduce a new approach to the way that our Housing Service develops and builds links with others, with more focus on some of the background issues that will help us, and others gain a better understanding and build more effective solutions.

In developing this Strategy, we carried out a review of homelessness in Chelmsford in accordance with the government's Code of Guidance. We will provide an annual update on trends, initiatives and achievements to show how we are meeting our aims to prevent and relieve homelessness in Chelmsford. This will also be the basis for

setting our aims and actions for the following year, creating a continuously evolving plan of action.

We have already demonstrated our corporate commitment to supporting this strategy by creating a working group which will report to the Council's Policy Board; overseeing the development of the draft strategy and the feedback from the consultation process. From this we will take account of guidance and best practice, putting in place arrangements for the future governance and oversight of the strategy, supporting partners and maintaining a consistent momentum of improving performance and quality of service.

At a strategic level, dealing with homelessness is very complex, working with those who commission services, provide services and volunteer, to achieve the best outcomes for Chelmsford across a wide range of housing and support providers. We see the need for a more agile and innovative approach if we are going to really make a difference, encompassing the breadth of services and issues, and

having the ability to carry out 'deep dives' into some aspects that will need greater understanding and collaboration.

We want to make sure that throughout this, those that we are helping remain at the heart of what we do and we will therefore introduce ways of getting feedback from agencies as well as individuals to help us learn and work more effectively.



Homelessness in Chelmsford: Facts and Figures

What do we mean by 'homelessness'?

We are aware that the lack of affordable housing means there are many living in Chelmsford who are unable to afford a home of their own—most of whom are living with family, sharing with friends or moving ('sofa surfing') from place to place. Thankfully most will not become homeless but many in this group are at risk, if for example they are asked by friends or family to leave or are given notice by their landlord. Moreover, this is why we see the development of a Housing Strategy that will improve the supply of affordable and supported housing. This is imperative to our approach for meeting housing need and homelessness, as well as being integral to improving the supply of homes for those who actually do become homeless.

The legal definition which local housing authorities work to is essentially defined as *not having anywhere settled to live*. This may be because a family has been given notice to leave their home by a landlord, or asked to leave the family home by parents, or it is no longer reasonable to remain in their home because of the risk of

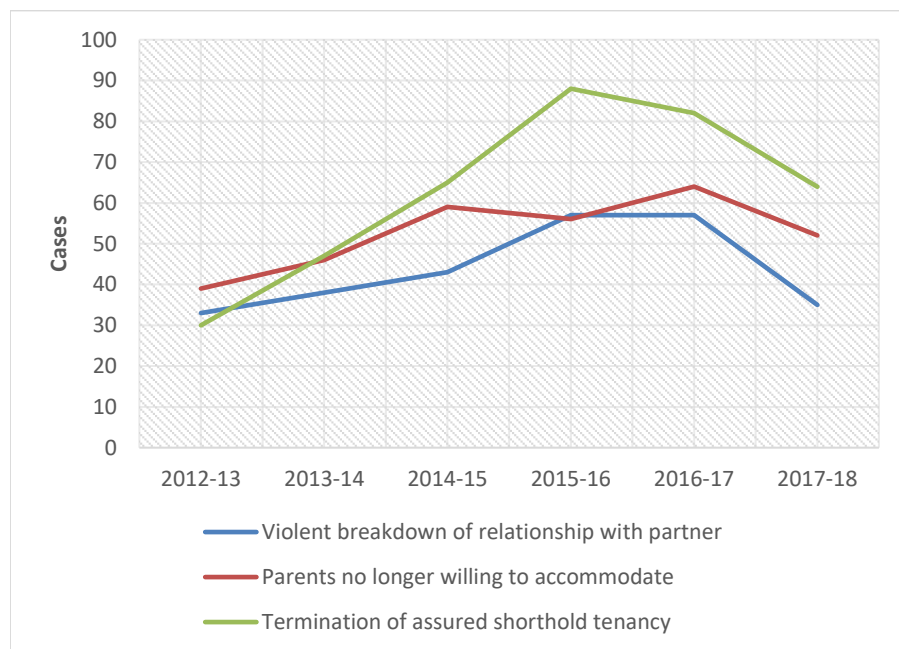
violence. In many cases, people will have to ask others to help 'put them up' while they look to see if they can find somewhere else, their local Council may have to provide temporary accommodation, or they may have needed to move into supported housing, care or hospital with no idea about where they may be moving on to.

To help those who are in fact homeless but not actually roofless, we have amended our policy for the allocation of housing through our Housing Register so that additional priority and choice can be given to those who have no settled accommodation as well as those who need temporary accommodation.

In some cases, individuals may find themselves having to sleep rough, in outbuildings or even on the street. Thankfully this is a very small proportion of homelessness, about 3% of all cases in Chelmsford. However, this is an example of how homelessness creates additional risks to health and wellbeing. The same can be said for those who are at risk of domestic abuse or suffering from poor mental health because of the stress of not knowing where their family will be living from one day to the next.

Homelessness in Chelmsford

What are the main causes of homelessness in Chelmsford?



The main causes of homelessness in Chelmsford has followed national trends as shown in the graph. Nationally there has been an increase in homelessness but the increase in Chelmsford has been proportionally much higher than the county-wide and national average, as has the proportion of applications which have been accepted as statutory homeless. The year 2017/18 is not an accurate indication, coinciding with the restructure of the Council's Housing Service and the transition and implementation of the Homelessness Reduction Act. Review of need and performance in 2018/19 and 2019/20 shows the level of need is still around 300 a year but with a lower proportion of acceptances as the Homelessness Reduction Act helps increase the number of cases of prevention and relief.

Despite the increasing number of affordable homes in Chelmsford over the last 10 years, the doubling in the number of households becoming homeless seems to be linked to the reducing number of affordable homes becoming available as re-lets, as fewer households move within the social housing sector, the lower rate of churn along with the rising cost of alternative privately rented accommodation and welfare reform means there has been an overall reduction in choices for those who become homeless.

Statutory Homeless Decisions 2010-2018

	Main Housing Duty (Acceptances)	Intentionally homeless	Homeless but not priority Need	Eligible but not homeless	Total decisions	% decisions accepted as homeless
2010-11	124	9	8	37	178	70%
2011-12	170	9	20	49	248	68%
2012-13	174	17	21	43	255	68%
2013-14	218	21	21	53	313	70%
2014-15	282	17	7	68	374	75%
2015-16	305	21	11	58	395	77%
2016-17	337	20	4	45	406	83%
2017-18	244	18	15	30	307	79%

Who is likely to be homeless in Chelmsford?

We know that certain groups are more likely to be at risk of becoming homeless because of other factors, such as low income, lack of family support, poor mental or physical health.

Physical ill health is the most common issue for those needing support (18%) followed by risk or experience of domestic abuse (15%). 60% of those who were homeless were female and the most common age group was 25-44 years (52%).

In terms of financial status, the highest proportion were in either full- or part-time employment (30%), with 22% being unable to work due to illness or disability and 21% registered unemployed.

What are the Council's duties to those who are homeless?

The Council makes its decisions on prioritising assistance to those who are homeless based upon the legal framework which applies to all local housing authorities. The 'main duty' to provide accommodation, which means somewhere that is suitable and is likely to be available for at least 12 months does not apply to everyone who is homeless. The diagram below shows the key stages of the decision-making process determining the minimum level of duty to those who are homeless.

The circumstances of every case are different but will be assessed in the same way:

Eligible for assistance?

Only people who are homeless but not subject to immigration control are eligible for assistance under the legislation.

Homeless?

This means not having access to suitable accommodation anywhere – not just in Chelmsford, or even the UK. Anyone who meets both these criteria is entitled to advice.

Priority need?

People who are especially vulnerable, for example because they have young children living with them, may be entitled to emergency accommodation if they are homeless.

Intentionally homeless?

Even if homeless and in priority need, any accommodation that is provided may only be for a short period if someone has made themselves homeless.

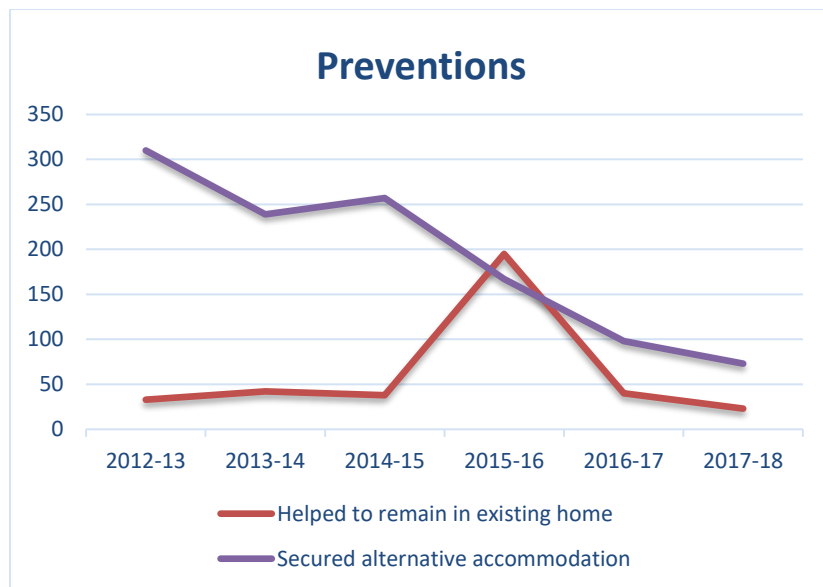
Local connection?

Most councils will only consider offering settled accommodation as their main duty to those who have a local connection to their area

How does homelessness in Chelmsford compare with other areas?

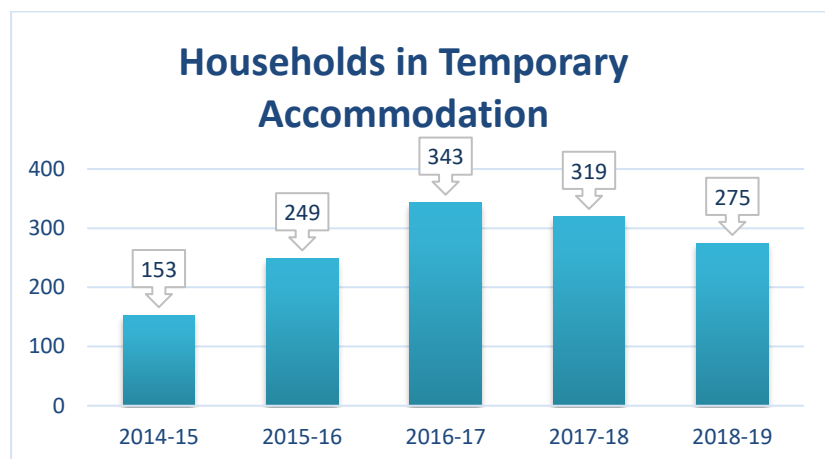
We look at levels of homelessness in terms of per thousand households, making it easier to compare different districts which each have very different levels of population. We can see that the proportion of households accepted as homeless in Chelmsford has been higher compared to other neighbouring parts of Essex and the national level.

District	Acceptances (2017-18)	Per 1,000 households
<i>England (excl London)</i>		2.08
<i>Braintree</i>	55	0.85
<i>Basildon</i>	202	2.59
<i>Brentwood</i>	26	0.8
Chelmsford	244	3.30
<i>Colchester</i>	184	2.37
<i>Epping</i>	63	1.14
<i>Maldon</i>	41	1.51
<i>Rochford</i>	80	2.29



The reason for this higher level of acceptances is likely to be due to the proportionately lower supply of affordable homes from the existing stock of social housing as Epping and Brentwood have comparable levels of rents and housing costs, if not slightly higher, than Chelmsford. The rising cost of housing, especially private renting, has meant that it has become harder to use this as an option to prevent homelessness and this has not helped reduce levels of homelessness in Chelmsford. The brief increase in the number helped to remain in their home (see chart above) was due to changes in the way that prevention was reported and recorded in 2015/16.

Temporary accommodation



There are times when we need to provide temporary accommodation, as part of our work in relieving homelessness and when there is a main duty to provide settled accommodation but there is nothing suitable and available.

We have almost eliminated the use of shared-accommodation and B&B for homeless families and we want to reduce the number of families in temporary accommodation because it is unsettling and expensive for the households. It is also not cost-effective and often does not fully meet the needs of families. Towards the end of 2017/18 we began to manage a reduction and we want this to continue.

The two main ways we can do this are:

By preventing more cases of homelessness; this is a better outcome for everyone, especially if it means that there are more opportunities for people to move to more suitable homes in a planned way, which is a key part of this strategy;

&

By improving the supply of homes that are suitable and affordable, this does not only rely on a better supply of new homes being built, it also means improving the use and supply of existing homes of all types, and this is something we will deal with in our Housing Strategy.

This will mean that we can;

1. Eliminate the use of Bed and Breakfasts
2. Reduce the length of time spent in temporary accommodation
3. Reduce the number of families in temporary accommodation

The Council has invested in new temporary housing to meet these standards and we want to use this as our benchmark for all other temporary accommodation. Throughout the lifetime of this Strategy we will work with providers to improve standards and reduce costs wherever possible, reviewing Service Level Agreements and seeking new opportunities to meet this need.

Some level of temporary accommodation may always be needed but we want to make sure that this meets our standards in the future:

- ✓ **Affordable** – reducing the cost to residents and the Council
- ✓ **Local** – wherever possible within the district
- ✓ **Condition** – clean, safe and comfortable
- ✓ **Access to services** – providing support where needed to help residents manage at the moment and prepare for the future

We will use our standards as a benchmark for what we expect from those providing temporary accommodation and want to reduce if not eliminate the use of accommodation that falls below these criteria.

Housing Need and Supply

Supply of affordable rented and social general needs homes

Year	New homes	Re-lets	Total Lets	Acceptances	Households in TA
2016/17	79	297	376	337	343
2017/18	34	308	342	264	319
2018/19	44	324	339	177	275

The need for temporary accommodation is driven by the number of people becoming homeless and the availability of suitable, affordable housing for them to move on into.

The issue of housing need and supply is something that we shall deal with in more detail as part of our Housing Strategy, but it is helpful to see in the table above how variable the supply of new build homes and the supply from re-lets of existing stock is.

The table above shows the supply of Affordable and Social Rent homes over the last three years. We have not included other types of affordable housing such as shared-ownership, nor age-restricted homes such as sheltered housing because these are not predominately able to meet the needs of those who are homeless.

This gives an overview of the level of homelessness and the supply of homes to meet this and other housing need.

The table above also shows how the reduction in the need for temporary accommodation is most closely linked to the number of households accepted as homeless more than supply. It also shows that in 2016/17 roughly 90% of all general-needs homes would have been allocated to those accepted as homeless but this had reduced to around 70% the following year. With a steady and constant supply, the key to managing need and therefore the number of households needing temporary accommodation begins with the ability of the Council and others to prevent homelessness wherever possible. Our Housing Strategy will deal in more detail with how we aim to improve the supply of homes to meet local need.

Our Performance

Since our 2011 Homelessness Strategy, the proportion of accepted homeless households and the number of people residing in temporary accommodation has risen. This may have been partly due to local issues such as rising housing costs and the supply of homes. However, these are not factors unique to Chelmsford and we can see that other areas with similar costs and supply have not seen the same levels of increase in need.

In 2017 we began to review our Housing Service and in 2018 we invested both time and money to improve our capacity and skills to provide a better strategic housing service. This is one of the reasons why we have now decided to launch a completely new Homelessness Strategy, which also coincides with the Homelessness Reduction Act and the national Rough Sleeper Strategy.

We shall continue to monitor our performance by setting and reporting on key performance indicators and a set of wider indicators. These indicators include local rent levels and the supply of affordable homes on a monthly basis. We will also carry out a review every six months, using data supplied to central government, to monitor current trends of homelessness including prevention and relief. This will be used to maintain a focus on continuous improvement and the actions of this strategy.



Since 2017/18 we have:

- ✓ Reduced the number and proportion of homelessness in Chelmsford
- ✓ Increased the proportion of cases of prevention
- ✓ Reduced the number of households in temporary accommodation
- ✓ Improved the quality of temporary accommodation

From 2019/20 we aim to:

- Bring levels of homelessness and temporary accommodation in line with, if not better than, national average;
- Further reduce the cost and improve the quality of temporary accommodation;
- Increase the ways we work with partners to increase and improve options for accommodation and support for those at risk of homelessness in Chelmsford.

Working with our partners

As a local housing authority, we are responsible for preventing and relieving homelessness.

However, as we no longer have our own housing stock, partnership working is essential to us in meeting our statutory duties.

Our partners include those who;

Have a duty to refer their clients if they are at risk of becoming homeless: agencies working in the criminal justice system, hospitals, social, job centres and the armed forces;

Provide housing, such as housing associations, supported housing providers, and other landlords;

Provide advice and support such as CAB, floating support, outreach and drop-in services




Fund and commission services such as those above, for example the health authority, Essex County Council, Ministry of Housing, Police and Crime Commissioner, local and national charities.

We want to make sure that through this strategy, our partners understand what is needed to reduce homelessness and how important their contributions are.

Whilst we see the need to continue with a forum to highlight the aims of this Strategy with our partners, we shall also look at ways of being more focussed in developing and delivering some of our actions through dedicated workstreams, such as domestic abuse, rough sleepers or young people. We are proposing that our Homelessness Strategy Working Group will continue with the work that began with the development of this strategy, continuing the conversations that started with the consultation process into the implementation and further development of this strategy.

