



Uttlesford District Council

Chief Executive: John Mitchell

Cabinet

Date: Tuesday, 17 February 2015
Time: 19:00
Venue: Council Chamber
Address: Council Offices, London Road, Saffron Walden, CB11 4ER

Members: Councillors H Rolfe (Leader and Chairman), S Barker, R Chambers, J Cheetham, V Ranger, J Redfern and A Walters

Other attendees: Councillors S Harris, E Oliver, J Rich, J Salmon, L Wells (designated deputies), Councillors A Dean, R Lemon, K Mackman (Opposition Group Leaders), Councillor E Godwin (Chairman of Scrutiny Committee) and Councillor S Howell (Chairman of Performance and Audit Committee)

Public Speaking

At the start of the meeting there will be an opportunity of up to 15 minutes for members of the public to ask questions and make statements subject to having given two working days' prior notice.

AGENDA PART 1

Open to Public and Press

- 1 Apologies for absence and declarations of interest.**
To receive any apologies and declarations of interest

- 2 Minutes previous meeting** 5 - 16
To receive the minutes of the meeting on 16 January 2015

- 3 Matters arising.**
To consider any matters arising from the minutes

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| 4 | Questions or statements from non executive members of the council
To receive questions or statements from non-executive members on matters included on the agenda | |
| 5 | Matters referred to the Executive (standing item)
To consider matters referred to the Executive in accordance with the provisions of the Overview and Scrutiny Procedure Rules or the Budget and Policy Framework Procedure Rules | |
| 6 | Reports from Performance and Audit and Scrutiny Committees (standing item)
To consider any reports from Performance and Audit and Scrutiny Committee | |
| 7 | Corporate Plan 2015-20 and Corporate Risk Register
To receive the Corporate Plan and Corporate Risk Register | 17 - 22 |
| 8 | Budget 2015/16
The report sets out the recommendations in relation to the 2015/16 budget | 23 - 32 |
| 9 | Robustness of Estimates and Adequacy of Reserves
To consider the the Section 151 Officer's formal advice on the the robustness of estimates and the adequacy of reserves | 33 - 56 |
| 10 | Temporary Accommodation
To consider the transfer of designated temporary accommodation units from the HRA to the General Fund | 57 - 60 |
| 11 | Medium Term Financial Strategy
To consider the Council's proposed MTFS | 61 - 78 |
| 12 | Treasury Management Strategy 2015-16
To consider the Treasury Management Strategy and associated reports | 79 - 114 |
| 13 | Capital programme 2015/16 - 2019/20
To consider the proposed Capital Programme | 115 - 128 |

14	Housing Revenue Account 2015/16 and 5 year Business Plan Strategy To consider the HRA budget for 2015/16 and the 5 year Business Plan Strategy	129 - 146
15	General Fund and Council Tax 2015/16 To receive the 2016/16 General Fund budget	147 - 180
16	2014/15 Budget Monitoring To consider the budget monitoring report 2014/15	181 - 202
17	Local Development Scheme To consider the latest version of the LDS	203 - 232
18	Lower Street Car Park Stansted To consider the transfer of land to a utility provider	233 - 238
19	Transfer of land at woodlands park Great Dunmow To consider the transfer of land to Great Dunmow Town Council	239 - 242
20	Uttlesford Cycle Strategy To consider the adoption of the Uttlesford Cycle Strategy	243 - 304
21	Stansted Community Pot To consider the allocation of funds from the S106 Community Pot	305 - 308
22	Farnham Parish Plan To receive the Farnham Parish Plan	309 - 326
23	Compliance with Waste Regulations To consider a report on waste regulations in relation to separate collection of dry recyclables	327 - 346
24	Chairman's urgent items To consider any matters that the Chairman considers to be urgent	

MEETINGS AND THE PUBLIC

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The agenda is split into two parts. Most of the business is dealt with in Part 1 which is open to the public. Part II includes items which may be discussed in the absence of the press or public, as they deal with information which is personal or sensitive for some other reason. You will be asked to leave the meeting before Part II items are discussed.

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CABINET MEETING held at THE FOAKES MEMORIAL HALL, GREAT DUNMOW on 15 JANUARY 2015 at 7.00pm

Present: Councillor H Rolfe – Leader (Leader)
Councillor S Barker – Deputy Leader and Executive Member for Environmental Services
Councillor R Chambers – Executive Member for Finance
Councillor J Cheetham – Executive Member for Aviation
Councillor V Ranger – Executive Member for Communities and Partnerships
Councillor J Redfern – Executive Member for Housing
Councillor A Walters – Executive Member for Community Safety

Also present: Councillors J Davey, A Dean, E Godwin, E Hicks, S Howell, K Mackman, J Salmon and L Wells.

Officers in attendance: J Mitchell (Chief Executive), D Barden (Communications Manager), R Dobson (Principal Democratic Services Officer), R Harborough (Director of Public Services), A Knight (Assistant Director – Finance), D Malins (Housing Development Manager), R Millership (Assistant Director – Housing and Environmental Services), M Perry (Assistant Chief Executive - Legal), B Tice (Project Officer) and A Webb (Director of Finance and Corporate Services).

WELCOME AND PUBLIC SPEAKING

Councillor Rolfe welcomed all those present to the meeting, which was tonight held not in Saffron Walden, but in Great Dunmow. He said it was pleasing to see a good number of people in attendance. He explained the meeting was being broadcast live and that two members of the public wished to speak.

Mr Buhaenko-Smith, who had registered his intention to ask a question, was invited to speak. At his request, Councillor Rolfe read out the question as follows:

“In relation to the Local Plan Examination, does the Council see any positives from the Planning Inspector’s report that we can build upon?”

It was agreed that the answer to the question would be given when the agenda item considering the local plan update and next steps was considered.

Councillor Rolfe then invited Mr Baldwin, a resident of Takeley, to make his statement. It was agreed that Mr Baldwin would speak when the item on day centres was considered. A summary of his statement is appended to these minutes.

CA71 **APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Councillor Cheetham declared a non-pecuniary interest as ward member and Chairman of Takeley Community centre.

Councillor S Barker declared a non-disclosable pecuniary interest as a member of Essex County Council in relation to the item on the extra care scheme, which the County Council was part-funding.

CA72 **MINUTES OF THE MEETING HELD ON 4 DECEMBER 2014**

The minutes of the meeting held on 4 December 2014 were received and signed by the Leader as a correct record.

CA73 **MATTERS ARISING**

i) **Minute CA58 – Statement by Leader of the Council**

Councillor S Barker said the minute did not fully reflect the intention to hold future meetings of the Local Plan working group in public. It was agreed the minute should state that “all future meetings” of the new working group would be open to the public.

ii) **Minute CA66 – Anti-social behaviour policy and procedure**

Councillor S Barker said the name of the Anti-social Behaviour Officer was Fiona Gardiner.

CA74 **QUESTIONS OR STATEMENTS FROM NON-EXECUTIVE MEMBERS OF THE COUNCIL**

Councillor Dean said he had to leave the meeting early, but wished to ask two questions in relation to the local plan and in relation to developer contributions items.

Councillor Dean said he and Councillor Loughlin had been nominated as the Liberal Democrat Group representatives on the proposed Planning Policy Working Group. He was pleased to rejoin meetings as they were now to be held in public. The proposed protocol for public speaking was however too restrictive, and resembled the public speaking procedure for the Planning Committee. That committee was a regulatory one, but the working group was not a decision-making group so the process should be different, as it needed to come up with ideas. There should be scope for members of the public to speak again either during or at the end of discussion if they heard new information.

Regarding the agenda item on developer contributions, Councillor Dean said no-one of any political group in the Council was happy with the Government's suggestion. He referred to the report in one of the national newspapers this week regarding Derbyshire Dales district council, a small rural council, which had complained to its MP about the planning rules which had had a detrimental effect on affordable rural housing in that district. Councillor Dean said this council should express its unhappiness with the planning rules which had resulted in reduced funding for affordable housing.

CA75

REPORT FROM SCRUTINY COMMITTEE: DAY CENTRES

Mr Baldwin, a member of the public, made a statement regarding Takeley Community Centre. A summary of his statement is appended to these minutes.

Councillor Rolfe thanked Mr Baldwin. He said the proposals in the report were the results of a scrutiny examination of the district's day centres. He invited Councillor Godwin as chairman of the Scrutiny Committee to speak.

Councillor Godwin said the original recommendations had been presented to the Scrutiny Committee, which had debated and revised them for submission to Cabinet. There was no suggestion in the recommendations to Cabinet that any day centre be closed. The recommendations were to strengthen the day centres and improve them. The Scrutiny Task Group had visited all five centres, had talked to users and to the management committees. There was good feedback from customers, but the volunteers who ran the management committees were struggling. More support for them was needed.

Councillor Godwin highlighted some of the challenges faced by day centre management committees. These centres offered a real resource but needed more support, to help them to run more effectively and without imposing high levels of stress on the volunteers. She hoped Cabinet would implement the recommendations, which were to investigate whether part-time officer support could be provided for a fixed term of one year to the day centres, and to review the management agreements.

Councillor Chambers said the Council should try to help the elderly population which was increasing. In response to Mr Baldwin's statement, he said the Council had no intention that people would be bussed to their dinners. He felt people needed companionship to combat loneliness, and day centres were part of the solution. The Council would look at the situation regarding the building in Takeley which Mr Baldwin had described.

Councillor Cheetham said she was pleased the recommendations had changed. She supported passionately the district's day centres, which not only provided lunches but also the opportunity to see whether people were coping. Regarding the Takeley Community centre building, the Council had been helping to try to resolve the leaking flat roof. The Takeley management committee did a good job, but the burden on management committees

especially regarding statutory requirements was onerous and they needed support. She proposed the recommendations.

Councillor Ranger welcomed the report, which he said was a credit to the members who had carried out the scrutiny review. He referred to maps in the report which showed the age demographic for the district, and asked that the other places which offered help to the elderly also be shown for future reference.

Councillor Redfern said she supported the recommendations. She reminded members that the Council had looked at the issue of day centres not long ago, and gave income to the centres in the hope that they might become more self sufficient. She was aware that the Tenant Participation Officer gave a lot of time to the day centres. She noted the proposal was for a fixed term of one year, and suggested clarification was needed about what would then happen.

Councillor Cheetham said the day centres would need some point of contact in future particularly regarding the upkeep of the buildings, but that help to resolve many of their problems would be possible within a year.

Councillor Godwin said the work of the volunteers was very time-consuming, which made it hard to recruit successors. Officer support could set up better ways of pooling working methods.

Councillor Rolfe thanked Councillor Godwin and said the Cabinet, Council and community valued the day centres.

RESOLVED

- 1 Officers should be requested to investigate the feasibility of providing a fixed term (1 year), part-time resource (18.5 hours) to provide support and assistance to the day centres.
- 2 A review of the management agreements between the Council and the Management Committees that had responsibility for the day centres be undertaken. This should reflect the changes in responsibilities of both the Council and management committees and include agreed service levels, monitoring and the relevant communication channels.

CA76

SAFFRON WALDEN PARK AND RIDE SCHEME

Councillor Barker presented a report seeking Cabinet approval for the implementation of a park and ride scheme, the revenue costs of £20,000 for which would be met by the Strategic Initiatives Fund. She explained that the council's 305 space town centre car park at Fairycroft Road would not be available whilst it was reconstructed as part of Waitrose's development to extend its retail store.

Whilst Swan Meadow car park had sufficient capacity to accommodate displaced parking demand on most days of the week, on Saturdays it was

proposed to provide additional capacity at The Saffron Walden County High School's Gold Zone car park. The School had given permission for this parking to be made available for general public use on Saturdays. Transport would be arranged to convey people between the Gold Zone car park and Hill Street. The arrangement would be for six months.

Councillor Cheetham asked about contingency plans should the new car park not be ready within six months.

Councillor Barker said she did not foresee any difficulty with continuing the scheme. An alternative option might be to provide transport from the Council Offices car park to the town centre on Saturdays.

Councillor Rolfe said this measure was intended to support retail in Saffron Walden town centre. He expressed thanks on behalf of the Cabinet to the County High School for making its car park available.

CA77

EXTRA CARE SCHEME, RADWINTER ROAD, SAFFRON WALDEN

Councillor Redfern presented a report on funding for an Extra Care housing scheme at Radwinter Road, Saffron Walden. The report set out the various funding streams required to deliver the project, and requested that Cabinet approve the allocation of £500,000 towards its delivery.

Councillor Redfern said the provision of extra care was a key target in the Council's housing strategy. The site was the affordable housing element of a larger development in the control of Countryside Homes plc and would enable provision of a 60 bed Extra Care scheme. Officers had worked closely with East Thames Housing Association, and a detailed planning application had been submitted to the Planning Committee meeting yesterday. Councillor Redfern expressed disappointment at the Committee's decision to defer the application for one month, pending clarification of to what constituted "Extra Care". She hoped it would proceed at the next meeting, and asked Cabinet to support the funding proposal, to be sourced from affordable housing contributions.

Councillor Howell said he supported the proposals, but was disappointed by the appearance of the design.

The Housing Development Manager said early discussions were held between planners and East Thames Housing Association regarding design, and account had been taken of the appearance of existing buildings at Radwinter Road. The design was contemporary, and certain design elements such as window size took account of the age and lifestyle of the age group of residents for whom it was intended.

Councillor Cheetham said the appearance of the building was intrinsic to the age group for which it was designed. She was disappointed the application had not been approved by the Planning Committee yesterday, but there had

been some confusion about the definition of Extra Care: she suggested that the explanation in the report to Cabinet should be circulated to Planning Committee members. To obtain 40 affordable homes on a site of 73 apartments was a wonderful achievement for the district.

Councillor Walters said this was an excellent initiative, and he did not find the design offensive. He supported the recommendations.

Councillor Ranger said, as a member of the Planning Committee, he had had concerns about how the extra care element would work, including details of internal layout. The design and access statements did not in his view satisfactorily provide residents with the facilities and services they needed. He had asked for deferral so that further discussions could take place between East Thames Housing Association and the welfare services.

Councillor Barker said that Dunmow residents would be pleased to know an extra care scheme of 55 apartments was to form part of the Smith's Farm development.

The Leader said it was with pride that the Council was hoping to embark on these Extra Care schemes, with a large proportion of the flats comprising affordable accommodation.

RESOLVED

To approve the allocation of £500,000 towards the delivery of the extra care housing scheme at Radwinter Road, Saffron Walden.

CA78

LOCAL PLAN UPDATE AND NEXT STEPS

Councillor Rolfe presented a report updating Cabinet on the outcome of the Local Plan Examination. He gave a response to the question put by Mr Buhaenko-Smith, "Does the Council see any positives from the Planning Inspector's report that we can build upon?"

Councillor Rolfe said the positives in the report on the Local Plan were its support for the Countryside Protection zone around the airport; support for the main development allocation round Saffron Walden in strategic terms, and general support for policies 2, 3 and 4 for Great Dunmow that together provided for housing, a health centre site, a site for a new secondary school and the redevelopment of the existing school. There was support for the range of policies for employment including land at Stansted Airport, Stansted Mountfitchet and Saffron Walden; and for the settlement classification. Councillor Rolfe referred to the inspector's closing comments, regarding a new form of settlement or settlements to cater for the long-term growth of the district by the sustainable growth of small towns. These were clear pointers

for the Council and the report was a material consideration in deciding planning applications until a new plan was adopted.

Councillor Rolfe said the Chief Executive had following the resolution of Council in December written to all group leaders regarding the Local Plan examination, proposing to withdraw the submission draft plan from the examination process and to advise that a programme for drawing up a revised plan would be issued.

Councillor Rolfe referred to the duty to cooperate with other authorities which was a continuing process. The Council would subsequently put forward a new housing number. The report before Cabinet this evening recommended the setting up of a new Planning Policy Working Group, the terms of reference of which were set out in the report, and for which a protocol regarding public speaking had been circulated to group leaders.

Regarding the points which Councillor Dean had raised earlier in the meeting, Councillor Rolfe said it was to be at the discretion of the Chairman of the new working group whether public speakers who had already spoken would be permitted to speak again on agenda items. He outlined the public speaking procedure and said he trusted the speaking arrangements would enable full transparency. He hoped people would gain an understanding of what was quite a statutory-driven process, which would ultimately mean that regardless of who was Leader, Uttlesford needed to build houses. He proposed the recommendations.

Councillor Redfern said she would support the recommendations. She had not been a member of the Local Plan Working Group, but had attended regularly and she hoped many other councillors and members of the public would be involved.

Councillor Rolfe said the new working group membership included only two members of Cabinet.

Councillor Cheetham said she too would attend the meetings of the new working group. She had been disappointed that the Local Plan had been stopped, but understood the reasons. She asked when the call for sites would go out, and when a timetable for the process would be available.

Councillor Rolfe said a timetable would be set out as far as practicable at the meeting of the Planning Policy Working Group. There was a need to carry out another housing needs assessment, which took time, but the intention was to move ahead as quickly as possible.

Councillor Rolfe invited members of the public present to ask questions.

Nicky Parsons said she worked for a developer and was involved in the inquiry in relation to Thaxted. She asked whether a figure of 580 was now the new housing target.

The Director of Public Services said for the purposes of assessment of the five year land supply, the Council would assume the Inspector's figure of 580 houses per year. However, that would not be the figure the Council would be working to with regard to the new submission draft local plan, which would be informed by the ongoing work on the housing market update and the duty to cooperate.

Nicky Parsons asked whether it was fair to state that this figure was to be used for monitoring purposes until such time as the new housing target was agreed.

The Director of Public Services said this was the case.

RESOLVED

To note the report.

1. To agree the formation of a Planning Policy Working Group.
2. To agree the membership of the Planning Policy Working Group to be as follows:

S Barker	M Lemon
P Davies	J Loughlin
A Dean	E Oliver
K Eden	J Parry
S Harris	H Rolfe
S Howell	J Salmon

3. To agree that the terms of reference of the Planning Policy Working Group would be:

To give advice and guidance to officers in progressing the Local Plan and other planning guidance and report recommendations to Cabinet. The Working Group will meet in public and include public speaking.

4. To disband the former Local Plan Working Group.

CA79

CONSERVATION AREA APPRAISAL, AUDLEY END

Councillor Rolfe said the next item was one of a series of conservation area appraisals which the Council had undertaken, and which together formed a fantastic library of reports.

Councillor Barker presented the report on the conservation area appraisal for Audley End. The area included the assets of St Mark's College and the Audley End estate, both of which had been maintained to a high standard of care, deserving compliment. The report set out the key issues within the appraisal, and recorded the results of a consultation. Councillor Barker said

there was an update to the report in that the cracked pump referred to had already been repaired. Two amendments to the boundary of the conservation area were proposed, and there were two management proposals.

Members commented on the record of the district which these conservation area appraisals provided, and thanked officers for what was an excellent report.

RESOLVED

1. The Conservation Area Appraisal be approved and used to assist in the process of determining planning applications for implementing management proposals
2. The Audley End Conservation Area boundary be formally amended as follows:
 - (i) A small amendment to the boundary to the east of Audley End village former Post Office to exclude the area of an open woodland and grass verge.
 - (ii) To extend the boundary to include the whole of the area currently designated as the Audley End Scheduled Monument.

CA80

DEVELOPER CONTRIBUTIONS GUIDANCE

Councillor Barker presented a report on recent changes to the developer contributions guidance, to which there had been a revision in the light of further legal advice. Following the issue of the previous guidance, there had been a number of enquiries made by developers from which it had become apparent that Uttlesford had no parishes classified as rural. The threshold for developer contributions was therefore higher, which would further restrict the Council's ability to raise funds from developer contributions. She asked the Leader to write to the Government to express the Council's dissatisfaction with this position, which was a retrograde step.

Councillor Redfern said she would abstain from the vote on the recommendations, as she did not understand how the coalition government could suddenly remove contributions from developments of fewer than 10 houses. The Council was doing all it could to reduce its housing list, and this legislation made the job harder. It would be different if the Council had had difficulty collecting contributions, but it had not. The Minister should be made aware of the effects of this legislation for this authority.

Councillor Cheetham said she agreed with Councillor Redfern and would abstain. From the perspective of the Planning Committee, Uttlesford was a rural area, and now the Council was being told it was not rural enough. It seemed the Government had listened to developers' protests, and was now cutting the opportunities to collect money for housing for people in the district.

The Council should write to Eric Pickles MP and the Local Government Association.

Councillor Ranger said he had seconded the proposals, as whilst he felt supportive of the views expressed, the Council had no option but to comply with legislation. He supported the lobbying of Government and the LGA to change the situation.

Councillor Walters said he agreed with this approach. He would abstain.

Councillor Chambers said whilst he did not intend to abstain, he sympathised with the comments made, and the Council should make forceful representations to express its objection to this situation. He would support the recommendations only because it was the law.

Councillor Howell said he did not believe members should support something they disagreed with. He urged members not to support the recommendations, and to wait and see if the Government changed its mind.

Councillor Godwin said she agreed with Councillor Howell. The authority was being asked to roll over, and this was wrong for the district.

Councillor Ranger said he wished to respond to the comments which had been made, as if the Cabinet did not adopt the policy, members would throw into turmoil the planning and accounts of this authority.

Councillor Rolfe reminded members of the recent history regarding the requirement for housing numbers, and said the idea that the authority could locally determine numbers was effectively a myth. He sympathised with comments made. He had made representations to the MP and would write to the LGA, the Secretary of State and the Prime Minister.

Developers' contributions were important for this community. The balance on this occasion was wrong, but the Council was a statutory body. Whilst it would be irresponsible not to follow the law, he respected the abstentions for the reasons given by members, and assured them he would make strong representations.