We will support the aims and adopt the proposals of Essex Vision which involves a whole-systems approach. By adopting a multi-agency approach, we will prevent homelessness across a wide spectrum of groups. We will continue to play an active role working across Essex through Essex Housing Officers' Group, and at a local level; leading and supporting statutory and voluntary organisations to reduce homelessness in Chelmsford.

Rough Sleeping

-  **In August 2018** the government published the first national strategy with the aim of alleviating rough sleeping by 2028. Amongst the proposals was the recommendation that all local housing authorities incorporate the aims of the strategy into their Homelessness Strategies.
-  **In November 2018** we carried out our first rough sleeper count, having previously relied on estimates and we are grateful for those who volunteered to help. This showed a slight reduction that reflected the increase in capacity of the local night-shelter.
-  **From December 2018** we contributed towards the cost of CHES providing its Winter Project, creating additional spaces for those at risk of rough sleeping. The evaluation of this project, including information on the background and needs of those using this project, has helped us build a better understanding of ways we can work with others to reduce the risks of others having to sleep rough in Chelmsford in the future.

We know that historic levels of rough sleeping have been higher in the main settlement areas of Essex and this is not only because of larger populations but as the next table shows it is also higher as a proportion of the local population.

District	2010	2017	Number per 1,000 households (2017)	2018
Braintree	1	0	0.00	5
Brentwood	1	0	0.00	2
Basildon*	9	24	0.31	12
Castle Point	1	0	0.00	0
Chelmsford	10	17	0.23	14
Colchester*	10	20	0.26	13
Epping	0	2	0.04	3
Harlow*	7	24	0.66	9
Maldon	1	1	0.04	0
Rochford	0	11	0.31	3
Southend*	8	72	0.91	11
Tendring	0	6	0.09	6
Thurrock	2	9	0.13	9
Uttlesford	0	2	0.06	0

www.gov.uk/government/statistics/rough-sleeping-in-england-autumn-2017

*Districts received Rough Sleeper Initiative Funding 2018/19

The table also shows how in some cases, funding from the government's Rough Sleeper Initiative has led to a reduction in rough sleeping and having now been successful in receiving funding we want to learn from these other areas what works best.

The reasons for these concentrations of rough sleeping in the past may be due to a combination of factors including the availability of services and the visibility and awareness of need in these areas. During 2018 Basildon, Colchester, Harlow and Southend received Rough Sleeper Initiative (RSI) Funding from government and have used this to improve services leading to a reduction of street homelessness in these areas.

Rough Sleeping: Our Approach

With recorded levels of rough sleeping just below the highest levels of other towns in Essex, Chelmsford missed out on receiving Rough Sleeper Initiative (RSI) funding in 2017/18. Recognising the central location of Chelmsford and that this means that some of those sleeping rough in the city come from other areas,, we have worked with other mid-Essex districts to secure RSI Funding for 2019 to provide a more consistent outreach service across mid Essex, additional space within our local night-shelter and more help for those moving on to access and sustain their accommodation in Chelmsford and across mid Essex.

This increases the opportunity for securing funding and support, improving also our ability to work more strategically. As part of our successful application for RSI funding in 2018/19 we identified the need to look at where those who sleep rough come from, not only geographically but also there last place of settled accommodation and the reasons why they became homeless; without being able to get to those who are at risk in these areas, we can not prevent and reduce the number sleeping rough in Chelmsford in the future.

We also identified the frequency of those with a background of rough sleeping needing help when they do move on into settled accommodation, ironically it is often at this stage when help and support disappears – just because someone is no longer sleeping rough doesn't mean that many of the problems and risks have disappeared. Helping people sustain their tenancies is just as important a part of prevention and avoiding homelessness in the first place.

From 2020 we intend to have Homelessness Navigators, funded by MHCLG, working in Chelmsford and with our neighbouring districts to work with those sleeping rough and the agencies who can help them move off the streets into accommodation.

As well as working more closely with partners, encouraging others to identify those at risk before they become homeless, improve the way we all work together to help people access accommodation and then helping them maintain independence and reducing the risk of cyclical homelessness. We have also worked with Essex County Council and others to learn and build on success elsewhere.

Combined with some of the plans that we now have with others, including those developed as part of the Essex Vision project, this pathway will help us meet the aims of the government's strategy. We will carry out an annual review of local need and our progress in meeting the aims of this national strategy as part of our overall review of homelessness in Chelmsford.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/733421/Rough-Sleeping-Strategy_WEB.pdf



Homelessness Reduction Act

The Homelessness Reduction Act has been described as one of the greatest changes to the way that local housing authorities deal with homelessness. The new Act came into effect from April 2018, it did not make any change to the main duty (see above) but it puts some additional steps in place with the aim of improving the prevention of homelessness for a greater number of people.

Before making a decision under the main duty, **all local housing authorities in England must now work with anyone who is at risk of becoming homeless within 56 days to:**

- 1) Agree and help them with a Personal Housing Plan for the next 56 days that will:
- 2) Seek to prevent them from becoming homeless, irrespective of whether or not they are in priority need, may be intentionally homeless or have a local connection and if this fails:
- 3) Seek to relieve their homelessness by helping them to find somewhere else, if they are still homeless after 56 days then consider what the Council's duty is under the main duty.
- 4) Everyone seeking assistance is required to agree to the actions of their personal housing plan, if they refuse to cooperate then the Council does not have to offer any further help and is no longer under any duty to help.
- 5) From October 2018, some organisations such as hospitals, prisons, social care and the armed forces are now under a duty to refer anyone who wants help because they may become homeless within 56 days to a local housing authority of their choice.

Under the Localism Act (2011) when there is a main duty to secure accommodation this does not need to be a council or housing association property and can be a home that is rented from a private landlord

Our resources



We have set out below a summary of our main resources that will be used to meet the aims of this Strategy based upon data from 2018/19.

Staff: 20.5 FTE

Projected staff costs: £535,404

Temporary Accommodation	Private Rented	Rough Sleepers	Government Funding
Housing Association Properties 69	Homes 2 Lease (Private Sector Leasing Scheme) £1,088,900 -Paid to Landlords	CHESS provision of rough sleeper outreach services = £15,000 per annum	New Burdens Grant (implementation of Homelessness Reduction Act) = £44,820
Council Owned Stock 43	Homes 2 Lease £1,034,400 -Paid in Rent to CCC	Winter project = £52,000	Flexible Homelessness Support Grant = £461,351
Private Sector Leased Properties 86	Rent Deposit Scheme/ Tenancy Access Scheme £107,065 -Paid to Landlords		Rough Sleepers Initiative (for mid Essex 2019/120) = £180,000
Private Nightly Let 77			Cold Weather reimbursement = £14,000

Our Pathways and Actions

Prevention	Relief	Main Duty	Actions
The way we prevent homelessness will vary depending on the cause and type of person			Existing options may still need to be reviewed along with our performance to make sure they are effective
We are aiming to increase the proportion of cases where we prevent homelessness			
Encourage people to use our on-line Housing Wizard to identify risk of homelessness			
Personal Housing Plans – supporting people to take responsibility for avoiding homelessness	Personal Housing Plans – supporting people to take responsibility for finding alternate accommodation		
	In cases where we can't prevent homelessness we will see if we can help relieve homelessness by helping people find other accommodation		We will continue to review and plan to help people access temporary accommodation and support when needed to relieve homelessness.
		If we have been unable to prevent or relieve homelessness we will then look to see what other duties may apply	We will produce a new Housing Strategy in 2019/20 supporting our Corporate Plan to improve the supply of homes to meet local need.

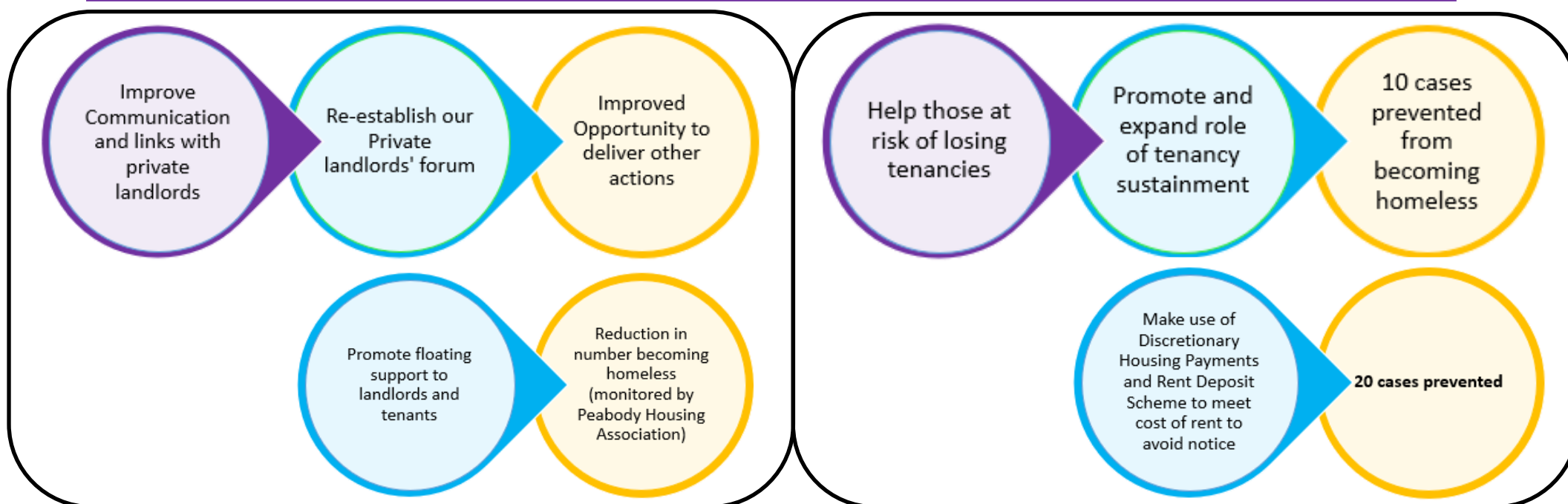
The following tables show how we will deliver the aims of the Homelessness Reduction Act to prevent and relieve homelessness before considering if there is a need to make a decision as to our 'main duty' to secure settled accommodation for the main causes of homelessness and other groups.

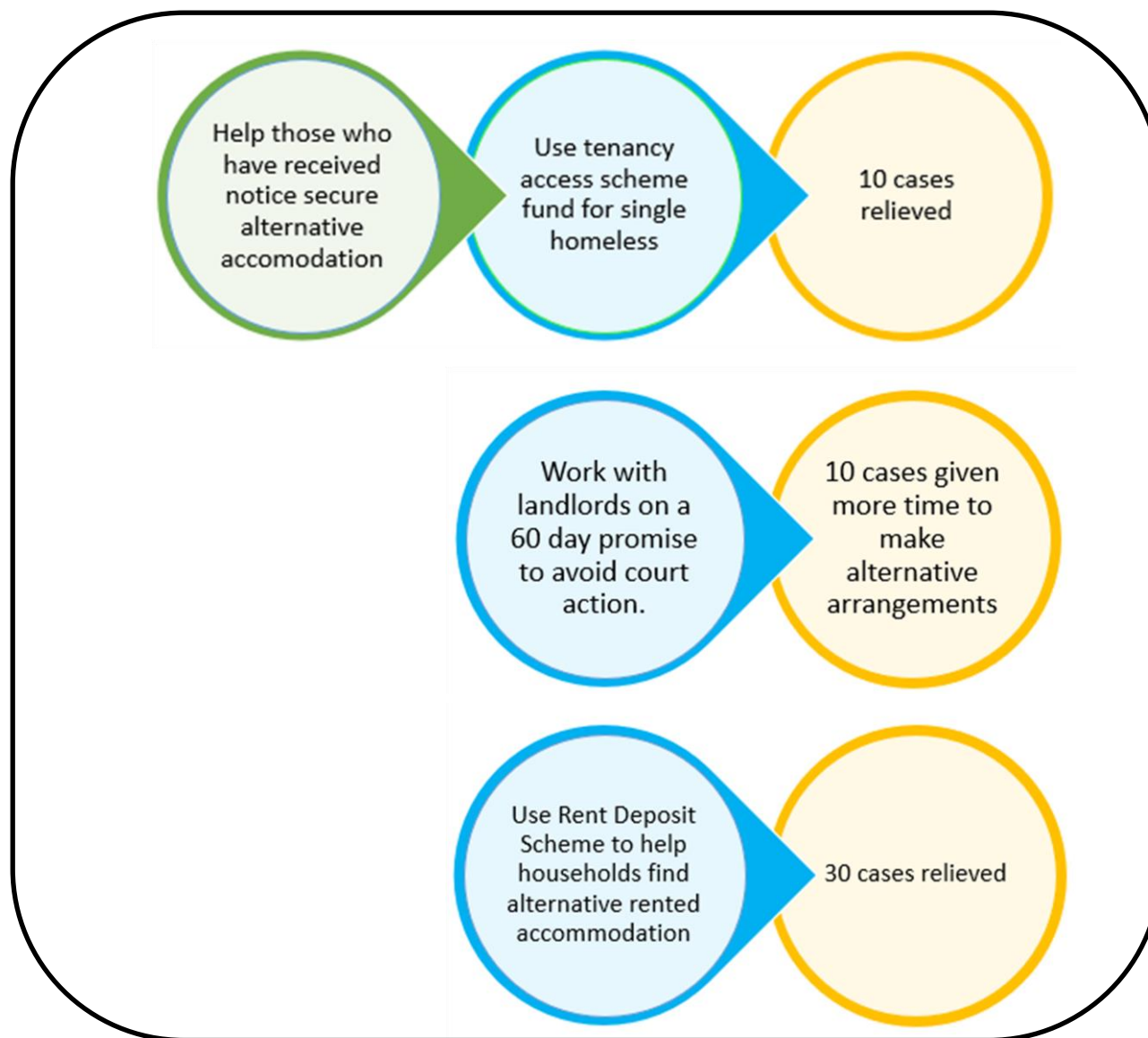
All of our actions are SMART (specific, measurable, achievable, realistic (resources) and time-bound). Our agile approach to implementing this strategy means that we want to keep our action plan under constant review, all actions are planned for delivery in 2020 with the intention of reviewing and resetting on an annual basis.

Assured Short-hold Tenancies

This is the single greatest cause of homelessness in Chelmsford, Essex and nationally.

There are approximately 80 households a year becoming homeless in Chelmsford for this reason.





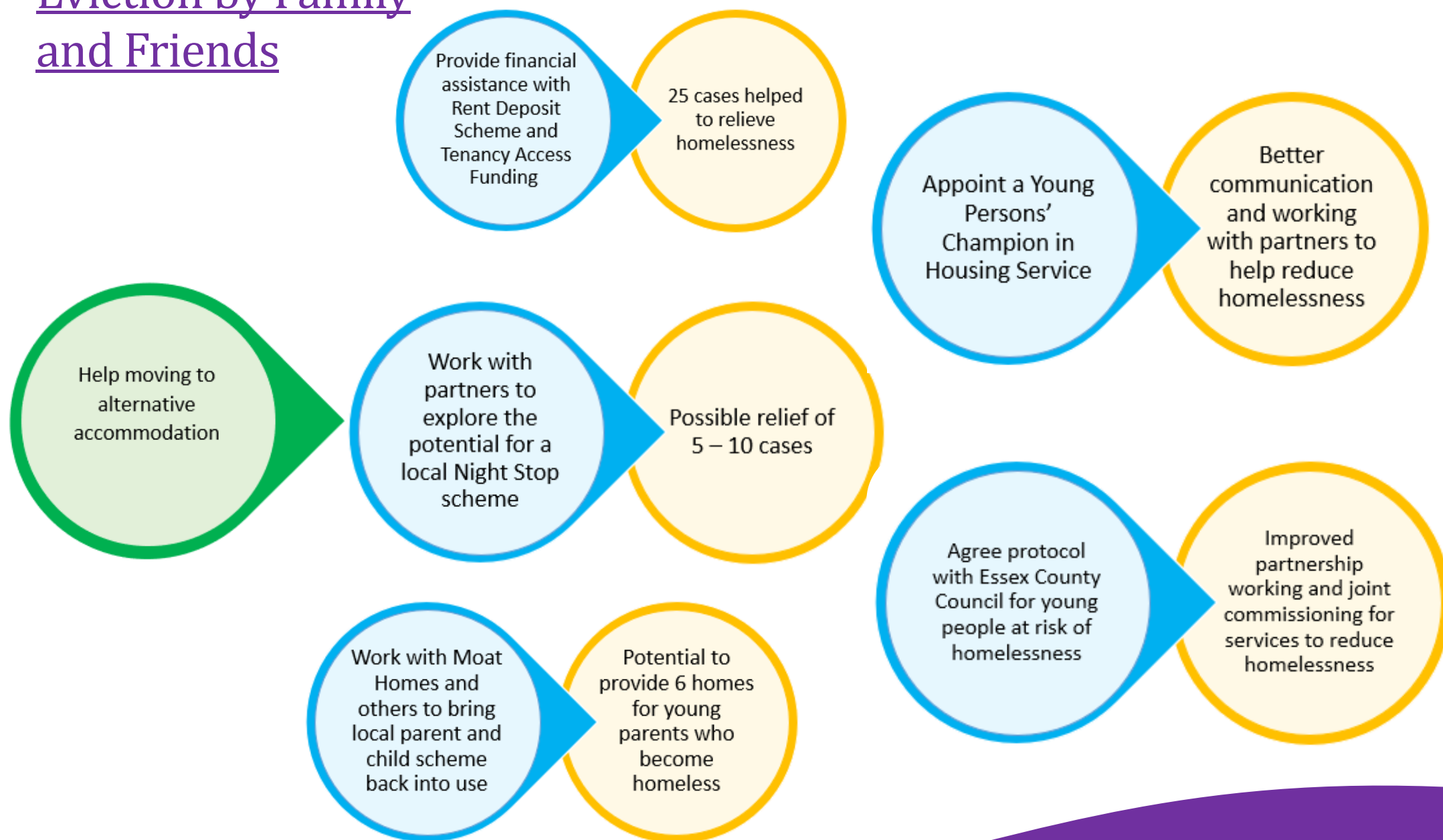
Eviction by Family and Friends

There are about 60 cases a year accepted as homeless for this reason.

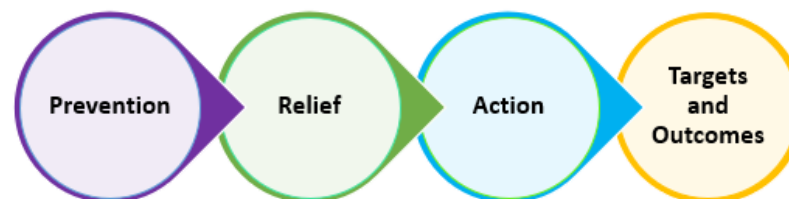
There is no specialist housing suitable for young people who become homeless in Chelmsford, making them especially vulnerable and at risk if homeless



Eviction by Family and Friends



Domestic Abuse



There are about 60 cases a year in Chelmsford of households being made homeless because of domestic abuse. Last year, there was a weekly average of three women killed by their partners in a domestic incident. There is only one scheme in Chelmsford with a small number of rooms for those made homeless as a result of domestic abuse.

Approximately five times more families have to rely on temporary accommodation without help or support

Reduce number
needing to leave
their home

Appoint a
Domestic Abuse
Champion in
Housing Service

Better
coordination
with other
services and
quality of advice
to those at risk

Work with Essex
Domestic Abuse Board
and partners on
improving understanding
importance of preventing
rather than relieving
homelessness for those
at risk

Reduction in cases
advised to consider re-
housing as an easy option
– reduced disruption to
those who are at risk

Consult with agencies
on possibility of a local
domestic abuse board
to improve the quality
and range of services
in Chelmsford for those
at risk.

Better use and
opportunity for
resources, more
effective working
between agencies.

Develop links
between Next
Chapter outreach
service and those
at risk to help
them avoid the
loss of their home

15 cases helped to
take action that
avoids the need to
leave home

Domestic Abuse

Relief

Increase options
for those unable
to remain in their
home

Consult with local
housing associations
and others in mid
Essex on opportunities
for tenancy transfers
to reduce the impact
of needing to move

More households able
to retain a secure and
affordable tenancy,
reducing the risks of
homelessness for
other reasons in the
future

Use Homefinder to
help access secure
tenancies in other
areas for those
unable to remain
in Chelmsford

5 or more helped
move to affordable
homes and secure
tenancies in other
areas

Provide short-term
supported
accommodation

10 or more helped
to take effective
action against
perpetrators and
return to their
home

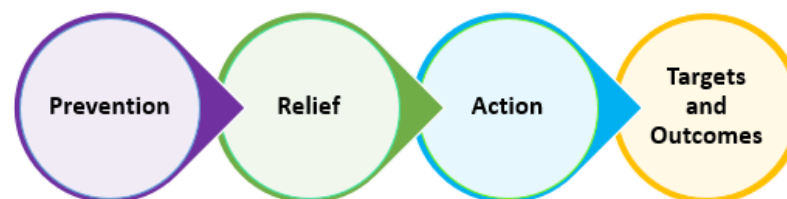
Provide additional
supported
accommodation

15 or more helped
to move, access
support and make
planned moves
into safe
accommodation.

Work with Next
Chapter and Safer
Places to provide
specialist advice and
support to those who
need to be housed in
temporary
accommodation

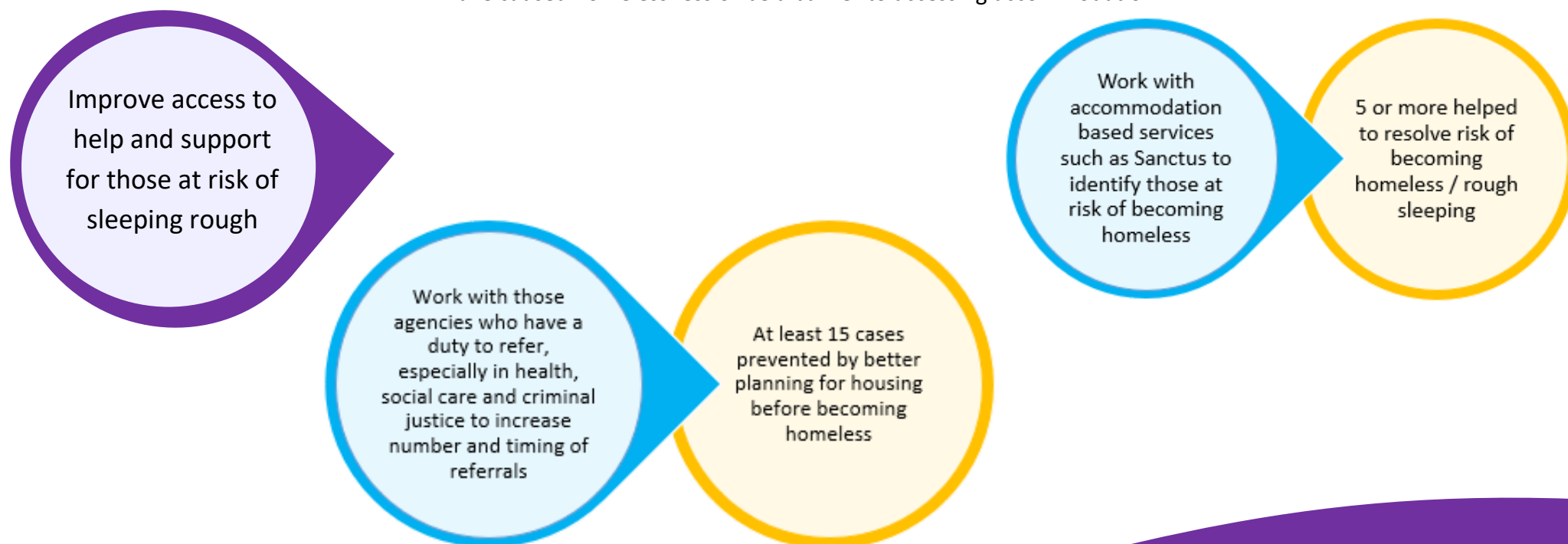
15 or more helped
maintain safety and
independence,
working with the
Council to make
planned moves

Rough Sleepers



We estimate that there are 60 or more people sleeping rough in Chelmsford through the year. Some will be from Chelmsford, others may have come to the area and then become homeless, be passing through or have come once homeless to access services which are not available in other areas. The majority will have come from other parts of Essex.

A significant proportion will have other needs as well as shelter, such as mental health which may have caused homelessness or be a barrier to accessing accommodation.





Rough Sleepers

Relief

Increase
resources and
options to help
those sleeping
rough

Secure funding
to appoint
Navigators to
work with those
sleeping rough

20 or more
helped to move
from rough
sleeping into
settled
accommodation

Support funding
for outreach
funded by MHCLG

Help to engage 30
Or more and access
shelter provided by
CHESS night-
shelter for those
sleeping rough.

Secure agreement
from adjoining
districts to support
re-settlement for
those accessing
services from
outside Chelmsford

10 or more helped
to relocate outside
of Chelmsford

Develop plans for
day-centre /
assessment hub for
rough sleepers in
Chelmsford

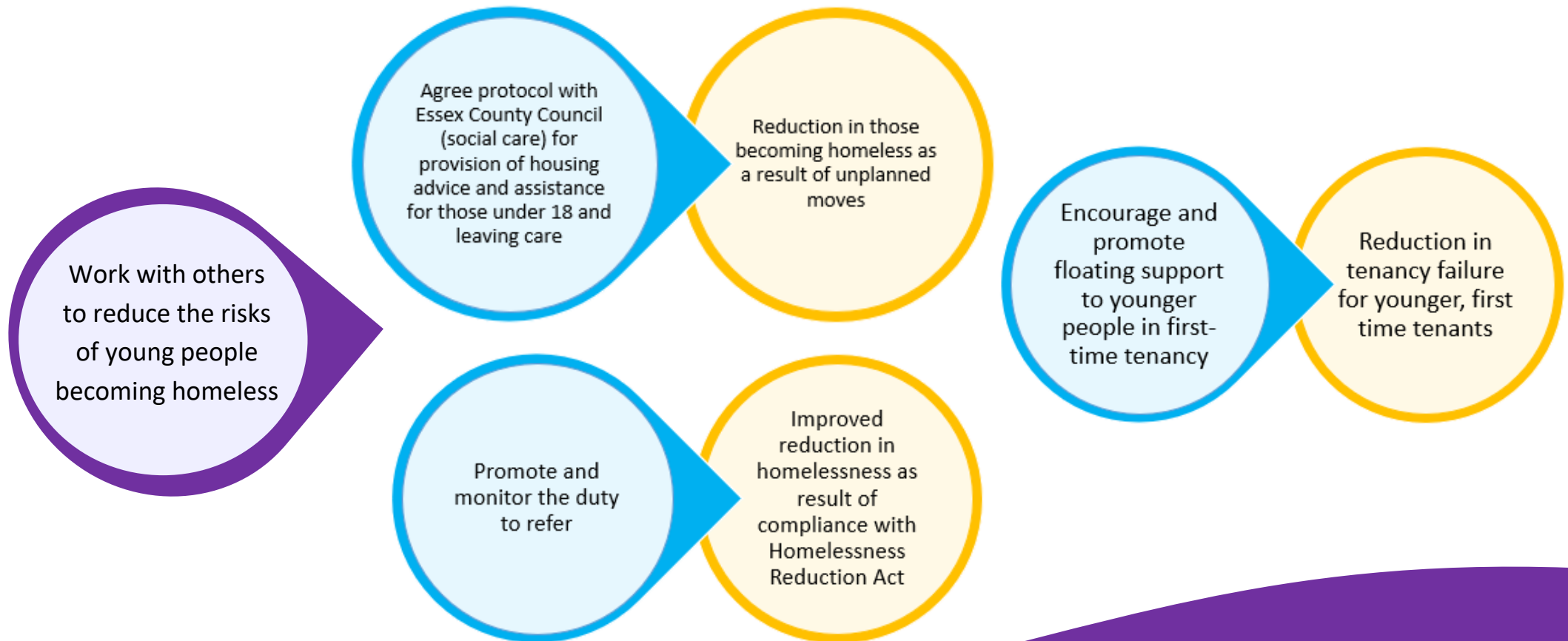
Potential to improve
engagement and
further increase
number helped to
move on from being
street-homeless

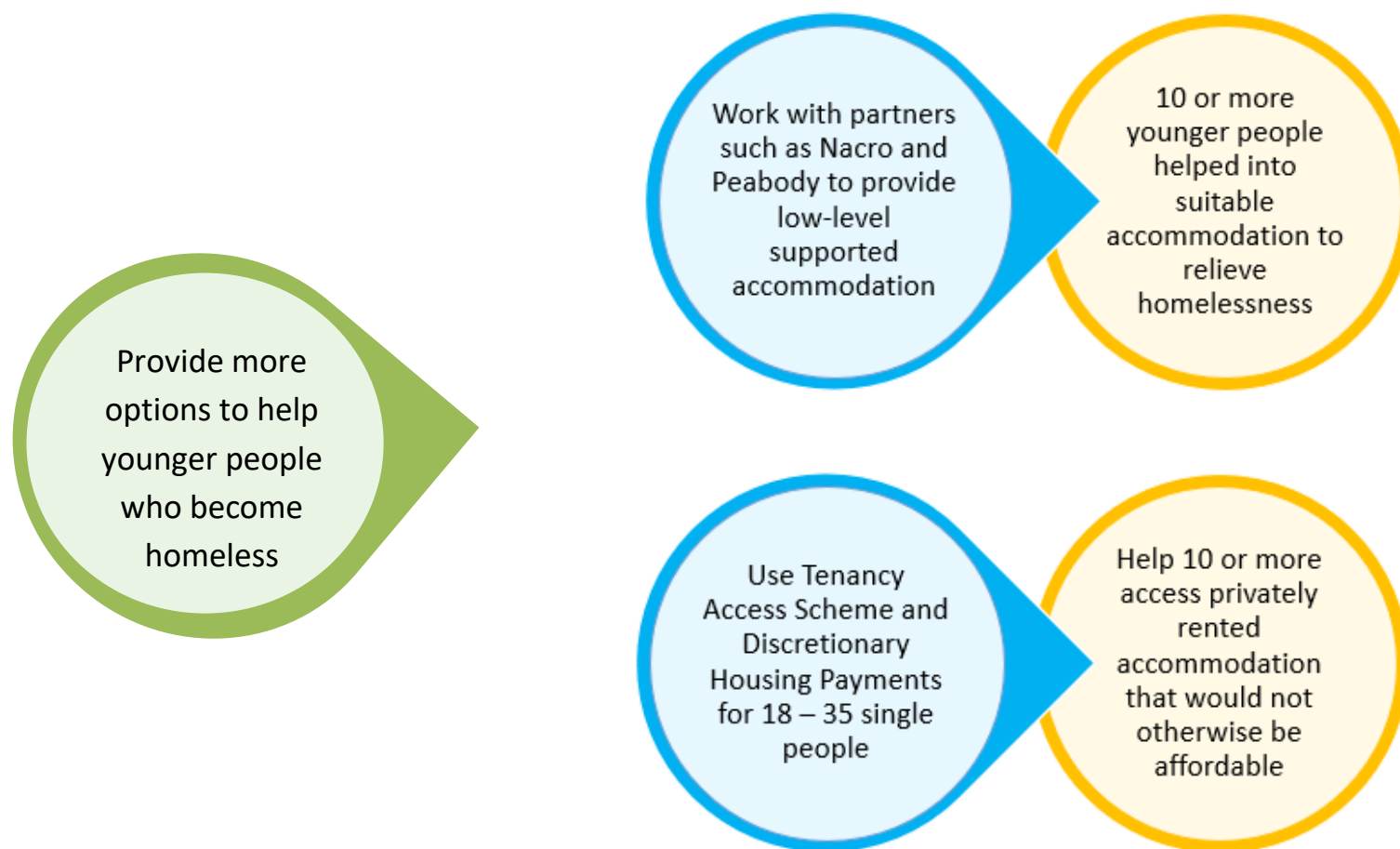


Young People

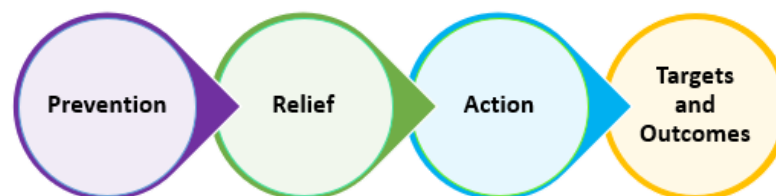


Anyone who is homeless under the age of 18 is likely to be a 'child in need' and will come under the care and duty of social care (Essex County Council) and the Children Act. Those leaving care at 18 are in priority need if homeless, other young people who become homeless can become vulnerable and may also struggle to manage a tenancy for the first time. Some of the actions relevant to this group will be the same as those for eviction by family or friends (above)





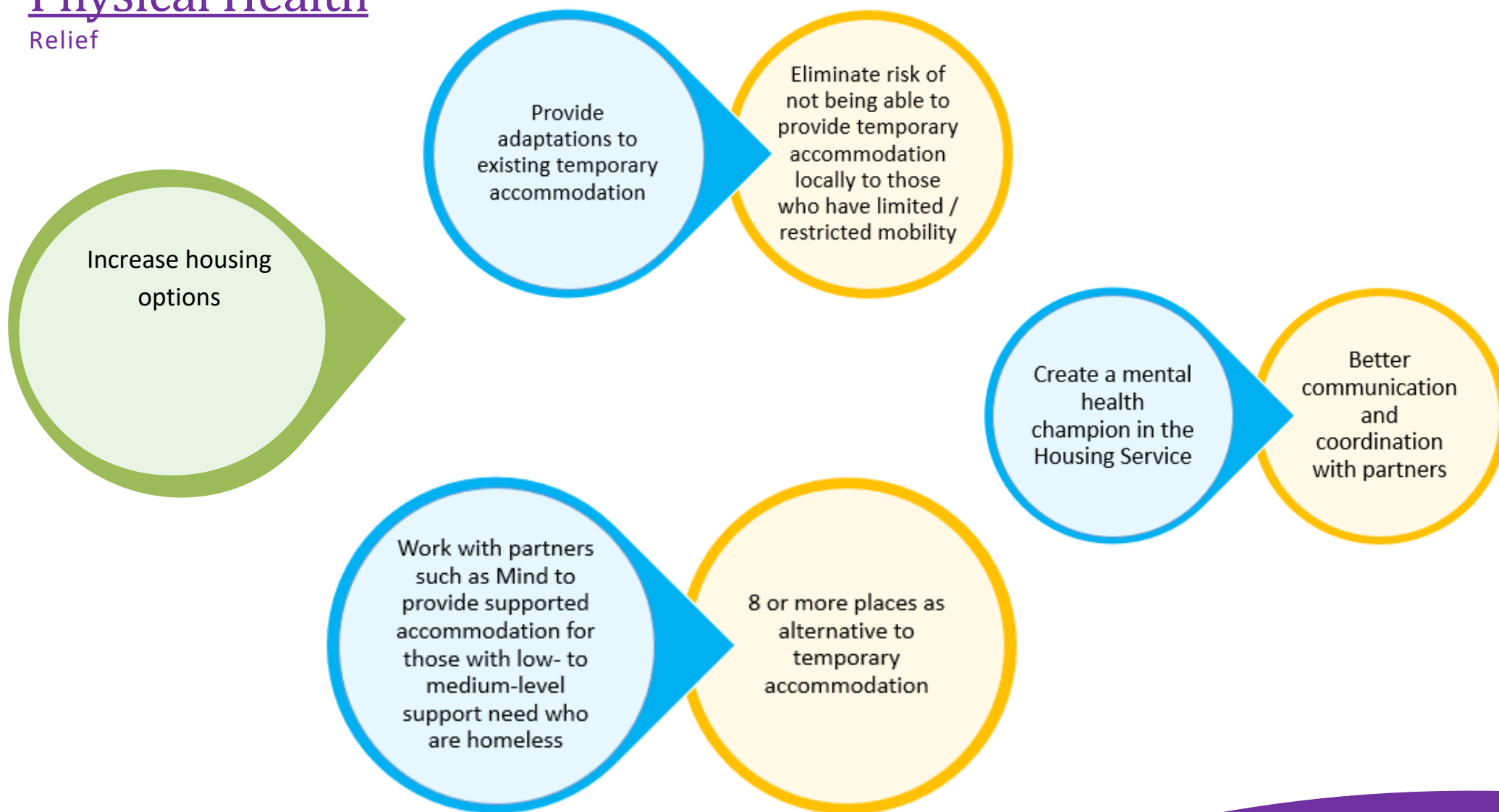
Mental and Physical Health



These are the two main needs for support of all those who become homeless in Chelmsford, without recognising and responding to these needs, accommodation may not be suitable or could breakdown leading to repeat homelessness.