The proposals being put to the vote, Councillors Barker, Chambers, Ranger and Rolfe voted in favour; Councillors Cheetham, Redfern and Walters abstained.

RESOLVED to adopt revised Developer Contributions Guidance, in accordance with the updated National Planning Practice Guidance, as a material planning consideration.

The meeting ended at 8.45pm.

Summary of public statement of Brian Baldwin

Mr Baldwin said the village of Takeley had expanded since the Community Centre was built in the 1970s. The report to the Scrutiny Committee had suggested that if the centre was closed, people who currently attended for lunch should travel to another centre for their lunches. Many of the Takeley residents lived within easy walking distance of the centre, so bussing people somewhere was not acceptable. Coaches tended to have limited room for those people who used wheelchairs. Furthermore the report had compared the price of meals at the district's day centres: the lunches at Takeley Community Centre were lower than at other centres. People did not want to pay more.

Mr Baldwin said there was an issue regarding the future of the current building. It required attention, particularly regarding problems with the flat roof. There was a need for a community centre in the village, for many other organisations, and options such as rebuilding the centre or relocating to a different building within Takeley, such as the Old School House at Brewer's End, should be explored. The youth club also needed a permanent building. He suggested the Old School house be redeveloped as a modern community centre.

Committee: Cabinet

Agenda Item

Date: 17 February 2015

7

Title: The Corporate Plan 2015-20 and Corporate Risk Register

Author: Cllr Rolfe

Item for decision

Summary

1. The corporate plan is updated annually, and because it is a 5-year plan, is subject to incremental change. The key themes are: High Quality, Low Tax, Responsibility and Thriving Communities. The Plan retains its simplicity by being presented on a single page, with the overall goal of the Council now being "The High Quality and Low Tax Council".

Recommendations

2. That the draft Corporate Plan for 2015-20 and Corporate Risk Register be approved for submission to Full Council on 26 February 2015.

Financial Implications

3. Any financial implications resulting from actions or projects in the corporate plan are identified in the budget, MTFs and divisional plans

Background Papers

4. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

None

Impact

- 5.

Communication/Consultation	The plan is derived from ongoing actions in the 2014-19 corporate plan, which was itself the subject of community engagement, the budget consultation earlier this year and the Conservative Group manifesto for the 2011 local elections, which is a mandate for many of the actions.
Community Safety	Any community safety implications resulting from actions or projects in the corporate plan will be identified in the service plans

Equalities	An EQIA is commenced. Any equalities implications resulting from actions or projects in the corporate plan will be identified in the service plans. The corporate plan can be made available in Braille, larger print or translated on request
Health and Safety	Any health and safety implications resulting from actions or projects in the corporate plan will be identified in the service plans
Human Rights/Legal Implications	There are no human rights implications. Any legal implications resulting from actions or projects in the corporate plan will be identified in the service plans
Sustainability	Any sustainability implications resulting from actions or projects in the corporate plan will be identified in the service plans. Copies of the new-format corporate plan can easily be printed. The plan will be made available via the website.
Ward-specific impacts	Any ward-specific impacts resulting from actions or projects in the corporate plan will be identified in the service plans.
Workforce/Workplace	Any workforce implications resulting from actions or projects in the corporate plan will be identified in the service plans.

Situation

6. The corporate plan sets out the priorities for the council over the next 12 months and beyond. These priorities were identified through contemporaneous consultation over the budget and are among the issues that matter most to the community. The plan builds on the directions set in the previous Corporate Plan but also seeks to address the priorities of central government.
7. From 2007 to 2013 the Council focused on four priorities - finance, partnerships, people and environment. In 2013 these were subsumed within the new priorities of low taxation, high quality, responsibility and prosperity, with the overall goal being "The Low Tax High Quality Council", and this continued into 2014. These themes are now slightly changed for the 2015 Plan, with "prosperity" replaced by "Thriving communities", and the strapline reconfigured to place "high quality" ahead of "low tax".
8. The Council continues to have an enviable record. For example, over the last year, Council Tax was cut by 2%, and a further cut of 3% is proposed this year. Indeed there has not been a Council Tax increase in Uttlesford since 2010. Uttlesford remains among the very best places to live in national surveys and, yet again, we have one of the best financial settlements of any council in the country. Both are clear endorsements of the "High Quality, Low Tax" standards to which we aspire.

9. The Government's priority is focused on encouraging economic growth. The new plan reflects the Council's response to this challenge by enhancing actions under the theme of thriving communities, including playing a greater role in the South East Local Enterprise Partnership, Greater Cambridge and Peterborough LEP and the London Stansted Cambridge Corridor Consortium. Financial prudence and the delivery of high quality services remain at the heart of the plan and indeed at the heart of the culture of the whole organisation. And to this end we will continue to plan for a future in which there will be little or no government core funding. Although money is tight public expectations remain high. The Plan sets the framework for addressing these issues. The reduction of the burden of Council Tax on our residents will help them manage tight budgets in these times of austerity.
10. Pathways to implementation of the Plan will be set out in service plans, which will be monitored by the Corporate Management Team, and reported as necessary to the Performance and Audit Committee in the quarterly performance reports. This is in line with current practice.
11. A Corporate Risk Register accompanies the plan and will be amended and updated by the Performance and Audit Committee.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
The corporate plan fails to be published and the council proceeds with its work without clear direction	1	3	Performance management framework in place. Service plans produced and targets set for performance indicators. Budget and MTFS prepared in conjunction with Plan. The corporate plan ties all this information together providing coherent direction for the council in the year ahead.

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.

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UTTLESFORD DISTRICT COUNCIL

CORPORATE PLAN 2015 - 2020

By 2020 we will:	We will do this by:
Remain a low tax Council	<p>Cutting Council Tax in 2014-15 and keeping the Council Tax as low as possible thereafter, and increasing our income whilst maintaining or improving our services and providing support to the vulnerable</p> <p>Continually improving financial management and ensuring the Council remains financially sound</p> <p>Increasing the emphasis on demonstrable value for money</p> <p>Planning for a future in which there will be little or no “core” Government funding, including a strategy for the measured and careful use of reserves</p>
Continue to listen and respond to our communities so we stay focused on our customers’ needs and the delivery of high quality key services that matter	<p>Effectively consulting with our partners and local communities, councils and the voluntary sector to ensure value for money, democracy and localism are at the heart of everything we do</p> <p>Working closely with the Armed Forces at Carver Barracks</p> <p>Keeping Uttlesford safe</p> <p>Focusing on key services that are deliverable so that what we do we do well</p> <p>Promoting equitable, diverse, healthy and safe living and working</p> <p>Setting a high example by exemplary corporate governance and standards</p> <p>Creating a single point of access to services provided by the public and voluntary sectors</p>
We will have shared the benefits of growth with our communities in an responsible way that protects and enhances our environment	<p>Having a robust and relevant Local Plan so we continue to meet local housing needs, especially high quality affordable and local authority housing.</p> <p>Enabling communities to develop neighbourhood plans that protect and enhance local facilities</p> <p>Working closely with Essex CC including to ensure our roads and pavements are maintained to a high standard</p> <p>Delivering on our energy efficiency policies</p> <p>Improving environmental management and enforcement against planning contraventions and environmental crime</p> <p>Encouraging the renovation of heritage assets</p>
Delivering thriving communities	<p>Enhancing economic prosperity through the Local Enterprise Partnerships, the London Stansted Cambridge Consortium, the West Essex Alliance of local authorities and businesses and working with local businesses to encourage future skills development and growth</p> <p>Working with partners to improve the health and wellbeing of our communities</p> <p>Promoting our town centres and enhancing town centre car park provision</p> <p>Working with the owners of Stansted Airport to ensure economic and social benefits that also secure an overall environmental improvement - and maintaining vigilance against a 2nd runway</p>

Committee: Cabinet

Agenda Item

Date: 17 February 2015

8

Title: 2015/16 Budget – covering report

Portfolio Holder: Councillor Robert Chambers

Item for decision

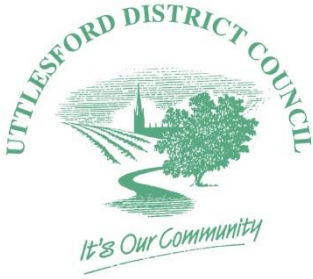
Summary

1. The Cabinet is required to determine its budget and council tax recommendations, for consideration by Full Council on 26 February.
2. The budget consists of a series of reports, all on today's agenda, as follows:

Report	Purpose	Recommendation(s)
Equalities Impact Assessment (attached to this covering report)	To demonstrate consideration of the impact on minority groups	
Robustness of Estimates and Adequacy of Reserves Reserves Strategy	A statutory report which sets out the key risks in the General Fund budget, and advice about safe levels of contingency reserves. This is a new report and sets out a new strategy for the reserves and details the purpose and lifespan of these reserves.	The Cabinet is requested to approve, for recommendation to Full Council: a) That the Council takes account of the advice in the report when determining the 2015/16 General Fund budget and Council Tax. b) That the Council approves the risk assessment relating to the robustness of estimates as detailed in the report c) That the Council sets the minimum safe contingency level for 2015/16 at £1.214 million. d) That the Cabinet recommends to Full Council that it adopts the attached Reserves Strategy. e) That the Council agrees that no transfers to or from the Working Balance should be built into the 2015/16 budget.
Temporary Accommodation	Proposal to transfer designated temporary accommodation from the HRA to the General Fund	That Cabinet recommends to Full Council that it approves the transfer of the eight designated temporary accommodation units from the HRA to the General Fund at the estimated market value cost of £1,047,000 subject to Secretary of State Approval.
Medium Term Financial Strategy	Sets out a five year plan for ensuring that the General Fund remains in a stable and sustainable position, including indicative levels of Council Tax.	The Cabinet is requested to approve, for recommendation to Full Council, the Medium Term Financial Strategy as attached.

Treasury Management Strategy	Details how cash flow will be managed, and a strategy for prudent borrowing and investment.	The Cabinet is requested to approve, for recommendation to Full Council on 26 February, the following items: <ul style="list-style-type: none"> • Treasury Management Strategy 2015/16, Appendix A. • Prudential Indicators, Appendix A1. • Minimum Revenue Provision (MRP) Statement, Appendix A2 • Economic Forecast, Appendix A3
Capital Programme	A five year plan setting out capital expenditure on the Council's assets including buildings, vehicles and ICT and the associated financing of these programmes	The Cabinet is requested to approve, for recommendation to Full Council, the Capital Programme and associated financing of the programme as set out in this report.
Housing Revenue Account Budget	Covers spending plans for council housing in the district from 2015/16 with a 5 year forecast. The report contains proposals for increases in rents and service charges. The proposals have been endorsed by the Tenants Forum and Housing Board. 2015/16 is the fourth year of the self-financing arrangements and the 30 year plan approved by the Council in 2012.	The Cabinet is request to approve, for recommendation to Full Council the HRA Revenue Budget and 5 Year Financial Strategy.
General Fund Budget and Council Tax	Detailed budget for all services except Council Housing, and proposals for the district council share of the Council Tax bill	<ol style="list-style-type: none"> 1. The Cabinet is requested to recommend that the Full Council approves the General Fund Council Tax requirement of £4,653,312, summarised in paragraph 24. 2. The Cabinet is recommended to approve the schedule of fees and charges in Appendix E. 3. The Cabinet is recommended to approve the new criteria with regards to Members Allowances (New Homes Bonus) paragraph 30.

3. The Scrutiny Committee reviewed the budget reports on 10 February. Comments from the Committee are in a separate item on the agenda.



Uttlesford District Council

Fast-track equality impact assessment (EqIA) tool

What is this tool for?


This tool will help you to assess the impact of existing or new strategies, policies, projects, contracts or decisions on residents and staff. It will help you to deliver excellent services, by making sure that they reflect the needs of all members of the community and workforce.

What should be equality impact assessed?

You only need to equality impact assess strategies, policies, projects, contracts or decisions that are **relevant** to equality. If you are not sure whether your activity is relevant to equality take the 'relevance test' on Page 9.


How do I use the tool?





This tool is easy to use and you do not need expert knowledge to complete it. It asks you to make judgments based on evidence.

The tool uses a system of red flags  to give you an indication of whether or not your responses are identifying potential issues. Getting a red flag does not necessarily indicate a problem, but it does mean that your assessment is highlighting issues or gaps in data that may require further investigation or action.

If there is insufficient space to answer a question, please use a separate sheet.

▪ General information		
1	Name of strategy, policy, project, contract or decision.	2015/16 budget
2	What is the overall purpose of the strategy, policy, project, contract or decision?	To allocate financial resources to UDC services enabling corporate priorities, statutory requirements and policy objectives to be met
3	Who may be affected by the strategy, policy, project, contract or decision?	<input checked="" type="checkbox"/> Residents <input checked="" type="checkbox"/> Staff <input checked="" type="checkbox"/> UDC service users
4	Responsible department and Head of Division.	Angela Knight, Assistant Director Finance on behalf of CMT
5	Are other departments or partners involved in delivery of the strategy, policy, project, contract or decision?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes – all departments.
Gathering performance data		
6	Do you (or do you intend to) collect this monitoring data in relation to any of the following <u>diverse groups</u> ?	<input type="checkbox"/> Age <input type="checkbox"/> Disability <input type="checkbox"/> Sex <input type="checkbox"/> Race <input type="checkbox"/> Gender Reassignment <input type="checkbox"/> Sexual Orientation <input type="checkbox"/> Religion & Belief <input type="checkbox"/> Pregnancy & Maternity <input type="checkbox"/> Marriage and Civil Partnerships <input type="checkbox"/> Rural Isolation

7	How do you (or how do you intend to) monitor the impact of the strategy, policy, project, contract or decision?	<input checked="" type="checkbox"/> Performance indicators or targets <input type="checkbox"/> User satisfaction <input type="checkbox"/> Uptake <input type="checkbox"/> Consultation or involvement <input type="checkbox"/> Workforce monitoring data <input type="checkbox"/> Complaints <input type="checkbox"/> External verification <input type="checkbox"/> Eligibility criteria <input checked="" type="checkbox"/> Other: Budget monitoring process; internal audit, external audit <input type="checkbox"/> None 
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Analysing performance data		
8	<p>Consider the impact the strategy, policy, project, contract or decision has already achieved, measured by the monitoring data you collect. Is the same impact being achieved for diverse groups as is being achieved across the population or workforce as a whole?</p>	<p> <input checked="" type="checkbox"/> Yes * <input type="checkbox"/> No* <input type="checkbox"/> Insufficient  <input type="checkbox"/> Not applicable  </p> <p><i>*Please state your evidence for this, including full document titles and dates of publication for audit purposes. Where applicable please also state the nature of any issues identified:</i></p> <p>No specific groups are referred to in the documents and none of the information within the documents will have a differential impact on any group. There are no service cuts proposed.</p>
9	<p>Is uptake of any services, benefits or opportunities associated with the strategy, policy, project, contract or decision generally representative of <u>diverse groups</u>?</p>	<p> <input checked="" type="checkbox"/> Yes * <input type="checkbox"/> No* <input type="checkbox"/> Insufficient  <input type="checkbox"/> Not applicable  </p> <p><i>*Please state your evidence for this, including full document titles and dates of publication for audit purposes. Where applicable please also state the nature of any issues identified:</i></p> <p>No specific groups are referred to in the documents and none of the information within the documents will have a differential impact on any group. There are no service cuts proposed.</p>

Checking delivery arrangements

10

You now need to check the accessibility of your delivery arrangements against the requirements below. Click on the hyperlinks for more detailed guidance about the minimum criteria you should meet.

If assessing a proposed strategy, policy, project, contract or decision, indicate 'Yes' if you anticipate compliance by launch of implementation.


	Yes	No 	N/A
The premises for delivery are accessible to all.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Consultation mechanisms are inclusive of all.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Participation mechanisms are inclusive of all.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If you answered 'No' to any of the questions above please explain why giving details of any legal justification.

Checking information and communication arrangements

11 You now need to check the accessibility of your information and communication arrangements against the requirements below. Click on the hyperlink for more detailed guidance about the minimum criteria you should meet.

If assessing a proposed strategy policy, project, contract or decision, indicate 'Yes' if you anticipate compliance by launch of implementation.



	Yes	No 	N/A
Customer contact mechanisms are accessible to all.	<input type="checkbox"/>	<input type="checkbox"/>	X
Electronic, web-based and paper information is accessible to all.	X	<input type="checkbox"/>	<input type="checkbox"/>
Publicity campaigns are inclusive of all.	<input type="checkbox"/>	<input type="checkbox"/>	X
Images and text in documentation are representative and inclusive of all.	<input type="checkbox"/>	<input type="checkbox"/>	X

If you answered 'No' to any of the questions above please explain why, giving details of any legal justification.


Future Impact

12 Think about what your strategy, policy, project, contract or decision is aiming to achieve over the long term and the ways in which it will seek to do this. This is your opportunity to take a step back and consider the practical implementation of your strategy, policy, project, contract or decision in the future. As well as checking that people from diverse groups will not be inadvertently excluded from or disadvantaged by any proposed activities, it is also an opportunity to think about how you can maximize your impact, reach as many people as possible and really make a difference to the lives of everyone in Uttlesford regardless of their background or circumstances.

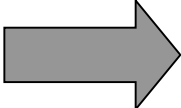


Is it likely to inadvertently exclude or disadvantage any diverse groups?

- No
- Yes * 
- Insufficient evidence 

*Please state any potential issues Identified.

Improvement actions	
13	<p>If your assessment has highlighted any potential issues or red flags, can these be easily addressed?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No* </p> <p><input checked="" type="checkbox"/> Not applicable</p> <p><i>*If Yes, please describe your proposed action/s, intended impact, monitoring arrangements implementation date and lead officer:</i></p>

Making a judgement – conclusions and next steps

14	<p>Following this fast-track assessment, please confirm the following:</p> <p><input checked="" type="checkbox"/> There are no inequalities identified that cannot be easily addressed or legally justified  No further action required. Complete this form and implement any actions you identified in Q13 above</p> <p><input type="checkbox"/> There is insufficient evidence to make a robust judgement.  Additional evidence gathering required (go to Q17 on Page 7 below).</p> <p><input type="checkbox"/> Inequalities have been identified which cannot be easily addressed.  Action planning required (go to Q18 on Page 8 below).</p>
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15	<p>If you have any additional comments to make, please include here.</p> <p><input type="checkbox"/> None</p>
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Completion

16	<p>Name and job title (Assessment lead officer)</p> <p>Angela Knight Assistant Director - Finance</p>
	<p>Name/s of any assisting officers and people consulted during assessment:</p> <p>CMT</p> <p>Date:</p> <p>30 January 2015</p> <p>Date of next review:</p> <p>January 2016</p> <p><i>For new strategies, policies, projects, contracts or decisions this should be one year from implementation.</i></p>

Committee: Cabinet

Agenda Item

Date: 17 February 2015

9

Title: Robustness of Estimates and Adequacy of Reserves

Portfolio Holder: Councillor Robert Chambers

Item for decision

Summary

1. As part of the annual budget setting process, the Section 151 Officer is required to give the Council formal advice on the robustness of estimates and the adequacy of reserves. This is so Members can set a budget in full awareness of the risks and uncertainties, and ensure that adequate contingency reserves exist.
2. The advice, known as the "Section 25 report", is due to be considered by Cabinet on 17 February and Full Council on 26 February as part of the budget approval process.
3. The Scrutiny Committee reviewed the budget reports on 10 February. Comments from the Committee are in a separate item on the agenda.

Recommendations

4. The Cabinet is requested to approve, for recommendation to Full Council:
 - a) That the Council takes account of the advice in the report when determining the 2015/16 General Fund budget and Council Tax.
 - b) That the Council approves the risk assessment relating to the robustness of estimates as detailed in the report
 - c) That the Council sets the minimum safe contingency level for 2015/16 at £1.214 million.
 - d) That the Cabinet recommends to Full Council that it adopts the attached Reserves Strategy.
 - e) That the Council agrees that no transfers to or from the Working Balance should be built into the 2015/16 budget.

Financial Implications

5. No direct implications arise from the recommendations.

Background Papers

None.

Impact

Communication/Consultation	The top priority emerging from public consultation is that the Council should continue to deploy strong financial management.
Community Safety	No specific implications
Equalities	No specific implications
Health and Safety	No specific implications
Human Rights	No specific implications
Legal implications	The report is prepared in order to comply with Section 25 Local Government Act 2003
Sustainability	No specific implications
Ward-specific impacts	No specific implications
Workforce/Workplace	No specific implications

Section 25 report

6. Section 25 of the Local Government Act 2003 requires each local authority, when setting its annual General Fund budget and level of Council Tax, to take account of a report from its Section 151 Officer on the robustness of estimates and adequacy of reserves. This document is the report made under Section 25 by the Director of Finance and Corporate Services, as UDC's Section 151 Officer, applicable to the setting of the General Fund budget and Council Tax for 2015/16.
7. The purpose of this requirement is to ensure that when deciding on its budget for a financial year, a local authority is formally made aware of any issues of risk and uncertainty by the Section 151 Officer. The local authority is then expected to ensure that its budget provides for a prudent level of reserves to be maintained.
8. The Director of Finance and Corporate Services has assessed that the minimum safe contingency level is £1,258,000. However as the current forecasted level of the Working Balance is £1,214,000 the Director of Finance and Corporate Services' advice is that the budget need not make any provision to increase the Working Balance, nor however should it be reduced.
9. Section 26 of the Act empowers the Secretary of State to set a minimum level of reserves for which a local authority must provide in setting its budget. Section 26 would only be invoked as a fallback in circumstances in which a local authority does not act prudently, disregards the advice of its Section 151 Officer, and is heading for financial difficulty.