Mental and Physical Health Relief



Criminal Justice

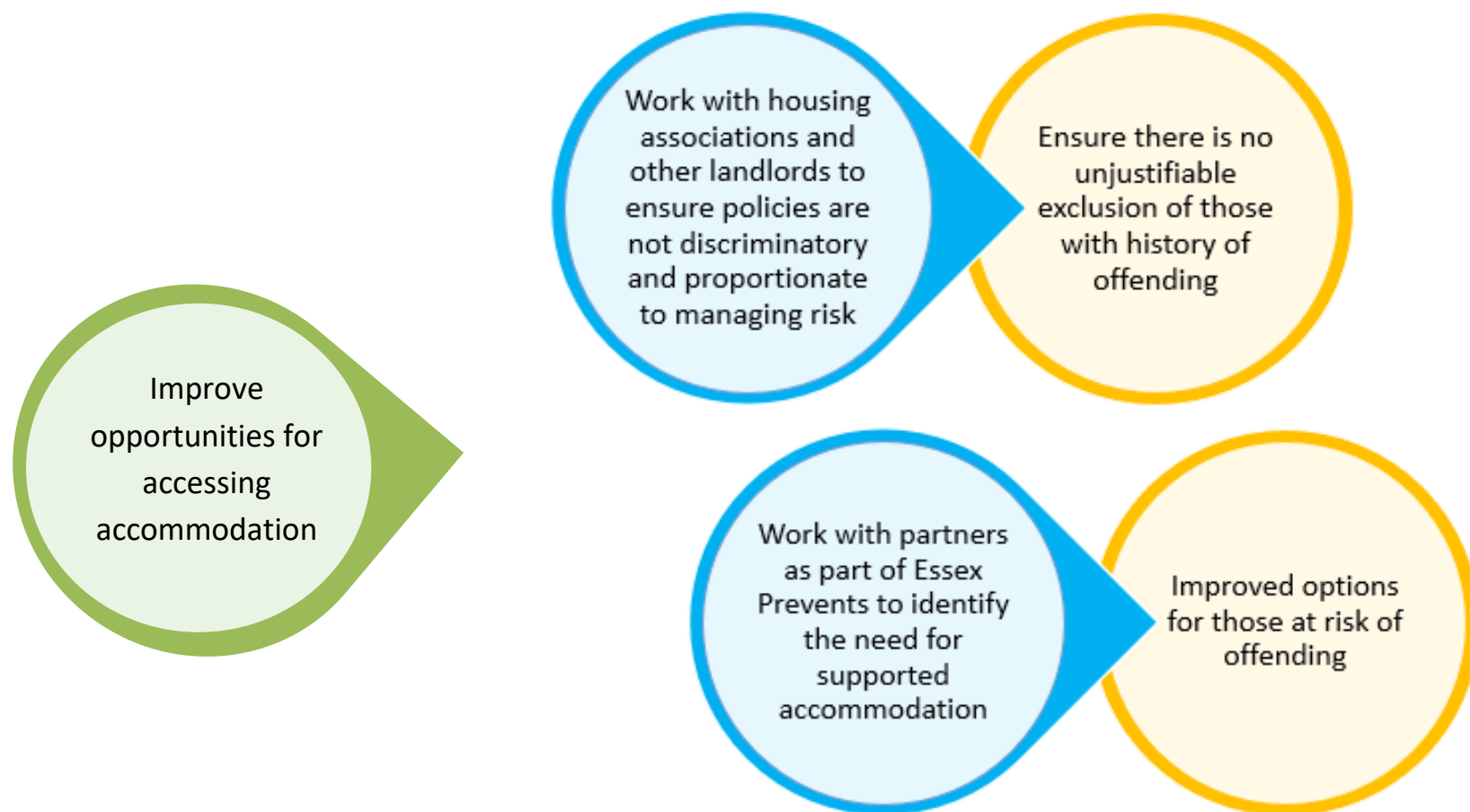


Just over 15% of those who are homeless in Chelmsford have a background in offending. This can be a barrier to accessing housing even though the provision of settled accommodation is one of the main contributors to reducing the risk of offending.



Criminal Justice

Relief



Next Steps



Our new agile approach to tackling homelessness in Chelmsford and delivering this strategy means that we want to continue the conversations we have started with partners, continuously monitor our performance and keep looking for better ways to prevent and relieve homelessness.



We need to work in partnership with a wide range of organisations, from those who are new and very local up to and including central government departments, always retaining the focus on preventing or relieving homelessness. We don't expect everyone to become an expert in everyone else's business, so we will work as best we can to explain to you what others can do to help.



We want to create an open and ongoing discussion with and between partners, building a network of support that can help people access and retain housing and move on when they need to. To keep this up to date, we will use the information we collect as we monitor our Housing Service and the progress our action plan to drive forward continuous improvement in tackling homelessness in Chelmsford, sharing this through regular updates and a process of formal reviews. This means that we want to start (and in some cases complete) all of the actions in this strategy in 2020, creating a new action plan after an annual review each year, based on our achievements and learning from the year before.

Other Actions

- Work with partners on ensuring full compliance with armed forces covenant
- Protocols in place for all those with duty to refer
- Work with others on explaining homelessness, tackling perceptions and improving understanding
- Explore potential for Housing First
- MoU for cross-district working and locally within Chelmsford to prevent and reduce homelessness
- Supported housing for mental health – through Housing Strategy
- Supported housing for young parents – through Housing Strategy

Aspirations / Explore:

Accommodation for those with most complex need / substance abuse

Accommodation for offenders / perpetrators



REVIEW OF THE MEMBERS' ALLOWANCES SCHEME

Introduction

1. An Independent Remuneration Panel convened under The Local Authorities (Members' Allowances) (England) Regulations 2003 has made recommendations to the Council on a new scheme of Members' Allowances for Chelmsford City Council. All councils must review their allowances schemes at least every four years and must establish such a Panel before they make any changes to their schemes. They must pay regard to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.
2. The terms of reference, composition and working arrangements of the Panel are described in its report, which is attached.

The Panel's Recommendations

3. In summary, the Panel's recommendations are as follows:
 - A. That the following elements of the present scheme of members' allowances remain unchanged:
 - a) the basic allowance; and
 - b) the current list of approved duties
 - B. That the payment of special responsibility allowances (SRA) be confirmed or amended as follows:
 - a) the SRAs for the Leader, Cabinet Members, the Chair of the Planning Committee and the Leader of the largest opposition group be unchanged;
 - b) the SRA for Cabinet Deputies be 50% of a Cabinet Member SRA, i.e. £5,877;
 - c) the SRAs for the Chairs of the Audit and Risk Committee, Chelmsford Policy Board, Governance Committee, Licensing and Regulatory Committee and Overview and Scrutiny Committee be standardised at the current level of £5,877;
 - d) no SRA be paid to the Vice Chair of the Overview and Scrutiny Committee but an SRA of 50% of the SRA of the Chair of the Planning Committee be introduced for the Vice Chair of that Committee;
 - e) an SRA representing 5% of the Leader's SRA (currently equating to £1,179) be paid to the Leader of the smaller opposition group; and
 - f) a payment representing 10% of the basic allowance (currently equating to £600 (rounded up)) be made to each Independent Person.

C. That the revision of basic and special responsibility allowances, the payment to the Independent Persons and Child Care and Dependant Carers Allowances be linked to the annual local pay award for employees of the City Council and updated accordingly until the next full review of the Allowances Scheme;

D. That the travel and subsistence allowances payable to councillors continue to be based on those paid to officers and harmonised with those arrangements where necessary and applicable.

E. That Child Care and Dependant Carers Allowances both be paid at £15 per hour.

F. That, with the exception of the SRA for the Leader of the smaller opposition group, which should be formally backdated to the 2019 Annual Meeting, any increases in SRAs take effect from the next full calendar month and any decreases not take effect until after the next Annual Meeting in May 2020.

Absence of those in Receipt of an SRA and Parental Leave Policy

4. Paragraphs 3.8 and 3.9 of the Panel's report refer to the possibility that someone in receipt of an SRA may be temporarily unable to perform their duties. The Panel referred to the need for clear guidance on that issue, particularly with regard to the payment of the SRA to the person in receipt of it and/or someone covering for them.
5. An associated consideration is whether the Council ought to develop a policy for councillors who wish to take parental leave. There is at present no legal right to parental leave of any kind for people in elected public office. However, such policies can be drawn up and implemented on a voluntary basis. A number of councils have in place policies which ensure that insofar as possible members are able to take appropriate leave at the time of birth or, in some cases, adoption. The policies ensure that both parents are able to take leave, and that reasonable and adequate arrangements are in place to provide cover for portfolio-holders and others in receipt of SRAs during any period of leave taken.
6. Guidance on the receipt of SRAs by those temporarily unable to carry out their duties would be helpful to clarify parental leave rights for councillors and avoid uncertainty should those situations arise. It is therefore recommended that the Human Resources Manager, after consultation with the Legal & Democratic Services Manager and the Cabinet Member for Connected Chelmsford, be authorised to produce such guidance and if necessary an appropriate policy.

Financial Implications

7. The recommendations relating to SRAs increase slightly the overall cost of the Scheme. The total cost of the current Scheme in 2018/19 was £493,722. Based on the rates that apply to 2019/20, it would be £503,596 if it were unchanged. The cost of the Scheme based on the Panel's recommendations and current rates would be £493,848. The increase of the rate for Child Care Allowance would also have a cost but that is dependent on the number of claims made and cannot be estimated

Conclusion

8. The final decision on the Panel's recommendations must be made by the Council, although it may take into consideration the views of the Cabinet. The Cabinet on 19 November 2019 had no comments to make on the recommendations, preferring that they be discussed and decided by the full Council.

RECOMMENDED that

having considered the recommendations of the Independent Remuneration Panel on the latest review of the Members' Allowances Scheme, the Council agree a scheme of allowances.

Review of the Scheme of Members' Allowances

Report of the Independent Remuneration Panel to Chelmsford City Council

The recommendations of the Independent Remuneration Panel on its 2019 review of Chelmsford City Council's scheme of members' allowances are as follows:

1. That the following elements of the present scheme of members' allowances remain unchanged:
 - a) the basic allowance; and
 - b) the current list of approved duties
2. That the payment of special responsibility allowances (SRA) be confirmed or amended as follows:
 - a) the SRAs for the Leader, Cabinet Members, the Chair of the Planning Committee and the Leader of the largest opposition group be unchanged;
 - b) the SRA for Cabinet Deputies be 50% of a Cabinet Member SRA, i.e. £5,877;
 - c) the SRAs for the Chairs of the Audit and Risk Committee, Chelmsford Policy Board, Governance Committee, Licensing and Regulatory Committee and Overview and Scrutiny Committee be standardised at the current level of £5,877;
 - d) no SRA be paid to the Vice Chair of the Overview and Scrutiny Committee but an SRA of 50% of the SRA of the Chair of the Planning Committee be introduced for the Vice Chair of that Committee;
 - e) an SRA representing 5% of the Leader's SRA (currently equating to £1,179) be paid to the Leader of the smaller opposition group; and
 - f) a payment representing 10% of the basic allowance (currently equating to £600 (rounded up)) be made to each Independent Person.
3. That the revision of basic and special responsibility allowances, the payment to the Independent Persons and Child Care and Dependant Carers Allowances be linked to the annual local pay award for employees of the City Council and updated accordingly until the next full review of the Allowances Scheme;
4. That the travel and subsistence allowances payable to councillors continue to be based on those paid to officers and harmonised with those arrangements where necessary and applicable.
5. That Child Care and Dependant Carers Allowances both be paid at £15 per hour.
6. That, with the exception of the SRA for the Leader of the smaller opposition group, which should be formally backdated to the 2019 Annual Meeting, any increases in SRAs take effect from the next full calendar month and any decreases not take effect until after the next Annual Meeting in May 2020.

1. Introduction

Regulatory background

- 1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 require local authorities to set up and maintain an Independent Panel to review and provide advice on Members' allowances. A council is required to convene its Panel before making any amendments to their allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme. The Panel is required to meet at least every four years to review and make recommendations on the Council's scheme of allowances.

Terms of reference and composition of the Panel

- 1.2 The Panel advising this Council was requested to review the current scheme of allowances, with particular reference to

- the amount of basic and special responsibility allowances that should be payable to members
- the duties for which travelling and subsistence allowances should be payable and the amount of those payments
- the level of payments for child care and support of dependant relatives
- whether a co-optee's and Independent Person's allowance should be paid and the level payable
- what index should be applied to the annual update of allowances

and to report and, if necessary, make recommendations to the Council on its findings.

- 1.3 The Panel must be truly independent of the Council and, with this in mind, the officers approached seven local people to ask whether they would be interested in taking part in the review. From those, the following three were appointed to the Panel as representative of the public, private and voluntary sectors:

- Pippa Brent-Isherwood, Chief Executive of the Office of the Police, Fire and Crime Commissioner
- Lorraine Jarvis, Chief Executive of the Chelmsford Council for Voluntary Service
- David Rayner of Birkett Long Solicitors and a member of the Chelmsford Business Board

All agreed to act as members of the Panel and to review the scheme objectively and without favour to any individuals or political groups.

- 1.4 The Panel was supported by Nick Eveleigh, the Council's Chief Executive, and Brian Mayfield, Democracy Team Manager,
- 1.5 The Panel would like to record its thanks to the Members of Chelmsford City Council who made known their views on the current allowances scheme and who spoke to the Panel and answered its questions.

The conduct of the review

- 1.6 The Panel met on three occasions over September and October 2019 and received from Council officers guidance, both written and oral, on its role and the operation of the Council's political structure. Councillor Robinson (Leader of the Liberal Democrat Group) and Councillor Whitehead (Leader of the Conservative Group) spoke to the Panel in person on various aspects of the current scheme. Councillor Paul Clark (Leader of the Chelmsford Independents Group) was unable to present his views in person but his comments on the scheme were conveyed to the Panel. A questionnaire was also sent to all members to assist the Panel in making an assessment of the roles and responsibilities of elected Members and to obtain their views on the current scheme. A summary of the questionnaire returns is at Appendix 1.
- 1.7 In addition to obtaining the views of members, the Panel received background information on
- the regulations and guidance concerning the review process
 - the structure of the Council's decision-making bodies
 - the roles and responsibilities of councillors
 - the allowances paid to members by other district councils in Essex and the eastern region which were used as comparators for this review
 - the ratio of councillors to population in each Essex district
 - the current scheme and its cost in 2018-19
- 1.8 The fact that the members' decision-making structure has not changed significantly since the last review of allowances four years ago, and that since then there had been no pressure to look in detail at the scheme, suggested to the Panel that there was no need to carry out a fundamental examination of the scheme. However, it was a new Panel looking at the scheme with a fresh eye and it felt that certain elements needed to be addressed, without completely overhauling the foundations of the scheme.

2. The Status of Allowances

- 2.1 One of the key messages arising from this review is that service as a councillor is a voluntary role and should not be regarded as a professional duty which attracts a living wage or salary.
- 2.2 The Panel received views from some members who feel that the level of allowances, particularly the basic allowance, should be much higher to reflect the time spent by councillors on their duties and to act as an incentive to a wider range of people in the community to stand for election.
- 2.3 Whilst the Panel recognised the validity of this view to an extent, it was mindful of the fact that the legislation providing for the adoption of Members' Allowances Schemes by local authorities envisaged that they should support councillors in the performance of their duties as elected representatives by reimbursing their costs. The role of a councillor should therefore not be regarded as a professional duty which attracts a salary.
- 2.4 In the Panel's view, financial incentives alone will not attract people to stand as councillors: political parties and groups have a role, as do employers and an individual's own sense of service to the community. Changing the basis on which councillors' remuneration is made will change the whole ethos of public service.

3. The Components of the Allowances Scheme

The general scheme

- 3.1 The Panel considered all of the comments received from the survey of councillors. The Panel was grateful that councillors took the time to contribute their views, many of which were original and provoked some detailed discussion among Panel members. Those are looked at under the appropriate heading below.