Basis of advice for the Section 25 report

10. In forming the advice for this report, the Director of Finance and Corporate Services has considered the following:
 - The requirement established in the Council's Medium Term Financial Strategy to ensure that a safe level of contingency is maintained.

- The degree to which the Council’s financial plans are aligned to the Council’s statutory obligations, local priorities and policy objectives.
- The adequacy of the information systems underpinning the Council’s financial management processes.
- Risks associated with the Council’s activities, as identified within the risk register.
- The level of earmarked and unearmarked reserves within the General Fund.
- The degree to which uncertainties exist within the draft 2015/16 budget.

Robustness of Estimates

11. There has been detailed scrutiny, review and challenge of budgets by managers, finance officers and CMT. The aim has been to ensure that the budget is based upon realistic estimates, for example, ensuring that contractual commitments are provided for, salary budgets reflect the approved establishment and current staff in post, and income budgets are based on an assessment of price and demand.
12. No budget can ever be completely free from risk. Necessarily, assumptions are made which means that the budget will always have an amount of uncertainty. The analysis below sets out the major risks applicable to 2015/16 and an indication of the possible impact.
13. It is not possible to give a precise estimate of the impact of each identified risk. As a general guide, the following broad definitions have been used:

Probability	Low	Possible, but unlikely
	Medium	Probable
	High	Almost certain
Impact	Low	Possible variance of up to £100,000
	Medium	Possible variance of £100,000 to £250,000
	High	Possible variance of over £250,000

Risk item	Prob-ability	Impact	Overall Risk of budget variance
<p>a) Waste & Recycling – This service continues to be the most complex financially and at greatest risk of volatility. Fuel costs are variable. Other budget risks have been identified regarding trade waste and green waste, all of which have income budgets that depend upon accuracy of forecasting activity levels. The Council maintains a Waste Management reserve to mitigate the risk.</p>	High	High (adverse or favourable)	High
<p>b) Localisation of Business Rates. The actual share retained by UDC will not be known until well after the end of the financial year and will depend on many variables including collection performance, value of new ratings, appeals, refunds, and reliefs granted. Because of known risks relating to potentially substantial appeals, the budget prudently assumes that the Council's share will be at the minimum safety net level. Accordingly there is no downside risk in terms of budgeted income. The downside risk relating to loss of unbudgeted income is considerable and the upside opportunity is potentially significant if growth and other outcomes exceed losses.</p>	High	High (favourable)	High
<p>c) Efficiency Savings. Work continues to find ways of achieving the same or improved outcomes at lower cost. It is probable that some savings opportunities will be realized with unbudgeted savings arising in 2015/16. In addition, the budget does not include the implementation costs that may arise, on the basis that these will be funded from the Transformation Reserve. Therefore it is probable that unbudgeted costs will arise. Where budgets have already been reduced because of identified savings, the revised budget level is untested so there is an inherent risk of adverse variances.</p>	Medium	Medium (adverse or favourable)	Medium
<p>d) Car Parks Income. The budget is based on the existing tariff and charging periods as detailed in the fees and charges section of the budget report. If at some point during the year the Council decides to make changes, this will affect the income. For example if the charging period is shortened, or if there is a repeat of Christmas/New Year free periods, income will reduce. There is also an additional risk for 2015/16 around the Fairycroft car park which is being closed for the Waitrose refurbishment. Providing alternative arrangements has an unbudgeted cost which will need to be met from Reserves.</p>	Medium	Medium (adverse)	Medium

Risk item	Prob-ability	Impact	Overall Risk of budget variance
e) Fees & Charges income. If economic conditions deteriorate or demand fluctuates there may be unbudgeted loss of income. Building Control, Planning, Land Charges, Licensing, Lifeline, Pest Control and Food Imports are all income streams where risk of volatility has been noted.	Medium	Medium (adverse)	Medium
f) Planning appeals. A risk of costs of defending appeals and the meeting of costs awarded against the planning authority. The current position of the Local Plan process raises the risk levels in this area.	Medium	Medium (adverse)	Medium
g) Treasury management. Investment risks are spread between public and private sector counterparties including UK banks systemically important to the UK economy. In the unlikely event of a banking failure, there could be a serious impact on the Council.	Low	High (adverse)	Medium
h) Reforms to Housing & Council Tax Benefit. The Council has approved a Local Council Tax Support Scheme that will require non-vulnerable working age people to pay more Council Tax than previously. The Council has committed to subsidise the LCTS scheme to ensure cost neutrality for major precepting authorities. This is based on estimates and subject to variation. Housing Benefit reforms including the 'Spare Room Subsidy' and 'Benefit Cap' affect working age people living in rented accommodation. In some cases hardship will be caused as people struggle to pay their rent, which means that the Council is at risk of incurring costs associated with preventing homelessness. Discretionary Housing Payments and Council Tax Hardship policies and budgets are available to assist those in genuine need. The budget maintains the 2014/15 increase in the Homelessness service resources in order to continue to meet the increased demand.	Medium	Low (adverse)	Low
i) Universal Credit – This was due to commence in early 2015/16 but has been delayed to late 2015/16. Implications of delay are primarily around the Working Balance level.	Medium	Medium (adverse)	Medium

Risk item	Prob-ability	Impact	Overall Risk of budget variance
j) Local Plan – Additional consultancy spend or resources may be needed in order to take forward the Local Plan process. The Planning Service has budgets for the majority of this work; however the Planning Reserve exists to meet additional costs.	Medium	Low	Low
k) Flitch Green Community Centre. Risks have been identified with the Flitch Green community centre. This issue is unresolved and the Council may be required to incur further costs before the facility is transferred to the parish council.	Medium	Low (adverse)	Low
l) External funding. Due to inherent uncertainty about local authority budgets, there is a risk that funding for services such as A120 cleaning and the Highways Ranger could be reviewed or reduced.	Medium	Low	Low
m) Supplies & Services contracts. Where contracts have indexation clauses, estimates have been made of the inflationary increase that will be applied. In addition some contracts are due to be re-tendered during the year which could affect the base price. Accordingly there is an inherent risk of price volatility.	Medium	Low (adverse or favourable)	Low
n) Capital Financing costs. These are influenced by variable factors such as cash flow, variations in the Capital Programme and availability of capital receipts. In some circumstances greater revenue financing of capital expenditure may make economical sense over the longer term.	Medium	Low (adverse or favourable)	Low

14. Taking all of the above issues into consideration, the Director of Finance and Corporate Services is unable to provide a full assurance that there will be no unforeseen variances. This is an expected and acceptable situation for any organisation that has to deal with a large number of variables. Provided that the minimum safe level of balances is maintained (as set out in the attached Reserves Strategy below), any variations arising as a result of any lack of robustness in the estimates should be manageable.

15. The risks identified will be proactively monitored and mitigating action taken as soon as reliable trends emerge. Budget monitoring reports to Members during the financial year will set out the latest position and action being taken, where applicable.

Adequacy of reserves

16. Attached is the new Reserves Strategy which sets out the purpose, risks and calculation for each reserve held by the council.

17. It is the opinion of the Director of Finance and Corporate Services that the reserves as set out in the Strategy are adequate and appropriate.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
In general, actual events may differ from the assumptions and estimates used to produce the draft budget, which will lead to variances from the budget.	4 (variances will occur requiring action to be taken)	3 (potential impact which could adversely affect the council's financial position if not managed)	Budget monitoring and corrective action taken as necessary. Maintain sufficient reserves and Working Balance.



Uttlesford District Council

Reserves Strategy



Prepared by:
Finance Section
Uttlesford District Council
January 2015



Reserves Strategy

1 Background

- 1.1 Reserves are an essential part of good financial management. They help the Council to cope with unpredictable financial pressures and plan for future spending commitments. The level, purpose and planned use of reserves are important factors for the Council to consider in developing the Medium Term Financial Strategy (MTFS) and setting the annual budget.
- 1.2 In setting the budget, the Council decides what it will spend and how much income it needs from fees, charges and council tax to supplement government funding. The Council may choose to fund some of its spending from its reserves, or set aside some of its income to increase reserves for future spending.
- 1.3 Having the right level of reserves is important. If reserves are very low, there may be little resilience to financial shocks and sustained financial challenges.
- 1.4 There is no available guidance on the minimum level of un-earmarked reserves that should be maintained. In 2003 CIPFA stated that each authority should determine what a prudent level of reserves is based upon their own circumstances, risks and uncertainties.
- 1.5 Councils are therefore free to determine the level of reserves they hold, although Audit will report/give an opinion on what in their opinion is reasonable. Members are responsible for ensuring that the Council's reserves are part of the MTFS and need to be appropriate for our circumstances. The Section 151 Officer has a duty to provide members with advice on the level of reserves.
- 1.6 Councils face significant financial challenges. The unprecedented reduction in government funding from 2010/11 to 2015/16 and the inevitable continuation of that trend, a decline in other income, rising costs and growing demand for many services are all testing the Councils' financial management and resilience.
- 1.7 The introduction of local business rates retention and new arrangements for providing council tax support in 2013/14 have created additional risks to the Council's finances.
- 1.8 Current and future financial challenges pose significant, and increasing, risks for the Council. The Council can consider using reserves to balance competing pressures for example:
 - Using reserves to offset funding reductions and protect services – although this can only be a short-term strategy as reserves are a one-off funding resource – or invest in making changes that reduce the cost of providing services in the longer-term.
 - Increasing reserves to strengthen resilience against future, uncertain cost pressures.

2 The approach to setting the Reserves Strategy.

- 2.1 The Reserves Strategy is integral to the MTFs and the annual budget setting process. Therefore the MTFs will include:
- Information showing the current level of reserves.
 - Consideration of the forward strategy for reserves needed to support the Council's MTFs.
 - A summary of the financial risks facing the Council, how it will mitigate these risks, and the minimum and maximum level of residual risk for which the council may need to hold funds in its reserves.
- 2.2 Reserves will be monitored throughout the year as part of the routine financial monitoring and the level of reserves reported as part of the year-end accounting processes.

3 Why the Council holds reserves

- 3.1 We use different terms to refer to the reserves depending on why they are held. Terms we use in this report have the following meanings:
- Available earmarked reserves – funds we choose to set aside to meet known or predicted future spending or ring-fenced by previous Council decisions.
 - Working balances (unallocated reserves) to manage cash flows, funds to protect annual budgets against multiple, less predictable, costs and uncommitted accumulated surpluses.
 - Other reserves the Council holds but which are not available to fund their general spending: some reserves with statutory restrictions on how they can be spent, such as capital receipts or Housing Revenue Account reserves;
 - Total reserves – the sum of earmarked and ring-fenced reserves.
- 3.2 Available earmarked reserves include funds for contingent spending that is hard to predict (risk-based reserves) – for example, Transformation Reserve to cover the cost of implementing changes in working practices including new ways of working and the costs associated with a reduction in staffing levels.
- 3.3 Reserves are distinct from provisions. Provisions are funds set aside for probable future liabilities where the timing and amounts are uncertain.