The basic allowance

- 3.2 When compared with the basic allowance paid by other councils, the allowance in Chelmsford (£5,991) is neither the highest nor the lowest but is comparable to other authorities of similar size. In that regard, the Panel felt that the allowance was about right and could be justified.
- 3.3 On balance, the Panel recommends no change either to the level of the current basic allowance or the scope of the expenditure and costs it is intended to cover.

Special responsibility allowances (SRAs)

- 3.4 These are paid to councillors who take on significant extra responsibility over and above their normal duties as elected members. The current payments are set out at section 4 of this report. The Panel approached the question of SRAs with an open mind and paid close attention to the views of members expressed through the responses to the questionnaire and the opinions expressed by those who spoke in person to the Panel.
- 3.5 The majority of SRAs represent a percentage of the SRA of the Leader of the Council. That allowance is the highest of any district council in Essex, but the Panel felt that it could be justified, given the additional responsibilities of the Leader of the county town and, purely in terms of the amount of time that the Leader has to devote to the role, the workload involved.
- 3.6 In responding to the survey, several members made the case for introducing an SRA for the Vice Chair of the Planning Committee, increasing that for the Chair of the Audit and Risk Committee, and formalising the payment of an SRA to the Leader of the smaller opposition group. These comments prompted the Panel to look at the relative levels of SRAs and to consider, objectively, the merits of any differences between them.
- 3.7 The Panel recognises and appreciates the time and work councillors put into their public duties, particularly those who take on the additional responsibilities that attract SRAs. There is no doubting their commitment to that work and they all carry it out conscientiously. Each of those who receives an SRA will devote what might be termed a basic level of commitment in terms of time and effort to their roles, but some may choose to go beyond their basic duties and do more than what is required. That is the individual's choice and, while laudable, the Panel did not believe that the additional commitment shown could or should qualify members for higher SRA payments. Instead, the Panel took the view that for fairness and consistency SRAs should be determined solely on two considerations: the level of responsibility attached to the role and the accountability associated with it.

This removes from the assessment the less quantifiable issue of personal inclination as to how they go about their work and provides a common basis for the assessment of the relative worth of the roles that attract SRAs.

The Panel concluded that:

Chairs' SRAs:

- a) judged purely on the basis of responsibility, most Chairs of committees (and here reference to committees includes the Policy Board) have very similar roles and duties. They must master the issues for which the committee is responsible; they devote about the same amount of time to meeting with officers about matters within the terms of reference of their committees; conduct their meetings; and act as spokespersons for those bodies. Logically, therefore, they should receive the same SRA, but the current scheme does not reflect that; indeed, it is quite anomalous with regard to such SRAs.

The Panel felt that a fairer arrangement would be to pay all committee Chairs the same, with one exception. It was recognised that the Chair of the Planning Committee had a greater level of responsibility than other Chairs. Specifically, they have to master a greater amount of information in the form of planning law, policies and guidance; they spend more time being trained on planning matters and in meetings with officers; the Committee meetings must be run scrupulously and decisions taken strictly in accordance with the relevant laws; the public take a close interest in those decisions; and the impact of its decisions affect the lives and interests of more people more directly than do the decisions of most of the committees.

The Panel therefore believed that the Planning Committee Chair should receive a higher SRA than the other Chairs. It did not think there was an argument to increase it beyond its present level (i.e. 33% of the Leader's SRA), though; instead it felt that the SRAs of other Chairs should be harmonised at a level slightly below that of the Planning Committee Chair, hence the recommendation that all other Chairs should receive 25% of the Leader's SRA. This results in some chairs receiving more and others receiving less than at present, but the Panel felt that this would create a fairer and more equitable situation.

Vice Chair' SRAs:

- b) On the question of SRAs for Vice Chairs, the Panel was aware that some members had views as to whether or not any should receive an SRA. Applying the principle of responsibility, the Panel could see no argument for paying an SRA to Vice Chairs, other than in one case: the Vice Chair of Planning Committee. In the Panel's view, most Vice Chairs need only stand in for the Chair on an ad hoc basis and do not need to command to the same degree the depth of knowledge and expertise expected of the Chair. Planning Committee is different because the Vice Chair shadows to a far greater degree the work and activities of the Chair and needs to be able to display the same depth and breadth of knowledge should they need to step into such a sensitive and high-profile role. An allowance could be justified for that position, and the Panel believed that one equating to 50% of the

allowance of the Chair of the Planning Committee would be appropriate.

The SRA of the Vice Chair of the Overview and Scrutiny Committee will be lost under this recommendation.

Cabinet Deputies:

- c) Turning to Cabinet Deputies, the Panel heard from the Leader of the Council and his reasoning behind the establishment of such posts, which appears to the Panel to be entirely reasonable. However, when applying the principles of responsibility and accountability, the Panel could not differentiate between the Deputies and the Chairs of committees. To the Panel, the duties of Chairs and Deputies are of comparable levels of responsibility. The Deputies cover only a specific aspect of a Cabinet Member's much broader portfolio. It is true that they specialise in that aspect and establish a wide range of working contacts both inside and outside the Council, but under the current arrangements the Cabinet Member is ultimately responsible for all aspects of their portfolio and is the only one with decision-making powers. The Panel believed that, objectively, a Cabinet Deputy's SRA should be the same as that of a Chair, i.e. 50% of the SRA of a Cabinet Member.

Opposition Group Leaders:

- d) Until the last local elections it has been a number of years since the Council had two minority groups. The Leader of the Opposition Group on the Council has always received an SRA and the argument was made that the Leader of the smaller opposition group should also receive one. That argument was accepted and an interim allowance of £1,179 agreed pending this review of the allowances scheme.

The Panel accepted the argument that the Leader of the smaller opposition group should receive an allowance – it is only reasonable considering the fact that, whatever the size of the group, a Leader has certain responsibilities and duties that should be recognised as additional to their everyday role as a councillor. The only question in the minds of the members of the Panel was how that SRA should be arrived at. Some councils calculate it on the basis of the number of councillors in the political group; some do so with a flat rate payment plus a supplementary amount per councillor; others, like Chelmsford, simply pay a fixed sum or sums.

It was concluded that, based on the respective sizes of the largest and smaller opposition groups on the current Council, the sums of £7,758 for the main opposition Leader and £1,179 for any other Political group leaders was a fair reflection of the responsibilities and workloads of the Leaders of those groups. This may need to be looked at as part of the next review after the local elections in 2023, but for now the Panel see no value in changing the current arrangements and payments.

Co-opted Members and Independent Persons:

- e) The last aspect of SRAs examined by the Panel was whether Co-opted members and Independent Persons should receive an SRA.

The only Committee which has co-optees is the Governance Committee, with three Parish Council representatives. The Governance Committee is also advised by Independent Persons, who are consulted by the Monitoring Officer on complaints against City and Parish Councillors and, where necessary, carry out investigations.

There appeared to be no pressing call for Co-optees to be paid an allowance. The current Co-optees are appointed by parish councils and carry out their role on the Governance Committee as representatives of those councils, in the same way as this Council might appoint a representative to an outside body (who would not expect to be paid for that role).

A stronger case can be made for some sort of payment to the Independent Persons. Those appointed to that role tend not to expect payment and do the work out of public duty. However, the role is quite onerous and the Monitoring Officer values their input into the investigation of complaints. If a formal SRA is not felt appropriate, then some level of recognition of and thanks for their work would be. In line with the arrangements in many other councils, an ex gratia annual payment of 10% of the basic allowance (rounded to £600 for convenience) would be reasonable.

Timing of changes:

The Panel recommends that any increases in SRAs should take effect from the next full calendar month. Any decreases should not take effect until after the next Annual Meeting in May 2020. This, it feels, is only reasonable as some members might have accepted their positions on the basis of the current payments and might be affected financially by the changes.

As an exception, the Panel feels that the SRA for the Leader of the smaller opposition group should be formally backdated to the 2019 Annual Meeting, as it was introduced then on an interim basis pending official consideration by the Panel.

Standing in for those in receipt of SRAs

- 3.8 Whilst this was not raised by councillors or officers, the Panel spent some time discussing what it felt was an omission in the current scheme, namely that it did not cover the situation where a person in receipt of an SRA could not, for a temporary period, perform the duties attached to that role. The sort of circumstances the Panel had in mind were illness or maternity absence and it felt that the Scheme ought to provide clear guidance to members and officers should that situation arise.
- 3.9 The Panel understands that officers would need to check the legal position regarding payments in such circumstances. Once that has been done, the Panel recommends that clear guidance be drawn up.

Indexation of allowances

- 3.10 Over recent years the updating of the sums for basic and special responsibility allowances has been linked to the annual local pay settlement for employees of the City Council. All members who expressed a view as part of the survey supported this approach and the Panel believes that it would be

sensible to continue that as the means of indexing the allowances scheme.

Child Care and Dependant Carer Allowances

- 3.11 The Panel noted that the hourly rates for these allowances are different under the present scheme. The Child Care Allowance is paid at the hourly rate of the National Minimum Wage, whilst that for a Dependant Carer is paid at £15 per hour. The Panel could not understand the reason behind this distinction. It regarded both types of care as equally important and valuable and agreed that it makes sense that they should be paid at the same level, i.e. £15 per hour, which whilst not based on any nationally recognised standard, is an average charge for this type of work and felt to be a reasonable rate.

Travel and subsistence allowances

- 3.12 These are paid in respect of approved duties performed by members and are linked to the HMRC rates paid to officers. The Panel noted that such claims represent a small fraction of the cost of the allowances scheme and it was the general view of members who replied to the questionnaire that no change is necessary to these payments. Accordingly, the Panel recommends that the system for these allowances remain unchanged but that the Council should authorise the Legal and Democratic Services Manager to make any adjustments to this aspect of the allowances scheme that may be necessary to harmonise the rates paid to members and officers and to align the arrangements applicable to such payments.

Approved duties

- 3.13 A definitive list of approved duties which would qualify for the payment of travel and subsistence allowances was drawn up and agreed by the Council several years ago. The survey of councillors indicated that all who replied believe the current list is reasonable, a view with which the Panel agreed.

4. Financial Effects of the Changes

	Current SRA £	Proposed SRA £	% of Leader's SRA current/(proposed)
Leader of the Council	23,511	23,511	100 (100)
Deputy Leader	14,513	14,513	66 (66)
Cabinet Member	11,754	11,754	50 (50)
Cabinet Deputy	7,758	5,877	33 (25)
Chair, Audit and Risk Committee	1,179	5,877	5 (25)
Chair, Chelmsford Policy Board	7,758	5,877	33 (25)
Chair, Governance Committee	1,179	5,877	5 (25)
Chair, Licensing and Regulatory Committee	5,877	5,877	25 (25)
Chair, Overview and Scrutiny Committee	7,758	5,877	33 (25)
Vice Chair, Overview and Scrutiny Committee	2,937	-	12.5 (-)
Chair, Planning Committee	7,758	7,758	33 (33)
Vice Chair, Planning Committee	-	3,879	- (16.5)
Leader of larger opposition political group	7,758	7,758	33 (33)
Leader of smaller opposition political group	-	1,179	- (5)

- 4.1 The table above gives a summary of the changes to the SRAs. The costs of the Members' Allowances Scheme in 2018/19 compared with the full year cost of the Panel's recommended Scheme are:

2018/19 £		Recommended Scheme £	
Basic allowance	333,350	Basic allowance	340,017
SRAs	160,372	SRAs	153,831
Total	493,722	Total	493,848
Including 2% increase	503,596		

Notes:

1. The 2% increase in allowances that took effect in May is included in the cost of the proposed scheme. The total cost of last year's Scheme if it were to be unchanged in 2019/20 but with the 2% included would be £503,596.
2. The recommended scheme includes the cost of the allowance for the Leader of the smaller Opposition Group and the payments to the Independent Persons

5. Conclusion

- 5.1 The recommendations in this report are those of the Independent Remuneration Panel and not those of the City Council. It is for the Cabinet to give initial consideration to this report and to pass any views it might have to the Council for it to consider when deciding whether to accept the recommendations.
- 5.2 In general, the Panel has found the current scheme of allowances to be sound, fair and reasonable and the recommendations it has made are designed to reinforce that observation. Whilst aware of the financial pressures on the Council, the Panel has not concerned itself with the affordability of those recommendations that have budgetary implications: that is a matter for the Council to address.

MEMBERS' ALLOWANCES REVIEW 2019 – RESULTS OF SURVEY OF MEMBERS

Responses to the survey were received from 20 of the 57 councillors. Not all responded to all of the questions.

Question		Summary of responses
1.	Basic Allowance <i>Do you think the current BA is reasonable and reflects fairly all the expenses you incur in your day-to-day duties? If you believe it should be higher or lower, please indicate below the level you think appropriate and your reasons.</i>	General response Of the 20 councillors who responded to this question, 18 thought the BA was reasonable. One was unsure. One thought it should be changed (see final comment in this section below)
		Specific comments 1. As a new councillor, it is difficult for me to say whether or not the allowance does reflect the level of expenditure etc incurred. I would agree though that the disparity between the ECC and CCC allowances seems to me very large and I can imagine that far more contact with residents happens within CCC's wards than that with ECC – for example I have three parish councils, all of which I try to attend and pick up issues arising which, for a rural ward, does mean a relatively significant mileage sometimes. That being said, I am also conscious that allowance increases are not popular with the public and I know that ECC have come under fire in the past for the level of their payments which is not a good thing.
		2. It is broadly right. I have two ways of looking at it: Generally, it is important not to exclude people without private means from standing for election. Councillors should not be limited in practice to a pool of people with independent means, such as pensioners. So it's important to have an adequate allowance. For people who work, it

		<p>may be necessary to reduce working hours in order to have time to be a councillor (as I have done). It's not appropriate to compensate for the full loss of income in these circumstances – that is personal choice and it would not be right for some councillors to receive more than others for the same public service. Viewed from both these perspectives, the current figure feels to be about right.</p>
		<p>3. In the current environment I don't think this should be changed. Over time I believe the role of Councillors should be further developed implying more time may be needed</p>
		<p>4. My view is that the basic allowance should be linked to the approximate minimum wage of say £10 per hour. The amount of work that individual councillors undertakes varies enormously. Some are penalised by the use of an average number of hours and others rewarded for doing little. If we have to use an average and it seems too complicated to do otherwise then an average of 15 hours per week is probably about right. Members continue to work whether on holiday or sick and are 'on call' 24 hours per day. It is therefore reasonable to allow a full 52 week year. The annual calculation for the basic allowance is therefore $52 \times 15 \times £10 = £7800$.</p> <p>The next question is should a percentage be deducted. I see no justification for this as this is reflected in the sum of just £10 per hour.</p>

2.	Special Responsibility Allowance <i>Do you think the current SRAs are reasonable and fairly reflect the responsibilities of the individual posts? Are there any special responsibilities not currently in receipt of SRAs which should be? Conversely, are there any that you believe should not be continued? Should any individual percentages be adjusted, either higher or lower, and if so why and what should those percentages be?</i>	General response Of the 20 councillors who responded to this question, 15 thought the current SRAs are reasonable. Four thought they were generally alright but had the specific comments below. One was unsure.
		Specific comments 1. In my limited experience, having only been elected to Deputy cabinet member in May I think the SRA's fairly reflect the responsibilities of the individual post in the case of a retired person. This may not be the case if the member is employed full time as it would necessitate them taking time off, probably unpaid, are probably would not reflect that lost income.
		2. Under the new Administration there are some new roles that need to be assessed – Cabinet Deputies and Chair of the Policy Board
		3. The basic answer is yes but I see no justification for the allowance paid to the vice chairman of Overview and Scrutiny. Chelmsford may be unique in this allowance. In any event there can be no justification in paying the vc more than the chair of audit or governance. If vice chairmen are to receive an allowance then it should be on a sliding scale with the planning committee chair at the top.