Ring-fenced income

- 3.4 The Councils must spend some of its income on specific purposes, for example, some ring-fenced grants, or property developers' contributions for local environmental improvements. Spending ring-fenced income before the end of a financial year is not always possible or desirable. The Council will carry forward unspent ring-fenced income from one financial year to the next in its reserves.

Delivering a balanced budget

- 3.5 The Council, in common with other organisations, needs financial reserves to help manage unforeseen circumstances and to smooth the impact of known spending requirements over time. The Council will use reserves for such purposes to enable it to manage variations between its planned and actual budgets that result from unpredictable spending and income. Reserves will also be used by the Council to plan its finances strategically to support activities over the medium and long term.
- 3.6 The Local Government Finance Act 1992 requires the Council to calculate its expected outgoings and income for the year – including any additions to or use of reserves. Where expected outgoings exceed expected income, the difference is the authority's council tax requirement for that year.
- 3.7 If unplanned costs are incurred during the year that are not funded externally – for example, by a grant from government or an insurance policy – or the Council experiences a shortfall in expected income, there will be few options if it is to deliver to budget. Raising extra income or making in-year savings may have an unacceptable impact on service users. Therefore the Council may want to consider using reserves to balance spending and income.
- 3.8 The 2015-16 Budget identifies a surplus which will be allocated to the Strategic Initiatives Fund.

4 Reserves and the management of risks

- 4.1 With regard to the Council's financial stability reserves are used to manage risks. There are certain earmarked reserves that have been set aside for specific risks, for example: Business Rates Retention. These reserves and the potential pressures that need to be managed are reviewed as part of the budget setting process.
- 4.2 The Council also manages unforeseen financial shocks by maintaining a Working Balance. For the General Fund the Council's agreed policy is to maintain working balances in line with the following formula;

(Total gross service expenditure + total gross service income + capital financing costs + investment income + recharge to HRA + HRA share of corporate costs) x 2%

For 2015/16 this is calculated as

$£33,829,000 + £24,228,000 + £3,454,000 + £50,000 + £1,138,000 + £234,000 = £62,933,000 \times 2\% = £1,258,660$

The current Working Balance is £1,214,000 and whilst slightly lower than the new calculation is deemed sufficient for 2015/16.

For the HRA the same principal of 2% of total expenditure and 2% of total income is applied. For 2015/16 this is calculated as

$£4,442,000 + £15,694,000 + £4,811,000 + £11,000 + £1,138,000 + £234,000 = £26,330,000 \times 2\% = £527,000$ For ease this is rounded up to £530,000

Increasing Financial Risks

4.3 The risk environment for local government funding has significantly increased. This strategy identifies the following issues which have increased risk over recent years:

- The partial retention of locally collected business rates to replace some government funding – this means that future changes in funding will be linked to changes in the local business rates base, rather than to government assessment of need.
- The new system of business rate retention passes the risk of non-collection from Central Government to the Council.
- The Council has also taken responsibility for the settlement of any outstanding Business Rates appeals.
- The transfer of responsibility for council tax support to the Council.
- The necessity to pass on a proportion of the reduction in Council Tax Support to working age claimants may increase Council tax non-recovery risk.
- Welfare reforms including the benefits cap and the impact on Housing Benefit as part of the introduction of Universal Credit which could impact on rent collection and potentially increase the level of homeless people seeking accommodation in the district.
- The continued problems that the government is experiencing managing the deficit and the likelihood of further spending reductions.
- Unexpected changes in grant regimes.

On-going risks in the current strategy.

4.4 In addition to the risks identified in 4.3 above there are still the risks that are normally managed within the MTFS:

- Service budgetary control.
- Service spending pressures, e.g. unavoidable demand.
- Exceptional inflation beyond that provided for within the annual budget.

4.5 The prospect of further grant reductions beyond 2015/16 means that it is prudent to retain sufficient reserves so that any future spending reductions can be implemented in a planned and efficient fashion.

5 Budgeted Reserves

5.1 The forecast value of General Fund Earmarked Reserves as at 31 March 2015 is currently £6.555 million.

5.2 The table on the following page summarises the General Fund Reserves at the end of the last financial year and the forecast end position for the current year.

Reserves Strategy

£000	1.4.2014 Actual	31.3.2015 Forecast
USABLE RESERVES		
<u>Financial management Reserves</u>		
Budget Equalization	1,416	1,016
Change Management	923	923
Council Tax Freeze Grant	174	225
Budget Slippage Reserve	28	28
<u>Contingency Reserves</u>		
LGRR Contingency	1,385	1,451
Emergency Response	140	140
Municipal Mutual Insurance	51	0
NHB Contingency	790	632
<u>Service Reserves</u>		
Planning	935	952
Neighbourhood Front Runners	57	57
Waste Management	300	230
Homelessness	101	84
Economic Development	220	50
Licensing	47	27
Elections	67	87
Hardship Fund	100	100
NHB Community Projects	15	0
Strategic Initiatives Fund	0	353
Access Fund	0	200
TOTAL USABLE RESERVES	6,749	6,555

- 5.3 Historically a number of reserves have been established without a defined purpose and lifespan being determined. This has led to confusion over the purpose of some reserves and the total level of reserves held.
- 5.4 The work on the reserves strategy has identified some scope to utilise about £1m of the total general fund usable reserves balance for current projects. It is proposed to transfer 8 temporary accommodation units from the Housing Revenue Account (HRA) to the General Fund at an estimated cost of £1.047m to enable the HRA to continue its good work in improving the sheltered accommodation units throughout the district.

Reserves Strategy

5.5 Taking the proposal in 5.4 above into account (£6.555m - £1.047m = £5.508m) it is therefore proposed to create new reserves as set out below.

	£000	31.3.2015 Forecast
	USABLE RESERVES	
	<u>Financial management Reserves</u>	
C1	MTFS Reserve	1,000
C2	Transformation Reserve	1,000
	<u>Contingency Reserves</u>	
C3	Emergency Response	40
	<u>Service Reserves</u>	
C4	New waste depot site	1,500
C5	Planning	1,000
C6	Waste Management	230
C7	Homelessness	40
C8	Economic Development	50
C9	Elections	95
C10	Strategic Initiatives Fund	353
C11	Access Fund	200
	TOTAL USABLE RESERVES	5,508

5.6 It is also important to set out the criteria for the purpose, lifespan and risks associated with each reserve. This is attached as Appendix One.

General Fund Ring-fenced Reserves

5.7 These reserves are held for specific purposes and cannot be used for any other.

	£000	Purpose	1.4.2014 Actual	1.4.2015 Forecast
C12	General Fund Working Balance	Maintained to protect the Council's budget from unexpected risks, Calculation as set out in 4.2 above	1,214	1,214
C13	Business Rates Reserve	This is to manage the Collection Fund deficit, which is mainly due to the large appeals both lodged and anticipated.	4,424	3,623
C14	Licensing	A ring-fenced reserve that can only be spent on the taxi licensing service	47	27
C15	DWP Reserve	Amount of benefit subsidy currently being reviewed in light of the External Audit grant claim process	0	175
	TOTAL		5,685	5,039

Housing Revenue Account (HRA)

5.8 The table on the following page summarises the HRA Reserves at the end of the last financial year, the forecast end position for the current year and the starting position for 2015/16.

£000		1.4.2014 Actual	1.4.2015 Forecast
	USABLE RESERVES		
H1	Transformation	200	147
H2	Capital Projects	1,223	798
H3	Potential Development Projects	800	800
H4	Revenue Projects	60	60
H5	Sheltered Housing Reserve	318	586
H6	Major Repairs Reserve	91	125
H7	Additional Resource Reserve	0	1,047
	TOTAL USABLE RESERVES	2,692	3,563

HRA Ring-fenced Reserve

5.9 This reserve is held for specific purposes and cannot be used for any other.

£000		Purpose	1.4.2014 Actual	1.4.2015 O/Balance
H8	HRA Working Balance	Maintained to protect the Council's budget from unexpected risks, Calculation as set out in 4.2 above	680	530
	TOTAL		680	530

Capital Receipts

5.10 This reserve identifies capital receipts which are available to finance capital expenditure in future years.

£000		1.4.2014 Actual	1.4.2015 O/Balance
CR1	Capital Receipts Reserve	1,259	1,643
	TOTAL RESERVE	1,259	1,643

5.11 Under the Right to Buy 1-4-1 agreement, for each sale of council dwellings the local authority must replenish housing stock using the retained receipt held in the capital receipts reserve; this is to ensure the government's plan to provide further social housing is continued whilst increasing home ownership is fulfilled.

6. Total Reserves

6.1 The table below sets out the total of reserves in each element of the council finances.

£000	1.4.2014 Actual	1.4.2015 Forecast
General Fund Earmarked Reserves	6,749	5,508
General Fund Ring-fenced Reserves	5,685	5,039
Capital receipts	1,259	1,643
HRA Reserves	2,692	3,563
HRA Ring-fenced Reserves	680	530
TOTAL	17,065	16,283

7. General Fund Reserves 5 year plan

7.1 The table below sets out the 5 year plan for the General Fund

	£000	31.3.2015 Forecast	2015/16 additions	2015/16 deductions	31.3.2016 Forecast	31.3.2017 Forecast	31.3.2018 Forecast	31.3.2019 Forecast	31.3.2020 Forecast
	USABLE RESERVES								
	<u>Financial management Reserves</u>								
C1	MTFS Reserve*	1,000	22	-50	972	972	972	972	972
C2	Transformation Reserve**	1,000	0	-50	950	850	550	350	150
	<u>Contingency Reserves</u>								
C3	Emergency Response	40	0	0	40	40	40	40	40
	<u>Service Reserves</u>								
C4	New waste depot site	1,500	0	-1,500	0	0	0	0	0
C5	Planning**	1,000	0	-200	800	600	400	400	400
C6	Waste Management	230	0	-30	200	200	200	200	200
C7	Homelessness	40	0	0	40	40	40	40	40
C8	Economic Development	50	0	-50	0	0	0	0	0
C9	Elections	95	20	-95	20	40	60	80	20
C10	Strategic Initiatives Fund	353	1,034	0	1,387	1,387	1,387	1,387	1,387
C11	Access Fund	200	200	-200	200	200	200	200	200
	TOTAL USABLE RESERVES	5,508	1,276	-2,175	4,609	4,329	3,849	3,669	3,409
	RING-FENCED RESERVES								
C12	Working Balance	1,214	0	0	1,214	1,183	1,077	860	567
C13	Business Rates Reserve	3,623	0	-2,689	934	0	0	0	0
C14	Licensing Reserve	27	0	-22	5	2	2	2	2
C15	DWP Reserve	175	0	-175	0	0	0	0	0
	TOTAL RING-FENCED RESERVES	5,039	0	-2,886	2,153	1,185	1,079	862	569
	TOTAL RESERVES	10,547			6,762	5,514	4,928	4,531	3,978

* The MTFS Reserve will be drawn down to assist with shortfalls identified in the Medium Term Financial Strategy

** These reserves show spend that is anticipated but not shown in the General Fund budget as the precise expenditure cannot yet be identified.

*** The forecast underspend for 2016/17 is not shown in the 5 year plan

8. HRA Reserves 5 year plan

8.1 The table below sets out the 5 year plan for the HRA. The logic behind the reserves is contained within the HRA Business Plan.

£000		31.3.2015	2015/16	2015/16	31.3.2016	31.3.2017	31.3.2018	31.3.2019	31.3.2020
		Forecast	additions	deductions	Forecast	Forecast	Forecast	Forecast	Forecast
H1	Transformation	147	42		189	189	189	189	189
H2	Capital Projects	798		-514	284	284	1,188	1,118	1,011
H3	Potential Development Projects	800		-620	180	0	0	0	0
H4	Revenue Projects	60			60	60	60	60	60
H5	Sheltered Housing Reserve	586		-221	365	126	1,015	668	440
H6	Major Repairs Reserve	125	3,355	-3,334	146	146	146	146	146
H7	Additional Resource Reserve	1,047		-61	986	0	0	0	0
H8	HRA Working Balance	530			530	530	530	530	530
	HRA RESERVES TOTAL	4,093			2,740	1,335	1,940	2,711	2,376

Appendix One

No.	Reserve	Purpose and lifespan	Risks	Mitigation and Calculation
C1	MTFS Reserve	To offset the predicted shortfall in budgets the council is expected to encounter in the life of the plan whilst enabling the council to transform.	<p>1. New Homes Bonus – for the calculation of this reserve it is assumed there will be an additional cut in funding of 20%.</p> <p>2. Universal Credit – The working balance assumes Universal Credit will be implemented on time. This model takes the pessimistic view that it will not and that the working balance has to be reinstated at the current level</p>	<p>1. The 20% NHB model presented as part of the December MTFS review identified the deficit by the end of the plan to be £800,000</p> <p>2. The Working Balance reduces by £650,000 over the remaining life of the plan</p> <p>Together this gives £1,450,000. It is reasonable to expect service efficiencies/additional income to play a part in addressing the shortfall during the plan however the quick win easy savings are gone, we will be looking at significant changes in the way in which the council operates and this takes time to achieve.</p>
C2	Transformation Reserve	To enable the council to change the way it operates in order to meet the financial challenges ahead.	<p>1. Universal Credit – The Department for Work and Pensions will not announce until October 2015 whether or not TUPE applies to those staff working in the Benefits Section.</p> <p>2. Resistance to change – it is essential the council adapts to new ways of working such as more automation of outgoing mail and better functionality and use of the council website. Failure to adopt new ways of working will seriously affect the future functioning of the council.</p> <p>3. As the council transforms it is likely that a number of services will cease to be provided. This will inevitably lead to statutory redundancy being paid</p>	The software alone for a single area is likely to cost in the region of £75,000 therefore the calculation allows for four large areas to be transformed and for necessary other costs to be included

No.	Reserve	Purpose and lifespan	Risks	Mitigation and Calculation
C3	Emergency Response	To enable the council to undertake an emergency response such as that encountered with the Lebanese evacuation.	<ol style="list-style-type: none"> 1. No such emergency arises 2. The reserve is insufficient 	<ol style="list-style-type: none"> 1. The likelihood of such an emergency is relatively low however as the council moves forward an budget pressures become significant a small reserve is appropriate. 2. The council learnt a lot from the Lebanese emergency and now has a policy to assist any such evacuees on their onward journey not to provide on-going support therefore the reserve should be sufficient.
C4	New waste depot site	The depot in the south of the district is in the centre of Great Dunmow. The council has had an aim to rent land to enable it to move however no such land has been found. It is now proposed to purchase land and provide the necessary buildings and utilities. The aim is to have identified and if possible purchased land during 2015/16	<ol style="list-style-type: none"> 1. No such piece of land is identified. 2. The reserve is insufficient to meet the total costs 	<ol style="list-style-type: none"> 1. It should be easier to find suitable land to purchase rather than rent. 2. The land vacated would have residual value and whilst a proportion should be retained to provide additional income streams some could be sold to cover additional costs. <p>The figure in the reserve is a best estimate from an initial look at the market.</p>

No.	Reserve	Purpose and lifespan	Risks	Mitigation and Calculation
C5	Planning	<p>For three primary purposes</p> <ol style="list-style-type: none"> 1. Stansted Airport studies 2. Planning Appeals 3. Local Plan <p>The Council is expecting to receive an application from Stansted Airport to lift the cap on traveller movements. This will require careful consideration including the commissioning of specialist studies. Due to the buoyant housing market the Council is receiving large numbers of planning applications, some of which are taken to appeal. The development of the new Local Plan will require supporting studies to support its development. The reserve is expected to be used over the next few years.</p>	<p>1. The reserve is insufficient to meet the total costs</p>	<p>Current indications are that the amount allocated is sufficient to meet the needs of the service in respect of the three areas for which the reserve was established.</p>

No.	Reserve	Purpose and lifespan	Risks	Mitigation and Calculation
C6	Waste Management	This is a high profile service and by the nature of the work suffers from budget variances. To enable the council to smooth fluctuations in areas such as cost of disposal and agency staffing. The reserve will be reviewed in 12 months' time once the new cost for dry recyclables has been in place for a year.	<ol style="list-style-type: none"> 1. Agency staffing levels exceed the forecasted levels 2. Disposal costs increase 	<ol style="list-style-type: none"> 1. The amount of agency staffing required is calculated using actual figures from the last few years. 2. In 2014/15 there was a significant change in the cost of disposal of dry recyclables. The amount now paid reflects the current market conditions. <p>Until the new disposal charges have been in place for a year it is felt that a prudent decision is to leave the reserve level as previously calculated.</p>
C7	Homelessness	To assist with the fluctuating demand for homeless support.	1. The decision to reduce the reserve amount is wrong	In 2014/15 it is anticipated that £17,000 of the reserve will be used. That is the most since the reserve was established. Accordingly having in place a reserve which provides 2 years support is felt appropriate
C8	Economic Development	To assist with the promotion of economic development within the district. The need for this reserve will be reviewed in March 2016	1. The Discretionary Rate Relief is not fully utilised in year.	This is the final year sum for the Discretionary Rate Relief Policy
C9	Elections	Each year £20,000 is allocated to the reserve to fund future election costs. The reserve is used in election years	1. The costs exceed the reserve amount	The reserve is to offset the impact of the cost of elections not to fully cover it. The amount is felt to be sufficient

No.	Reserve	Purpose and lifespan	Risks	Mitigation and Calculation
C10	Strategic Initiatives Fund	<p>The stated purposes of the Strategic Initiatives Fund are</p> <ul style="list-style-type: none"> a. Support for the local economy b. Partnership working with voluntary sector organisations c. Community initiatives and services in rural locations d. “Spend to save” projects to make the Council more efficient and more resilient to funding changes in future years e. Putting some Council services onto a more commercial footing. 	1. Insufficient projects that meet the criteria are identified	<p>There are four key criteria that each project must meet to be considered for funding from the Strategic Initiatives Fund. The four criteria are</p> <ul style="list-style-type: none"> 1. The project demonstrably supports the Council’s corporate priorities, as set out in the Corporate Plan 2. The project fulfils at least one of the five suggested uses for the Fund, as set out above 3. The project results in tangible financial benefit to the Council, either by reducing future cost pressures, efficiency savings, or income generation 4. The project does not give the Council any additional ongoing revenue budget commitments beyond the 2016/17 financial year

Reserves Strategy

No.	Reserve	Purpose and lifespan	Risks	Mitigation and Calculation
C11	Access Fund	This reserve was set up to pump prime the provision of cycle paths in the district. The intention is that the initial £200,000 would be replenished by appropriate S106 monies as they become available	1. No suitable S106 monies are available to continue the cycle path rollout	This is an Essex County Council responsibility which this council contributes to by way of S106 monies. If no such money is available the council will need to decide whether or not to invest more money from other reserves into this scheme
C12	Working Balance	Maintained to protect the Council's budget from unexpected risks, Calculation as set out in 4.2 above	1. Universal Credit does not have the forecasted impact on the Working Balance	There could be an adverse impact on the forecast of £680,000 by the end of the plan. Discussions are ongoing with DWP
C13	Business Rates Retention	This is to manage the Collection Fund deficit, which is mainly due to the large appeals both lodged and anticipated. Reserve should cease to be needed after 2016/17	1. Fund is insufficient to meet demand	This is based on central government calculations which make this unlikely to happen
C14	Licensing	A ring-fenced reserve that can only be spent on the taxi licensing service.		The taxi licensing service must break even on a rolling basis. Accordingly any in-year surpluses are allocated to the reserve and drawn down in years of shortfall/reduced fees
C15	DWP	Amount of benefit subsidy currently being reviewed in light of the External Audit grant claim process. Reserve is for one year only	1. DWP seek to recover more money than in the reserve	This is the amount identified by the auditors

Committee: Cabinet

Agenda Item

Date: 17 February 2015

10

Title: Temporary Accommodation

Portfolio Holders: Councillor Julie Redfern

Item for decision

Councillor Robert Chambers

Summary

1. To enable the Housing Service to continue to develop new housing, without impacting on the debt cap, it is being recommended that the designated temporary accommodation units currently held within the Housing Revenue Account (HRA), are transferred to the General Fund at the estimated open market value of £1,047,000
2. The Scrutiny Committee reviewed the budget reports on 10 February. Comments from the Committee are in a separate item on the agenda.

Recommendation

- a) That Cabinet recommends to Full Council that it approves the transfer of the eight designated temporary accommodation units from the HRA to the General Fund at the estimated market value cost of £1,047,000 subject to Secretary of State Approval.

Financial Implications

3. The Reserves Strategy identifies that there is the scope for the council to utilise this sum in support of the HRA and the Strategy has been prepared on this basis.

Background Papers

None.