		<p>4. I can only comment on Planning Chair and Vice Chair. As a new councillor I am uncertain yet how correct the Chair special allowance is but I am clear from looking at a comparison with other similar authorities below that the vice chair should have an allowance. He or she has to do similar preparation for each meeting as the chair in case he or she has to take over the role at short notice. Braintree has the best monetary comparison with our chair so I suggest giving the vice-chair a similar amount.</p> <p>Basildon – Chair = £10,915, Vice Chair = £1,871, Each other member = £624 Braintree – Chair = £8,622, Vice Chair = £1,233 Colchester – Chair = £7,181, Each other member = £1,077</p>
		<p>5. Having been Chair of Audit committee I think this SRA should be raised at least to the level of Deputy Chair of Overview and Scrutiny.</p>
		<p>6. As the leader of the opposition Conservative Group is getting an allowance it seems only fair that this should happen for the smaller group in opposition also. So my opinion is the allowance should be offered to the leader of Chelmsford Independents Group also.</p>
3.	<p>Indexing of BAs and SRAs</p> <p>The annual revision of these allowances is linked to the annual pay increase for the Council's staff.</p> <p><i>Do you think this is a fair basis for revision? If not, what other basis would you suggest?</i></p>	<p>General response</p> <p>All 20 who responded felt that this was a reasonable basis for revision</p>

4.	<p>Co-optees allowances</p> <p>The last review did not recommend its introduction, there having been no significant pressure for it either from members or existing co-optees. The only Committee which has co-optees is the Governance Committee, with three Parish Council representatives.</p> <p><i>Should the allowances scheme provide for payments to co-optees? If so, what would be an appropriate payment? Would, say, 10% of the Basic Allowance be reasonable?</i></p>	<p>General response</p> <p>17 responses were received, broken down as follows;</p> <p>10% of BA – 2 support this idea No co-optee's allowance – 7 were of this view No comment – 3 Pay an attendance allowance per meeting – 2 (no sum suggested) Pay travel expenses only – 2 Consider on a case-by-case basis - 1</p>
		<p>Specific comments</p> <p>1. As noted above, it is important not to exclude people without private means from performing these roles. But these roles presumably involve no more than preparation for and attendance at a few meetings a year. A sum per meeting may be more appropriate than a set allowance per year.</p>
		<p>2. It must surely depend on the expectations of the co-optee's time and abilities</p>
		<p>I believe any payments for co optees should be treated on a case by case basis and reflect the commitment required of that co- optee. There should not be an automatic allowance.</p>

5.	<p>Independent Persons (IPs) allowances</p> <p>The Governance Committee is also advised by Independent Persons, who are consulted by the Monitoring Officer on complaints against City and Parish Councillors and, where necessary, carry out investigations. Until now they have been paid only travelling expenses associated with that work. Many other councils pay an allowance to IPs – should Chelmsford do the same and, if so, what would be an appropriate payment?</p> <p><i>Should the allowances scheme provide for payments to Independent Persons? Would, say, 10% of the Basic Allowance be reasonable?</i></p>	<p>General response</p> <p>19 responses received, broken down as follows:</p> <p>Pay 10% of the BA – 4 in favour Pay expenses only – 5 in favour Pay and allowance per case investigated – 4 Make no payment – 5 Unsure - 1</p>
		<p>Specific comments</p> <p>1. Only if these posts are currently difficult to fill</p>
		<p>2. I do not fully understand how this role operates so it is difficult to comment. If the role is similar to that of a consultant then there may be a case for an allowance but if these are normally one off situations for a specific purpose than the current scheme may be more reasonable.</p>

6.	Travel Allowance This is currently paid in respect of approved duties on the basis of individual claims, rather than a lump sum, and is linked to the officers' casual user mileage allowance. <i>Do you think this remains a fair basis for the payment of travel allowances?</i>	General response All who 19 who responded to this question supported the current arrangements, although three slightly qualified that with the comments below.
		Specific comments 1. I do not claim travel allowances but councillors from further out will do so and it is important not to deter good councillors. Failing to reimburse reasonable travel costs would amount to a deterrence, so these allowances should continue to be available. But how much bureaucracy is involved in making the claims and paying them out? A lump sum paid to all councillors would be unfair on those from outlying wards. But a formula for paying a standard amount based on the distance of the ward from the Civic Centre and the spread of the ward could potentially be cheaper to administer and save money for the council while still being fair to councillors and cutting down on their record-keeping and form-filling needs.
		2. Yes, unless lump sum payments save the Council money in terms of admin.
		3. Yes – but is there a minimum distance than can be claimed? I would personally only ever claim for travel outside of Chelmsford as I would expect the basic allowance to cover 'travel to work' ie within Chelmsford.

7.	<p>Subsistence Allowance</p> <p>This is paid in respect of approved duties outside the City on the basis of individual claims at the same rate as that paid to officers.</p> <p><i>Do you think it should continue to be paid on that basis?</i></p>	<p>General response</p> <p>The 19 who responded supported the current arrangements. 1 thought it should be removed.</p>
8.	<p>Dependant Carer's Allowance</p> <p>This is currently paid at the hourly rate of the National Minimum Wage for child care (depending on the age of the carer) and £15 per hour for the care of a dependant relative, where the member has to make such arrangements in order to be able to perform their duties as a councillor. The latter payment is linked to the same index used for BAs and SRAs.</p> <p><i>Do you think the allowances should be revised and/or another index used?</i></p>	<p>General response</p> <p>14 of those who responded supported the present arrangements. 3 had no view 1 did not support the present arrangements Two submitted the comments below</p>
		<p>Specific comments</p> <p>1. To answer this question, I would first like to ask what the purpose of this allowance is? Is the aim to mitigate the costs members incur when paying for carers or is it to put members on even financial playing field as members who do not have to incur these fees to undertake their duties?</p> <p>If it is the former, these allowances could be considered appropriate.</p>

		If it is the latter, then these allowances do not cover the costs likely to be incurred by a member. (For example, a Chelmsford based babysitter who is ofsted registered is most likely to charge £10+ per hour. And a brief survey of carer costs suggests careers are between £12 and £20 per hour.)
		2. I see no justification for the allowances for carers to be paid at a higher rate than the notional rate paid to councillors
9.	Pensions for Members The survey mistakenly asked for members' views on whether the allowances should be pensionable. In fact, that option was removed by the government some years ago and it is now not possible to do this	
10.	Approved Duties A previous review of allowances resulted in the introduction of a definitive list of approved duties in respect of which travel, subsistence and other allowances can be claimed. That list is attached as Appendix 2. <i>Do you think the list is reasonable? Are there any duties which you feel ought to be added to or removed from the list?</i>	General response Of the 20 councillors who responded to this question, 14 thought the list of approved duties was reasonable. Five had no comments. One made the comment below.
		Specific comment Possibly need reviewing with the new committee structure.

Other comments

I would like to take this opportunity to note that there is currently no policy for members taking parental, maternity or paternity leave. I believe this is something that should be introduced as I think it will make the council a more welcoming place for a more diverse range of members and make it more reflective of our community.

“OUR PLAN, OUR CHELMSFORD”

Introduction

1. Each organisation should have a strategic document that sets out its priorities over the coming years. Our Plan is the Council’s strategic document and its aim is to provide key stakeholders, customers and potential investors with a summary of our ambitions highlighting the strategic direction for the City Council. Our Plan has been developed by the Council’s Management Team together with Cabinet and Senior Managers and is set out at **Appendix 1**. The Plan signals our ambition to continue to be a sustainable and creative Council with the community at its heart and to be recognised as a leading regional centre and destination in the East of England. We will aim to improve the lives of all our residents by making Chelmsford a Fairer, Greener, Safer and Better Connected place to live, work and visit.

Our Plan

2. The new Plan is ambitious and aims to ensure that we improve Chelmsford for its residents and businesses. These ambitions are being delivered against a continued backdrop of austerity and competing pressures on Local Government, although the Council does not intend to be constrained by these and continues to plan to create a better Chelmsford.
3. The priorities which the Council are asked to endorse are to deliver:
 1. A Fairer and Inclusive Chelmsford.
 2. A Safer and Greener Place.
 3. Healthy, Enjoyable and Active Lives.
 4. A Better Connected Chelmsford

The rationale for each priority is set out in the Plan together with what we will aim to deliver and what success will look like.

Conclusion

4. Our Plan aims to continue to deliver improved services to residents and sets a clear framework for delivering the Council’s aspirations, thereby enabling the Council to meet the expectations and needs of those who live, work in and visit the City.

RECOMMENDED that

the Council’s key priorities set out “Our Chelmsford, Our Plan” be approved.



Cover images: Hylands Whisper, by Kelcie John Lewis, Parasols in the Park, by Kevin Kelly, The Chelmsford City Swans, by Peter Ball, Evening Rush, by Lee Woodcraft. Chelmsford City Photography Competition 2019



ourChelmsford
ourPlan

Our ambition is to be a sustainable, creative community at the heart of Essex, recognised as a leading regional centre and destination in the East of England.

...a safer, greener, fairer, better connected place, where people want to live, work, study and visit

Welcome to **Our Plan** that sets out our priorities for Chelmsford City Council in the coming years.

As England's newest city, Chelmsford is one of the fastest growing centres in the East of England. We have a rising population, strong economy and low unemployment, and most of our residents experience a good quality of life, but we can make Chelmsford even better.

Our ambition remains for Chelmsford to be recognised as a leading regional centre, leading by example and helping to make our society safer, greener, fairer, and better connected. We believe that **Our Plan** will help make these ambitions a reality, whilst recognising that we will need to remain flexible and responsive if we are to continually adapt to an ever changing social, economic and environmental landscape.



**Councillor
Stephen Robinson**
Leader of the Council



Nick Eveleigh
Chief Executive

Fairer and inclusive Chelmsford

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

- bringing investment into Chelmsford, together with an increase in skills, jobs and overall employment
- meeting the demand for new housing of all types and tenures – in particular homes to rent that local people can afford
- adopting an approach whereby growth and development also deliver a broad range of environmental benefits that are sustainable over time



What we will do

- ⊕ Implement the growth priorities identified in the Local Plan to create new distinctive, sustainable and inclusive communities
- ⊕ Develop and implement a new strategic approach to improve the supply and accessibility of affordable homes
- ⊕ Work with the highway authority and other transport providers to improve movement around the city and promote more sustainable travel options

What will success look like? What are the expected outcomes?

- ↑ Housing delivery targets set out in the Local Plan achieved
- ↑ High quality, sustainable forms of development delivered, where all new dwellings incorporate design features to reduce their carbon footprint and improve their environmental efficiency
- ↑ Increased supply and improved mix of type and tenure of affordable housing
- ↑ Key transport infrastructure improvements made and measures in place to encourage more people to use sustainable transport options, thereby reducing congestion and journey times, whilst helping to improve air quality

A safer and greener place

Making Chelmsford a more attractive place, promoting Chelmsford's green credentials, ensuring communities are safe and creating a distinctive sense of place

- protecting and enhancing wildlife, habitats and landscapes in and around Chelmsford and connecting people with the built and natural environment
- providing attractive, high-quality green areas and public places that are clean, safe and easily accessible for all
- managing in a sustainable way to help reduce energy consumption and waste and to help preserve natural resources



What we will do

- ✚ Develop a new environment plan, promoting a sustainable approach to growth, development and everyday living and a low carbon future
- ✚ Implement measures to improve the green infrastructure of Chelmsford and increase biodiversity
- ✚ Improve the environmental quality, attractiveness and recreational potential of public spaces, rivers and waterways
- ✚ Implement measures to reduce waste, lower energy consumption and improve air quality
- ✚ Ensure that residents of, visitors to and businesses operating in Chelmsford and surrounding areas feel safe and adequately protected

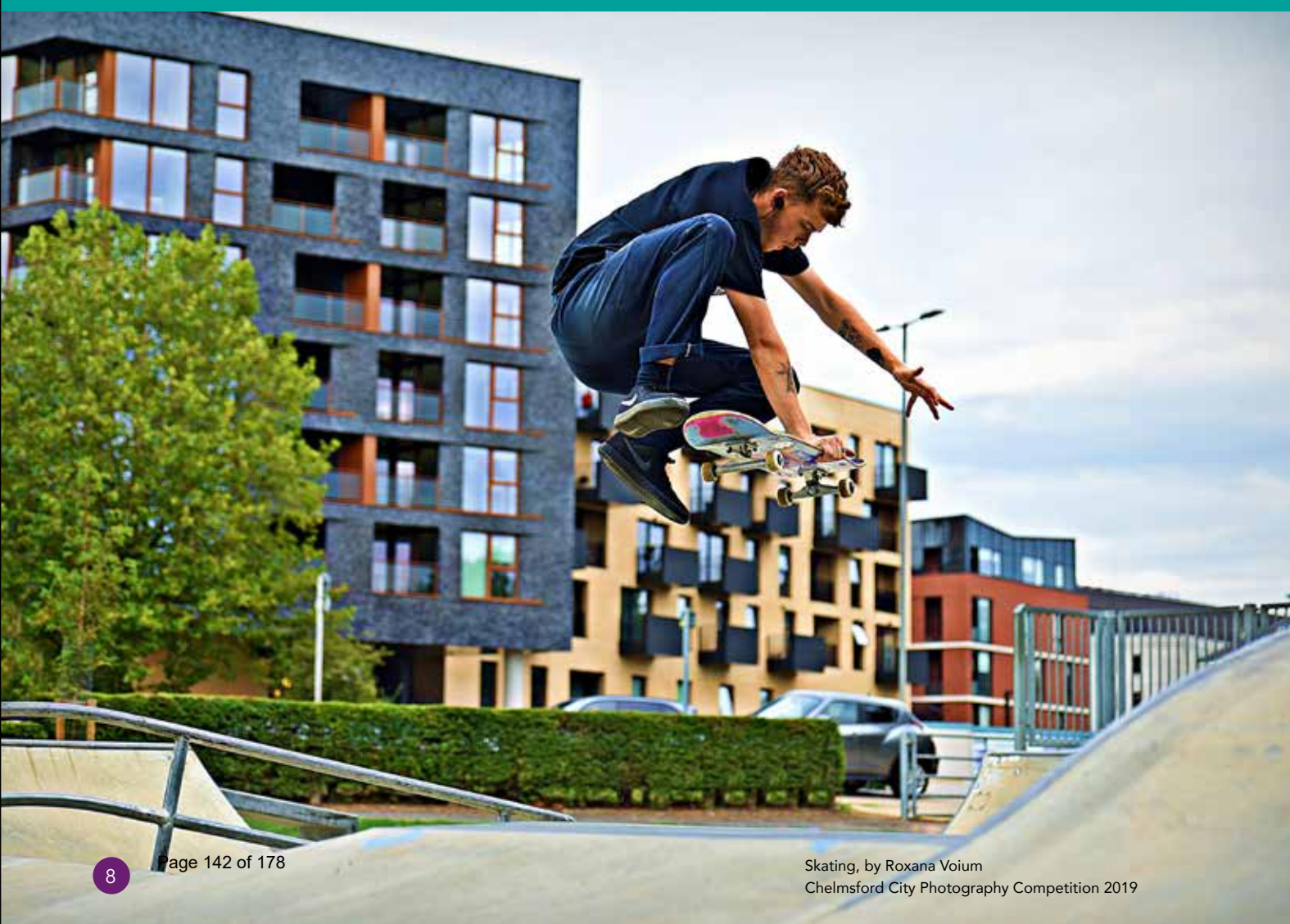
What will success look like? What are the expected outcomes?

- ↑ Measures in place to achieve the target for the Council's activities to be net-zero-carbon by 2030
- ↑ Improved 'sustainability' scores in the 'Thriving Places Index'
- ↑ Significant reduction in the amount of waste generated; reuse, recycling and composting levels exceed government targets
- ↑ Significant increase in woodland and tree cover
- ↑ Continuous green wedges and wildlife corridors connecting all parts of Chelmsford
- ↑ Habitat value of green spaces and waterways enhanced to promote greater biodiversity across the city

Healthy, active and enjoyable lives

Encouraging people to live well, promoting healthy, active lifestyles and reducing social isolation, making Chelmsford a more enjoyable place in which to live, work and play

- • • stimulating vibrant local communities by connecting people and places through shared experiences that reflect the character of the area and a sense of place
- • • promoting physical and mental wellbeing
- • • providing access to sport, leisure and recreational activities that encourage healthy, active lifestyles
- • • enlivening and enriching people's lives through creative and cultural activities and events



What we will do

- ⊕ Upgrade sports, culture and leisure facilities to improve access and increase opportunities for participation
- ⊕ Encourage and promote cultural and creative events and activities as a driver for social cohesion and economic growth
- ⊕ Promote activities and initiatives to improve the physical and mental wellbeing of Chelmsford residents

What will success look like? What are the expected outcomes?

- ↑ Increased number of visitors attracted to sports, culture and leisure facilities, activities and events
- ↑ Network of indoor sports and recreation spaces strategically located to meet the needs of growing communities – new sports pitches developed to meet increased demand
- ↑ Play areas and informal recreation spaces integrated into all new developments
- ↑ Comprehensive 'Livewell' programme in place to improve the health and wellbeing of Chelmsford residents
- ↑ Improved 'people and community' and 'mental and physical health' scores in the 'Thriving Places Index'

Connected Chelmsford

Bringing people together, empowering local people and working in partnership to build community capacity, stronger communities and secure investment in the city

- • • building strong relationships and engaging with local communities so that more can be achieved together
- • • working with local people and organisations, the voluntary and third sectors to build greater capacity and resilience and encourage effective stewardship by local communities
- • • being persuasive with government and the private sector to lever investment and external funding support for the city



Filming Light Trails, by James di Cicco
Chelmsford City Photography Competition 2019

What we will do

- ✚ Position and promote Chelmsford and surrounding areas as a place for investment, business location and the creation of new jobs
- ✚ Work with businesses and education providers to identify skills gaps and develop initiatives to improve educational and vocational attainment
- ✚ Encourage participation in local democracy, increase representation of community interests and expand volunteering programmes

What will success look like? What are the expected outcomes?

- ↑ Chelmsford is attractive to new businesses and is recognised as a place where businesses, enterprises and community organisations are encouraged to grow and develop
- ↑ Chelmsford operates as a technology hub where innovation and new and emerging technologies thrive
- ↑ An increase in higher-value jobs based in Chelmsford; more skilled and talented individuals are attracted into the local workforce
- ↑ People feel better represented at a local level and more involved in deciding how best the interests of their community can be met
- ↑ Increased level of volunteering; people feel better connected to their built and natural surroundings and show greater care and respect for their local environment

CODE OF CONDUCT FOR EMPLOYEES/WORKERS

Introduction

1. The Code of Conduct applies to all Chelmsford City Council employees and workers. The Code sets out the standard of conduct that Chelmsford City Council employees and workers should adhere to when carrying out their work and duties. In addition, its purpose is to maintain and improve standards and protect employees from misunderstanding or criticism.
2. The review is part of a normal cycle of review of HR policies and other documents. Legal and Democratic Services have also updated the Code to reflect new guidance on the Registration of Officer Interests. The form to enable Officers to declare Officer Interests will be reviewed by Legal and Democratic Services before publication of the Code of Conduct.

The Review Process

3. The review process has been undertaken by Human Resources following consultation as outlined above, culminating in a final review by the Council's Management Team and approval by the Governance Committee on 6 November 2019.
4. The revision of the Code has enabled additional sections to be included and amendments made to existing sections of the Code.
5. An Equality Impact Assessment has been developed to review the impact of the Code on employees/workers and service users.

Summary of Amendments

6. The revised Code of Conduct includes new sections on the following:
 - Principles of Public Life
 - Disclosure of Criminal Convictions during employment
 - Environmental impact
 - Social Media
 - Communications and Publication
 - Working and contact with the media
 - Safeguarding

7. Revisions to existing sections of the Code are:

- Reference to new Values and Behaviour framework
- Revised wording on the consumption of drugs and alcohol
- Standard of dress, including the display of badges, insignia and inclusion of tattoo guidance
- Wording on disclosure of information to take account of GDPR
- Expanded section on equality, diversity and inclusion
- Expanded section on the awarding of contracts, including information on the anti-bribery and corruption policy
- Revised wording on outside work commitments, including paid and unpaid work
- Inclusion of the word health in the security and safety section

Further Work

8. It will be important to ensure that the revised Code of Conduct is communicated to all employees and workers via the intranet, employee self-service, email and/or briefing where appropriate.
9. New recruits will be provided with Code of Conduct on appointment.
10. The Code of Conduct will be reviewed on a three-yearly basis unless amendments are necessary in the interim period due, for instance, to legislative or policy changes.

RECOMMENDED that

the Council notes the changes to the revised Code of Conduct and supporting Equality Impact Assessment and approves the revised Code.

Human Resources

Code of Conduct for Employees/Workers

I

*references to employees also includes workers

Chelmsford City Council

Code of conduct for employees/workers

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Appendix I Registration of Officer interests

I. Introduction

I.1. Application

This Code of Conduct applies to all Chelmsford City Council employees* and workers irrespective of the job that they do or the grade that they are on.

I.2 Principles of public life

The 7 principles of public life apply to anyone who works as a public office holder. <https://www.gov.uk/government/publications/the-7-principles-of-public-life>

These principles underpin the Council's policies, procedures and processes set out in this Code of Conduct and elsewhere.

This includes people who are elected or appointed to public office, nationally and locally, and all people appointed to work in:

- the civil service
- local government
- the police
- the courts and probation services
- non-departmental public bodies
- health, education, social and care services

The principles also apply to all those in other sectors that deliver public services.

They were first set out by Lord Nolan in 1995 and they are included in the Ministerial code.

1. Selflessness

Holders of public office should act solely in terms of the public interest and not in order to gain financial or other material benefit for yourself, family or friends.

2. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

3. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

5. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

6. Honesty

Holders of public office should be truthful.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

1.3. Purpose behind the Code

Chelmsford City Council is a public authority funded in the main from revenue raised by local and central government taxation. As such, the public, and all other individuals and organisations who come into contact with the Council, are entitled to expect from the Council's employees the highest standard of service in terms of integrity, efficiency, impartiality and courtesy.

This Code sets out the standard of conduct that Chelmsford City Council employees should adhere to when carrying out their work and duties. In addition, its purpose is to maintain and improve standards and protect employees from misunderstanding or criticism.

Employees should always bear in mind that it is not enough to avoid actual impropriety or improper conduct. Employees should always endeavour to avoid any occasion for suspicion and any appearance of improper conduct or impropriety.

1.4. Status of the Code

This Code has been formally approved and adopted by the Council.

The Council believes that the Code represents the standard against which the conduct of employees will be judged, both by the public and by their fellow employees. It is not an exhaustive listing of all standards expected of employees.

1.5. Non-Observance of the Code

Failure to adhere to the Code can bring the Council and indeed the whole local government service into disrepute. Such failure could also lead to a finding of maladministration on the part of the Council by the Local Government Ombudsman.

One of the purposes of the Code is to provide guidance to employees and seek to protect them from misunderstanding or criticism. It is therefore in each employee's own interest to adhere to the Code. Employees should be aware that breach of the Code will constitute misconduct (and in certain circumstances, gross misconduct), which may lead to disciplinary action being instituted against the employee in accordance with the Council's Disciplinary Procedures.

Furthermore, employees need to be aware that conduct which is contrary to certain provisions of the Code (e.g. those dealing with unauthorised disclosure of confidential information) could, depending upon the precise circumstances of the case, also amount to an offence under the criminal law and thus result in prosecution of the employee concerned.

1.6. Interpretation

The Code is to be interpreted in spirit as well as by the letter. An employee who is in any doubt as to whether a provision in the Code is applicable to their situation should, in the first instance, refer the matter to their manager.

2. Values and Behaviours

The Council has adopted certain values – Accountability, Creativity, Learning and Encouraging, Collaborative and Trust - which are at the core of how staff and the organisation are expected to behave. These are key to delivering the Council's vision and are the qualities that we expect from all staff. All employees have a responsibility for ensuring that they are aware of the Behaviours which underpin these values and that they actively support and demonstrate these. Information is available on the intranet or through employee self-service.

3. Customer Service and Standards

3.1. General

Employees are expected to give the highest possible standard of service to the public and local community and to abide by the customer care standards set by the Council. Employees who, during their employment, have contact with the public, whether face to face, over the telephone or by way of written

correspondence should always ensure that they deal with the individual(s) in an efficient and courteous manner, irrespective of the circumstances.

3.2. Standards of Dress

Employees should dress in a manner appropriate to their role to ensure, so far as is reasonably possible, that no offence is caused to individual members of the public, including members of minority groups. Employees should not wear any badges, jewellery or insignia which might give offence, or which could be taken to indicate that the wearer is a supporter of a particular political party or pressure group. Tattoos should not be displayed which give offence or indicate that the employee is a supporter of a particular political group.

3.3. Consumption of Alcohol and Drugs

Employees should not consume any alcohol before or during their working day, including during their lunch break, if it is likely to have an adverse effect on their work or if it would be inappropriate. For employees whose role requires them to drive or operate machinery, then alcohol should not be consumed prior to driving or operating machinery. With the exception of prescription drugs, or pharmacy over the counter drugs, employees should not take drugs during work times.

3.4 Comments, compliments and complaints

Employees who, during their employment, have contact with the public should familiarise themselves with the Council's comments, compliments and complaints policy and procedure and, where appropriate, bring the procedure to the attention of the public.

Employees should be prepared to disclose to any member of the public their name and position with the Council unless in any case they have genuine cause to believe that such disclosure might compromise their own personal safety.

3.5 Hours and attendance

Reliability in time keeping, attendance and in reporting sickness are all critical to the success of Council services. Poor attendance and bad timekeeping increase costs, reduce service outputs and may undermine the reputation of the Council. Employees should ensure that they:

- Comply with the timekeeping requirement of their job ensuring accuracy of record keeping at all times.
- Are in the workplace and working when they should be
- Ask their manager if there is a need to take time off, for example for a doctor's visit

- Agree with their line manager in advance any leave or time off

3.6 Disciplinary standards

These disciplinary standards apply to all Chelmsford City Council employees irrespective of the job they do or the grade they are on.

They should be read in conjunction with the Council's Disciplinary Procedure and this Code of Conduct

Purpose behind the disciplinary standards

The Council accepts that most of its employees can be relied on to conduct themselves in an exemplary manner, irrespective of formal rules. However, in a large organisation such as the Council it is necessary for there to be standards which:

Identifies conduct which is unacceptable to the Council as an employer,

Indicates the likely consequences of such conduct; and

Provides a framework for managers and employees that helps ensure that the required high standards of job performance and conduct are met and maintained

4. Disclosure and use of confidential information

4.1. Information Security

All employees are responsible for keeping personal data, which they access or process, secure and up to date. Line managers have responsibility for the type of personal data they collect and how they use it. Managers are also required to ensure that staff are appropriately trained on how to process personal information in line with the Data Protection Act 2018 and the General Data Protection Regulation 2016

Individuals who have access to personal data are required:

- to access only data that they have authority to access and only for authorised purposes;
- not to disclose data except to individuals (whether inside or outside the organisation) who have appropriate authorisation;
- to keep data secure (for example by complying with rules on access to premises, computer access, including password protection, and secure file storage and destruction);
- not to remove personal data, or devices containing or that can be used to access personal data, from the organisation's premises without adopting appropriate security measures (such as encryption or password protection) to secure the data and the device;

- not to store personal data on local drives or on personal devices that are used for work purposes; and
- to report data breaches of which they become aware to the Information Governance Team in line with the Council's Data Breach Policy and Procedure.

Failing to observe these requirements may amount to a disciplinary offence, which will be dealt with under the Council's disciplinary procedure. Significant or deliberate breaches of this policy, such as accessing employee or customer data without authorisation or a legitimate reason to do so, may constitute gross misconduct and could lead to dismissal without notice.

Employees should communicate with the Council's Monitoring Officer, or their own Service Manager to raise concerns regarding a breach of conduct or other issue of concern related to the delivery of the Council's responsibilities. In some cases, the appropriate disclosure route may be raised by using the Council's Whistleblowing procedure.

4.2 Disclosure of criminal convictions during employment

Employees who are convicted or cautioned for any offence during their employment (this includes outside of your working hours) with the Council are required to immediately notify their line manager in writing of the offence and the penalty.

This includes motoring offences which result in a court action and a driving restriction but not parking offences/fines where no penalty points are incurred. The effect of any conviction or caution will be considered with regard to the post occupied and the nature and severity of the offence and penalty. Any action that may be taken by the Council will be in accordance with the disciplinary procedure.

4.3. Use of Information by Employees

Employees should never use confidential or sensitive information obtained by them during their employment for personal gain or benefit.

5. Equality, diversity and inclusion

All members of the local community, customers and our employees have a right to be treated with fairness and respect.

The Council is fully committed to the elimination of unlawful and unfair discrimination and values the differences that a diverse workforce brings to the organisation. The Council aims to create a work environment where everyone is treated with dignity and respect.

The Council will not discriminate because of age, disability, gender reassignment,

marriage and civil partnership, pregnancy and maternity, race (which includes colour, nationality and ethnic or national origins), religion or belief, sex or sexual orientation. It will not discriminate because of any other irrelevant factor and will build a culture that values meritocracy, openness, fairness and transparency.

All employees are responsible for the promotion and advancement of equality, diversity and inclusion. Behaviour, actions or words that transgress the Equality, Diversity and Inclusion policy will not be tolerated and will be dealt with in line with the Council's bullying and harassment and disciplinary policies, and this Code of Conduct.

6. Political neutrality

6.1. When Carrying Out Work

Employees (whether or not their post is designated as politically restricted) should follow every lawful expressed policy of the Council and should not allow their own personal or political opinions to interfere with or influence their work.

6.2. Dealings with Elected Members

Employees should bear in mind that they serve the Council as a whole. They therefore serve all Elected Members and not just those of the controlling group and should ensure that the individual rights of all Elected Members are respected. It must be ensured that working relationships are kept on a professional basis.

6.3. Political Assistants

Political assistants appointed in accordance with the Local Government and Housing Act 1989 are exempt from the standards set out in paragraphs 6.1 and 6.2

7. Acceptance of gifts & hospitality

7.1. General

Except in the very limited circumstances employees should not accept any fees, gifts or other benefits on their own behalf or on behalf of a third party, from any member of the public, pressure group or other outside party. All employees are expected to make themselves aware of the guidance on the acceptance of gifts and hospitality which is available on the intranet or from HR.

7.2. Accepting Hospitality

Employees should only accept offers of hospitality if these are occasions on which they are gathering, imparting or exchanging information or representing the Council. Offers to attend purely social or sporting functions should be accepted only when these are part of the life of the community or where the

||

*references to employees also includes workers

Council should be seen to be represented. Attendance at such functions should be authorised in accordance with the procedure set out in the protocol for gifts and hospitality.

Employees should be aware that it is a serious criminal offence for them **corruptly** to receive any gift, loan, fee, reward or advantage **for doing, or not doing anything, or showing favour or disfavour to any person** in their official capacity. If an allegation is made then it is for the employee to demonstrate via an investigation process that any gift, loan, fee, reward received has not been corruptly obtained.

7.3. Giving of Hospitality

The giving of hospitality to visiting individuals, and during meetings with outside individuals/organisations which take place off Council premises, is acceptable provided that

- (i) the visit/meeting relates to Council business; and
- (ii) such hospitality is of a kind and proportionate to the circumstances.

In some cases, it may well be wrong not to offer hospitality. For example, the failure to offer a visitor basic refreshment (i.e. tea/coffee) would, in certain circumstances, be construed as discourteous, and possibly contrary to the Council's customer care ethos. Similarly, in the case of lengthy meetings the provision of a "working lunch" may well be appropriate. Hospitality should never be lavish or extravagant and should be proportionate to our role as public body. Employees should always have regard to how such hospitality might be perceived by members of the public - bearing in mind the Council is a public body funded in the main by local and central government taxation, and the need for impartiality in relations with contractors and potential contractors.

8. Personal interests - disclosure etc

8.1. The Underlying Principle

Employees should never use their positions with the Council to seek special favour or preferential treatment for themselves, or friends or relatives. Equally important, employees should not allow the impression to be created that they are, or may be, using their position to promote private or personal interests.

8.2. Disclosure Generally

Employees should disclose, in writing, to their manager any personal interest (whether financial or non-financial in nature) which may affect, or be considered by others to affect, an employee's impartiality in any matter relevant to his/her duties. Employees should make themselves aware of the guidance on registering

their interests. The manager should ensure that the disclosure is recorded in the register of interests maintained by Democratic Services.

Note: Non-financial interests could, for example, include involvement with an organisation receiving grant aid from the Council, or involvement with an organisation or pressure group which is seeking to influence or change the Council's policies.

8.3. Statutory Duty to Disclose any Financial Interest in Contract

Employees must be aware that by law (Section 117 of the Local Government Act 1972) they are required to disclose in writing to the Council any financial interest, whether direct or indirect, which they have in any contract which, to their knowledge, has been, or is proposed to be entered into by the Council. Failure to disclose such an interest is a serious criminal offence.

Democratic Services maintains a register for the disclosure of financial (pecuniary) interests. This register is open to inspection by the public.

Employees who are not sure whether disclosure is required should initially refer the matter to their manager.

9. Relations with outside contractors and proposed contractors

9.1. Familiarity with Contract Rules etc.

Employees who make or advise on purchasing decisions or are otherwise involved in the ordering of goods or services on behalf of the Council must ensure that they are familiar with the Council's Contract Rules and Financial Regulations relating to contracts and orders.

9.2. Awarding of Contracts and Orders

Employees who make purchasing decisions, or who are otherwise involved in the ordering of good or services on behalf of the Council, must ensure that orders and contracts are awarded strictly in accordance with the Council's Contract Rules and that no special favour is shown, or preferential treatment given, to businesses run by partners, relatives, friends or former employees.

All employees should be familiar with the requirements of the Bribery Act and the Anti-Bribery and Corruption policy. The Council is committed to protecting the public purse and the services it provides from being abused.

We require that all staff, including those permanently employed, temporary agency staff and contractors:

- act honestly and with integrity always and safeguard the organisation's resources for which they are responsible

- comply with the spirit, as well as the letter, of the laws and regulations of all jurisdictions in which the Council operates, in respect of the lawful and responsible conduct of activities.

The Council will not tolerate fraud and corruption in the administration of its responsibilities, whether from inside or outside the Authority.

The Council's expectation of propriety and accountability is that staff at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.

The Council also expects that individuals and organisations with which it comes into contact will act towards the Authority with integrity.

9.3. Disclosure of Private Work Carried out by Contractors - The General Principle

Corporate Directors, Service Managers, and any other employees who are involved in purchasing decisions (including the selection of persons invited to tender, and the evaluation of tenders etc) and who have, or have had, a private business relationship (as defined below) with a person or company whom they know has or is seeking to have a contractual relationship with the Council (whether for the supply of goods, services or construction works) should disclose that fact in writing to Democratic Services.

Democratic Services shall record the disclosure in a register which is kept for that purpose and which is open to inspection by the public.

Definition of Private Business Relationship

An employee shall be taken to have a private business relationship with a person or company if that person or company has been engaged to carry out work to the employee's home or that of his/her family or close friend(s); or to supply any goods or services to the employee or his/her family or close friend(s).

9.4. Exceptions

This part of the Code shall not, however, be taken as requiring an employee to disclose a private business relationship with:

- (1) any public utility company or statutory undertakers (e.g. British Telecommunications Plc, Eastern Electricity, rail operators and other public transport companies) where work done, or goods/services supplied is a kind which is provided or made available to a large section of the general population.

(2) any bank or similar financial institution where the services provided are of a kind commonly provided or made available to other customers of the bank/institution.

(3) any retail store or outlet (e.g. a supermarket or bookshop) where the private business relationship has arisen solely because the employee has purchased from the store/outlet (during its opening hours) goods or services which, at the time of purchase were on display or offer to the public at the same price and on the same terms.

9.5. Employees Who Supervise Contracts

Employees who supervise contractors should disclose in writing to Democratic Services any private business relationship (as defined in 9.3 above) which they have, or have had, with any of the contractors which come within their supervision. Democratic Services shall record the disclosure in a register which is kept for that purpose and which is open to inspection by the public.

10. Outside commitments

All employees should not engage in any outside work which means any paid or unpaid work including voluntary work which conflicts or may conflict with the Council's interests.

An employee who wishes to take up outside work, whether paid or unpaid, must obtain approval before accepting. A proforma for this purpose can be found in Appendix I.

If an employee already has other employment or commitments when they join the Council, including volunteering, they must make this known to their manager who must ensure that they are fully able to undertake their contractual duties.

The Council has an obligation to protect the welfare of its employees. When considering other work, all employees must comply with the Working Time Regulations which govern the total number of hours that can be safely worked as well as ensure that the required rest breaks under regulation can be taken

An employee undertaking secondary employment outside of the Council must complete a Working Hours declaration to ensure that the hours worked in total are permitted under legislation including required rest breaks.

An employee who works in more than one role for the Council will be required to comply with Working Time regulation in relation to hours work and to ensure that required rest breaks are taken.

11. Separation of roles during tendering

11.1. Separation of Roles

Employees involved in the tendering process and dealing with contractors should be clear on the separation of client and contractor roles within the Council. Senior employees who have both client and contractor responsibilities must be aware of the need for accountability and openness.

11.2. Fairness and Impartiality

Employees in contractor or client units must exercise fairness and impartiality when dealing with all customers, suppliers, other contractors and sub-contractors.

12. Use of resources and council property etc

12.1. Use of Resources

Employees must ensure that they use public funds and resources entrusted to them in a responsible manner. They should always ensure value for money to the local community.

12.2. Commitment to the environment

The Council declared a climate and ecological emergency in July 2019 and expects its employees to consider the environmental impact of their actions and behaviour and, in particular, to contribute to reducing waste and reducing carbon emissions where possible when at work

12.3. Use of Council Property Etc

Except for cars provided in accordance with the staff car-lease scheme employees should not use Council property, equipment (including computer/word processing hardware and specialist software) and materials for their own personal gain or private purposes with the exception of accessing the internet during non-working time lunch breaks in accordance with the Council's Acceptable Use policy.

12.4. Security, health and safety

Employees should be mindful of the constant need to ensure, so far as is practicable, the security and health and safety of their fellow employees, and the safeguarding of Council property and buildings. Each employee should endeavour to avoid acts or omissions on their own part which may be prejudicial to, or compromise, health, safety and security.

13. Close Personal Relationships at Work

13.1 Recruitment

Employees involved in recruitment must ensure that appointments are made based on merit. To avoid any possible accusation of bias, an employee must not be involved in making an appointment if they are related to, or have a close personal relationship with an applicant, in accordance with the Employment Rules in the Authority's Constitution

13.2 Other Employment Matters

Employees must not be involved in decisions relating to disciplinary, grievance, promotion or payment related matters, which relate to someone with whom they have a close personal relationship

13.3 Relations with Other Employees

Mutual respect and professional conduct between colleagues are essential to good local government. Employees are required to act in a professional manner and not allow personal relationships to impact on their work and professionalism.

Employees are asked to complete a declaration form regarding Close Personal Relationships at work, following which an assessment will be undertaken to set out arrangements to protect both the employee and the Council.

The Council reserves the right to address any issues arising from close personal relationships at work that cause ongoing work issues and take appropriate action to resolve the issue.

14 Social media, communications and working with the media

14.1 Social media

Using Social media on behalf of the Council

When engaging with customers or organisations on behalf of the Council through Social Media, employees should always remember that they are representing the Council. Employees should represent the Council ethically and with honesty and integrity.

Personal social media use

Employees should not post anything that could adversely affect the image of the Council or have the potential to do so. Employees must not breach

confidentiality by divulging any personal or sensitive information through social media.

14.2 Communications and publication

Employees must not publicise material which is confidential or against the Council's or our employee's interests.

14.3 Working and contact with the media

Employees should not speak, write, give interviews or take phone calls for information unless the communications team and your manager have given you permission to do so or unless this is part of your role for the Council.

15. Safeguarding

The Council provides a wide range of services and facilities and will promote the welfare and protection of children and adults at risk within all services by:

- Respecting the rights, wishes, feelings and privacy of children and adults.
- Taking seriously and responding appropriately and promptly to all concerns, incidents and allegations.
- Requiring organisations that the Council contracts to provide the Council with services, to have appropriate safeguarding procedures and training in place and adopt the Safeguarding policy.
- Ensuring that unsuitable people are prevented from working with children and adults at risk through the Council's Safer Recruitment Procedure.
- Not tolerating harassment of any Council employees, elected Members, contractors, agency staff, volunteers, suppliers, consultants or children/adults who raise concerns of abuse.
- Seeking to prevent abuse by promoting good practice, creating a safe and healthy environment and avoiding situations where abuse or allegations of abuse occur.

It is expected that all employees:

- Understand the different forms abuse as well as their roles and responsibilities under this Code of Conduct and the Safeguarding Policy.
- Know how to record and report safeguarding concerns, incidents or allegations.

16. Generally

If an employee has any doubt as to whether any action taken or contemplated on his/her part, or on the part of a third party, is likely to result or has resulted in a breach of this Code of Conduct then he/she should discuss the matter with his/her manager or Human Resources as soon as possible.

Relevant information to support this Code of Conduct is available on the intranet or via your line manager including the following:

- Financial regulation
- Employment policies and procedures
- Health and Safety responsibilities
- Safeguarding
- Data and Information
- Council Constitution

REGISTRATION OF OFFICER INTERESTS

[Guidance on the registration of interests](#)

Your name	
Your Directorate	
Your Service	
Your line manager's name	

I register the following interests pursuant to Section 117 of the Local Government Act 1972 and the Council's Employees Code of Conduct:

Interest	
1.	<p>Your membership of or the fact that you are in a position of general management and control of a body that falls within one or more of the following descriptions:</p> <ul style="list-style-type: none"> a. to which you have been appointed or nominated by the City Council b. exercising functions of a public nature c. directed towards charitable purposes <p><i>The descriptions identified are alternatives, therefore you need to register any interests that falls within any of the descriptions in (a), (b) or (c). Under paragraph (a) there are a number of bodies to which the Council makes officer appointments such as Bradwell Local Community Liaison Council and the Essex Society for Archaeology and History. The organisations that should be included in paragraph (b) include those that lobby government to make changes to policy or laws, for example, an active member of the National Trust or AA which may seek to influence public policy. Under paragraph (c) this includes not only registered charities but other organisations that raise funds for charities such as Freemasons.</i></p>
	<p>Details</p>

2.	<p>Any body of which you are a member or to which you have been elected personally or professionally:</p> <p>(a) receiving grant aid from the Council; or (b) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union).</p>
	Details
3.	<p>Any pecuniary interest, direct or indirect, which you have in any contract, which has been or is proposed to be entered into by Chelmsford City Council</p> <p><i>If you have entered into any form of contract with the Council for the supply of goods or services this should be entered here but only if there are still obligations to be fulfilled such as payments to be made or services to be provided. Examples are:</i></p> <ul style="list-style-type: none"> - <i>Use of Council commercial waste collection facilities by a body or company which you own.</i> - <i>Use of the Council's Building Control Team's services in relation to works at any property owned by a body/company in which you have an interest.</i>
	Details
4.	<p>Any body of which you are a member.</p> <p>Any firm in which you are a partner.</p> <p>A company of which you or a close relative are a remunerated director.</p> <p>A company run by a relative, friend, partner, or former employee or yours which has or is tendering for a contractual relationship with Chelmsford City Council (whether for the supply of goods, services or construction work).</p>
	Details

5.	Any work or services provided to you in a private capacity (a private business relationship) by any business, partnership or sole trader which has tendered or is tendering for a contractual relationship with Chelmsford City Council (whether for the supply of goods, services or construction work).
	Details
6.	Any employment or business carried on by you in addition to your employment by Chelmsford City Council.
	Details
7.	Any organisation of which you are a member to which you have been elected or appointed professionally or personally which the Council could from time to time have any dealings with that are not covered in other categories above.
	Details

Your signature:

Date:

Your line manager's signature:

Date:

Monitoring Officer's signature:

Date:

Guidance Notes for Authorisation

Directors should consider the following:

- Does the additional employment conflict with the Council's interests i.e. benefitting from position of being a Council employee e.g. tendering for business?
- Does the additional employment conflict with the working time agreement e.g. the employee should not be working 7 days a week and must ensure that they can have the prescribed rest hours? Should the additional employment result in the employee working more than 48 hours a week, an opt out form should be completed.
- Could the business interest be seen to be promoted by their position within the Council?
- Does the contract preclude the member of staff from having additional employment or a secondary business interest?

Version Number	Creation Date	Changes Made	Changes Made By:	Authorised/Checked?	Date of Changes
2.6	Jan 2011	Amended to Disability Confident Logo	HR Team	Y	05/12/2016
2.5	Jan 2011	Updated to reflect new HR structure	J Ferguson	Y	17/09/2015
2.4	Jan 2011	Corrected reference errors in 6.3	H Dungate	Y	30/09/2014
2.3	Jan 2011	Safeguarding Element added	A Price	Y	31/10/2012

Chelmsford City Council Equality Impact Assessment

This form enables an assessment of the impact a policy, strategy or activity on customers and employees.

A: Assessor Details	
Name of policy / function(s):	Employee Code of Conduct
Officer(s) completing this assessment:	Jane Corsham, Human Resources
Date of assessment:	8 th October 2019

B: Summary Details	
Description of policy, strategy or activity and what it is aiming to do	<p>Chelmsford City Council is a public authority funded in the main from revenue raised by local and central government taxation. As such, the public, and all other individuals and organisations who come into contact with the Council, are entitled to expect from the Council's employees the highest standard of service in terms of integrity, efficiency, impartiality and courtesy.</p> <p>This Code sets out the standards of conduct that Chelmsford City Council employees should adhere to when carrying out their work and duties. In addition, its purpose is to maintain and improve standards and protect employees from misunderstanding or criticism.</p> <p> <input type="checkbox"/> new OR <input checked="" type="checkbox"/> existing (<i>If existing, when was the last assessment?</i>) <input checked="" type="checkbox"/> internal OR <input type="checkbox"/> external (i.e. public-facing) <input checked="" type="checkbox"/> statutory OR <input type="checkbox"/> non-statutory </p>
Policy Owner (service)	Human Resources

Chelmsford City Council Equality Impact Assessment

Scope: Internal - Service/Directorate/Council wide External – specify community groups	Internal/Council wide Whilst this is an internal document, the impact of the Code of Conduct is to enable a description of standards of service and behaviour to the Community
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C: 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.

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 Code of Conduct applies to all employees and workers and sets out behaviours and standards that are the expectation of the Council for all employees and workers in the delivery of public services. This Code should not disproportionately impact on different protected groups within the workforce.	
Disability Consider all disabilities such as hearing loss, dyslexia etc as well as access issues for wheelchair			x	See above	

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Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
users where appropriate					
Pregnancy and maternity Pregnant women and new and breastfeeding Mums			x	See above	
Marriage or Civil Partnership Could this policy discriminate on the grounds of marriage or civil partnership			x	See above	
Sex Is the service used by more than one gender and are the sexes given equal opportunity?			x	See above	
Gender reassignment Is there an impact on people who are going through or who have completed Gender Reassignment?			x	See above	
Religion or belief Includes not having religion or belief			x	See above	

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Characteristic	Positive impact	Could adversely impact	No impact	How different groups could be affected	Actions to reduce negative or increase positive impact
Sexual Orientation What is the impact on heterosexual, lesbian, gay or bisexual people?			x	See above	
Race Includes ethnic or national origins			x	See above	
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.		x		There is a need to ensure that all employees are aware of the Code of Conduct. Some employees may not have ready access to a computer as part of their day to day work arrangements. We have some staff whose English is limited.	We will: Ensure the revised Code of Conduct is accessible on the intranet as well as employee self-service. We will issue the Code to line managers so that they can provide an appropriate briefing to their teams We will provide the Code of Conduct in alternative formats as needed.

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D: Consultation process, information used to analyse the effects on protected groups/equality and key findings

Please describe the consultation process and evidence gathered. You may attach copies or links to the data / research you are using.

1.	<p><u>Consultation/engagement</u> What consultation or engagement has been undertaken regarding this policy? <i>[Please summarise what, when and who was involved]</i></p>	<p>Consultation has been undertaken as follows:</p> <ul style="list-style-type: none"> The Policy Working group Unison HR Services Manager HR Business Partners The Legal and Democratic Services Manager The Digital Services Manager The Council's Management team
2.	<p><u>Key findings</u> <i>(Summarise the key findings of your consultation in relation to protected groups as outlined above).</i></p>	<p>Feedback has been received as follows:</p> <ul style="list-style-type: none"> All staff should declare outside work, paid and unpaid, to enable the Council to monitor working arrangements, both hours and rest breaks, against working time regulations Clarification on the acceptable use of the internet during rest breaks Clearer wording about the importance of accuracy of timekeeping Clearer wording about the consumption of alcohol and non-prescription drugs Clearer wording on the declaration of criminal convictions including driving offences which result in a driving restriction
3.	<p><u>Data/Information</u> What relevant data or information is currently available about the customers and employees who may use this service or could be affected by this policy? <i>(For example: equality monitoring, surveys, demographic data, research, evidence about demand/ take-up/satisfaction etc).</i></p> <p>What additional information could be collected which would increase your</p>	<p>The monitoring data for the Council is available here:</p> <p>https://www.chelmsford.gov.uk/your-council/equality-duty-and-gender-pay-gap/</p> <p>This information shows the demographic of Council's employees. The Code of Conduct applies to all employees and workers and sets out behaviours and standards that are the expectation of the Council for all employees and workers. This Code should not disproportionately impact on different protected groups.</p> <p>As consultation has been undertaken with the Policy Working group and Unison, it is felt that sufficient consultation has been undertaken with representatives from all services and across</p>

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	<p>understanding about the potential impact of the policy? <i>(What involvement or consultation with affected groups is still needed?)</i></p>	all employee groups.
4.	<p>For existing policies, strategy, activity only: What has changed since the last assessment? <i>(For example: evidence of public concern or complaints / new information has come to light / changes in service provision / changes in service users/ assessed impact on protected groups etc)</i></p>	<p>The revision to the Code of Conduct was to ensure that gaps in the Code of Conduct could be rectified. The revised Code of Conduct includes new sections on the following:</p> <ul style="list-style-type: none"> • Principles of Public Life • Disclosure of Criminal Convictions during employment • Environmental impact • Social Media • Communications and Publication • Working and contact with the media • Safeguarding <p>Revisions to existing sections of the Code are:</p> <ul style="list-style-type: none"> • Reference to new Values and Behaviour framework • Revised wording on the consumption of drugs and alcohol • Standard of dress including the display of badges, insignia and inclusion of tattoo guidance • Wording on disclosure of information to take account GDPR • Expanded section on equality, diversity and inclusion • Expanded section on the awarding of contracts including information on the anti-bribery and corruption policy • Revised wording on outside work commitments including paid and unpaid work • Inclusion of the word health in the security and safety section

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E: Relevance to the Equality Duty Aims:

Consider how the policy relates to the aims below (directly or indirectly), and if it could be adjusted to further meet these equality aims.

1.	To eliminate unlawful discrimination, harassment and victimisation	The Code of Conduct sets out the expectations of all employees and workers regardless of any protected characteristic. The clarity in the Code will enable employees and workers to understand expected standards and behaviours in a clear format. The Code of Conduct also includes a clear statement about equality, diversity and inclusion and expectations for all employees to enable a fair and inclusive workplace.
2.	To advance equality of opportunity between people who share a protected characteristic and those who do not <i>(This means removing or minimising disadvantages, taking steps to meet needs of different people and encouraging participation. It can involve treating people better than others, e.g. disabled people).</i>	N/A
3.	To foster good relations between those who share a protected characteristic and those who do not. If so, how? <i>(This means promoting understanding between different groups and tackling prejudice)</i>	Clarity on the Councils' expectations in relation to Equality, Diversity and Inclusion, supported by the Council's Equality, Diversity and Inclusion policy, will enable an employee or worker to be held to account should their behaviour towards others be discriminatory or considered to be harassment or victimisation.

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F: Conclusion	
Decision:	Explanation:
<input checked="" type="checkbox"/> Continue the policy with no changes <i>[For example: evidence suggests no potential for discrimination / all opportunities have been taken to advance equality.]</i>	
<input type="checkbox"/> Continue the policy with adjustments <i>[For example: Low risk of negative impact / actions or adjustments would further improve positives or remove a potential negative impact.]</i>	
<input type="checkbox"/> Adverse impact but continue <i>[For example: Negative impact has been objectively justified.]</i>	
<input type="checkbox"/> Suspend or withdraw the policy for further review / consideration of alternative proposals <i>[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.]</i>	

Approved by:

Lead Officer / Responsible officer: ...Jane Corsham, Senior HR Business Partner.....Date: 25th October 2019

Senior Manager: ...Debbie Wootton, HR Services ManagerDate: 25th October 2019

[Please save a copy and send one to Human Resources for publication on the website as appropriate]

APPOINTMENT OF INDEPENDENT PERSON

Introduction

1. The Council is required under the Localism Act 2011 to promote and maintain high standards of conduct by its members and co-opted members. In achieving this aim the Act requires that the Council appoints at least one Independent Person to undertake duties to support the discharge of these functions.
2. Additionally, duties within the Employment Committee relating to disciplinary action against Statutory Officers and Directors also require input from at least two Independent Persons.
3. The Council's constitutional arrangements make provision for the appointment of two Independent Persons. The appointment is made by Full Council following interview and recommendation by the Governance Committee.
4. One of the two Independent Persons resigned in 2019 and the vacancy was advertised and written applications invited. Following their application, the Council's Governance Committee interviewed the applicant on 6 November 2019 and unanimously decided that they meet the requirements to fulfil the role.

Conclusion

5. Council is asked to appoint Paula Mills as an Independent Person until the end of May 2023 as recommended by the Governance Committee. The Council will be able to re-appoint them for a second term of four years.

RECOMMENDED that

Paula Mills be appointed as one of the Council's two Independent Persons.