Impact

Communication/ Consultation	The top priority emerging from public consultation is that the Council should keep[ing] Council Tax as low as possible while maintaining or improving services and providing support to the vulnerable
Community Safety	No specific implications
Equalities	No specific implications
Health and Safety	No specific implications
Human Rights	No specific implications
Legal implications	This process will require Secretary of State approval.
Sustainability	No specific implications
Ward-specific impacts	No specific implications
Workforce/Workplace	No specific implications

Background

4. The Housing Service is continuing with a programme of refurbishment of sheltered units and development of potential sites for new housing.
5. In 2012 the HRA reforms meant that the council had to take out an £88.4m loan. The debt was taken out on the basis that the council does not start to repay the principal until 2017/18 so as to give the council the maximum opportunity to kick-start a development programme.
6. As part of the HRA reforms from 2012 the council had a debt cap imposed. This is a figure that sets out the maximum borrowing level, both external and internal, that the HRA must not exceed.
7. The loan structure has worked insofar as the council has made good progress in redesigning sheltered unit sites and delivering new housing, however it means that in 2015/16 and more so in 2016/17 the HRA is very close to the debt cap and cannot incur more borrowing either external or internal.
8. The Council is keen to progress with additional new builds however the debt cap could potentially stop this happening. As part of the work in developing the new Reserves Strategy it has been identified that there is scope to utilise approximately £1m of the reserves balance to support the work of the HRA. However as set out above the debt cap means the General Fund cannot simply loan the HRA any money.
9. The solution to this involves the Homelessness service which is a General Fund service. Where the HRA has dedicated temporary accommodation units these could be transferred, subject to Secretary of State Approval, to the General Fund at open market value.
10. The Housing Manual 2006/07 which offers guidance on the transfer of assets between the Housing Revenue Account and the General Fund, this transaction follows the recommended guidelines
11. In this case, as the property is still required for the purposes of Part II of the Housing Act 1985, i.e. for the provision of housing, the authority will need to seek a direction from the Secretary of State under section 74(3)(d) of the Local Government and Housing Act 1989 to take the property out of the HRA.
12. The Council has eight designated temporary accommodation units, four at Burnt Villas Takeley and four at the new Mead Court development in Stansted. The estimated market value for these eight units is £1.047m.
13. The General Fund would become the landlord and would receive the rent from the lettings of the property. This would give an annual income in the region of £50,000 which equates to a yield of about 4% per annum, after expenses including maintenance and utilities, which compares with about 0.3% per annum on our current government/bank/building society investments.
14. A reflection of the times is that it is normal for all of our designated temporary units to have 100% occupation (excluding changeover days). However the income budget will be based on a more prudent occupation level of 95%.

15. The capital sum generated will enable increased HRA investment in development schemes, which will in turn generate additional income for the HRA through affordable rents. This will offset any loss of rental income to the HRA from the temporary accommodation
16. The Council will determine the way in which the units are used on an annual basis. Should homelessness levels fall the units can be converted back to social housing and ownership transferred to the HRA at market value.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
The Secretary of State refuses the transfer	1 (specific legislation exists to allow this to happen)	3 (the council would be unable to invest in the Housing Service until the principal starts to be repaid in 2017/18)	A well-presented case to the Secretary of State to obtain authorisation

Committee: Cabinet
Date: 17 February 2015
Title: Medium Term Financial Strategy
Portfolio Holder: Councillor Robert Chambers

Agenda Item

11

Summary

1. The purpose of the Medium Term Financial Strategy is to ensure the ongoing financial health and stability of the Council. The Strategy looks ahead in order to anticipate issues that may arise in the Council's finances. This enables measures to be taken and plans to be put in place ahead of the issues arising.
2. The Council is in a strong financial position, currently insulated from the widespread problems in local government due to a combination of prudent financial management and New Homes Bonus.
3. Reasonably reliable forecasts of costs, income and Council Tax can be made, but it is not possible to forecast with any degree of certainty what will happen to Government funding.
4. If there is a change in the system of local government funding, regardless of the General Election outcome, it is unlikely (but not impossible) that any significant changes will impact until the year 2017/18.
5. The Council can therefore have reasonable confidence that in the next two financial years (2015/16 and 2016/17) its total income will exceed the forecasted budget. This gives opportunities in the first year to make meaningful investment in projects that benefit local communities and businesses. However, it is absolutely essential that the Council does this in a prudent and sustainable way, and avoids making ongoing revenue commitments.
6. The forecast surplus in the second year (2016/17) should be put into reserves to help offset future challenges.
7. During the next two years the Council should also give active consideration to investing in cost reduction and/or income generation schemes, in case there are challenges from 2017/18 onwards.
8. There is material uncertainty about the ongoing amount of funding that may or may not be available under the New Homes Bonus (NHB) scheme. The MTFS demonstrates the impact on the council budget should a 10%, 20% or 30% cut in NHB be implemented.

9. Because of this material uncertainty from 2017/18 onwards, the Council must use the intervening two years to ensure it is ready to meet potentially challenging scenarios.
10. The Scrutiny Committee reviewed the budget reports on 10 February. Comments from the Committee are in a separate item on the agenda.

Recommendations

11. The Cabinet is requested to approve, for recommendation to Full Council, the Medium Term Financial Strategy as attached.

Financial Implications

12. Detailed in the report.

Background Papers

None.

Impact

Communication/Consultation	None
Community Safety	None
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	The Council has a legal duty to set a balanced budget.
Sustainability	None
None Ward-specific impacts	None
Workforce/Workplace	None

Forecasting the Council's Budget Requirement

13. It is relatively straightforward to forecast what the Council's costs and income will be, based on extrapolating the 2015/16 budget into future years, using prudent assumptions about inflation.

14. Where actual increases or reductions are not already known, the following annual inflation assumptions have been used:

Budget item	Annual inflation assumption used	Approx value of each 1% change
Salaries	2%	£87,700
Employer's pension	0.9% of salary	£84,700
Other staff costs	0%	£5,700
Members allowances	1%	£3,000
Utilities & fuel	3%	£6,300
Supplies & services (contractual)	3%	£31,900
Supplies & services (non-contractual)	0%	£14,900
Fees & charges income (except car parking)	2%	£32,900
Car parking income	0%	£8,600
Benefits case load	0%	£800
Benefits rent increases	5%	£800
Demand growth	£50,000 cumulative additional spend per year	n/a

15. The model also assumes that during the next few years, the Government will proceed with its policy intention to transfer Housing Benefit to the Universal Credit scheme. The model makes assumptions that benefits expenditure and related DWP subsidy grant income will be progressively removed from the Council's budget during the next few years. This has the effect of reducing gross expenditure and gross income, but the bottom line effect is slight because 98% of expenditure is met by grant.

16. Other assumptions:

- No changes to the Council's priorities; existing levels of service provision to continue.
- Capital financing costs based on the draft five year capital programme and allied financing strategy.
- Recharge of costs to HRA to remain at the current level.

- Investment income will remain constant at £50,000 per annum.

Strategic Solutions Workstreams

17. In 2009 the five workstreams were established and from 2010 a small corporate team was set up to secure the savings needed by the MTFs. The Workstreams are:

- Shared Services
- Devolution
- Income Generation
- Service Reduction
- Efficiency Savings

18. The workstreams have been successful to date, with cumulative annual savings of around £2.7 million delivered by the end of 2014/15.

19. There is more to do however. Because of the inherent volatility and conjecture in the MTFs projections, and in particular the risks highlighted for the post 2016/17 period, the Council must continue efforts to ensure it is well placed to meet future challenges.

20. The priorities for the workstreams in 2015/16 are as follows:

- Asset Management
- Mail services
- Back office costs
- Online service delivery.

MTFs: Guiding principles

21. The Council will continue to exercise prudence and discipline in its financial management. Costs will be controlled and kept under review, and income will be maximised wherever appropriate. Work will continue to identify ways to deliver services at a lower cost.

22. Inevitably, resource allocation decisions will be required based upon changing circumstances and priorities. Some budgets will need to be increased, and some reduced. The Council will seek to safeguard those activities that it considers to be highest priority as stated in the Corporate Plan.

23. During the first two years of the plan the Council will endeavour to make savings in priority areas only if there is no significant adverse impact to quality and level of service provision. For example, the Council may find a more efficient means of delivering the service. Otherwise, the Council will not make savings that result in diminution in service quality in these areas unless there is no alternative e.g. inability to balance the budget.

24. The Council acknowledges the need to provide statutory services, and in many cases these will be consistent with Corporate Plan priorities. Where the link between the need to provide a statutory service and Corporate Plan priorities is not as strong, the Council will provide a level of service consistent with affordability. Efficiency gains and partnership working will be explored as means of providing statutory services to an acceptable level at a lower cost. In some circumstances, the Council will consider reducing the level of service in order to make savings and redirect resources to the Council's highest priorities.
25. Subject to the above, unavoidable and essential growth items will be funded by the making of savings from elsewhere within the Council budget, or the generation of additional income. The Council will not make ongoing revenue commitments from non-recurring funding sources
26. The Council will manage its budget as a corporate whole, if necessary transferring money from one activity to another if this is what is necessary to match limited resources to the highest priorities.
27. In ordinary circumstances the Council will not use reserves to fund any ongoing expenditure. In exceptional circumstances, the Council may use reserves for one-off items or to alleviate budget pressures within the context of an overall plan to achieve a balanced budget but will seek opportunities to replenish reserves consumed in this way.
28. The Council will ensure that all reserves are held for clearly defined purposes and the amounts kept under review as per the Reserves Strategy.
29. Investment in new initiatives and service improvements will be subject to a value for money assessment and a post-implementation review to assess whether the intended benefits were achieved.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Actual experience differs from the assumptions in the budget and business plan	4 some variation is inevitable	3 sums involved are potentially significant	Ensure MTFS has element of flexibility Maintain adequate reserves Robust monitoring Half yearly review by Cabinet

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.



Uttlesford District Council

Medium Term Financial Strategy



Prepared by:
Finance Section
Uttlesford District Council
January 2015



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Financial Outlook

Budget planning this year is again characterised by uncertainty about government funding and local government finance generally. Root and branch reform of the funding system continues apace with localisation of Business Rates and Council Tax support having taken effect from 1 April 2013. The local government finance system has radically altered such that councils' funding depends directly on growth and prosperity in their local economies. Further adjustments are expected to both New Homes Bonus and localisation of business rates following the general election.

When preparing this document, a number of significant assumptions have been made. For clarity these are set out below along with potential consequences if the assumptions prove to be incorrect

- a) **New Home Bonus (NHB)** – This is the major uncertainty in the budget forecast; New Homes Bonus income which is £3.6m in 2015/16 and forecasted to be £4.3 million in 2016/17. This is a variable item and depends upon the number of new homes entering the Council Tax system. The format of the scheme in future years will be determined by the result of the general election. Terminology being used by the main parties range from “reform” to “scrapping”. There is little or no talk of it staying in the current format. Whatever the outcome of the election there is a high risk that the amount of funding received by this council will be significantly reduced. It is unlikely that any revision to the scheme will take place before 2017/18 and it is on this assumption that the model is based. If in fact changes are made to 2016/17 (i.e. the first full year of a new government) then the forecast surplus will be significantly smaller.
- b) **Localisation of Business Rates** – whilst some change to the current scheme is expected, the scheme has a “safety net” element so unless this is removed or significantly reduced, potential impact on the council budget is limited.
- c) **Universal Credit** – It is assumed that Universal Credit will be implemented on the current timescales. If there is any delay this will have a significant impact on the council's budget as the forecasted reduction in the Working Balance Reserve is entirely due to the fact that the council budget will reduce following the introduction of Universal Credit. There is a significant risk that the actual level of claims transferred to Universal Credit will be significantly lower than that expected, due to the high number of pensioner and other types of disregarded claims.
- d) **Planning Fee Income** – For both 2015/16 and 2016/17 additional fee income has been built into the forecast. This reflects the current trend. No such increase has been built into the subsequent years.

Assuming that the criteria for both New Homes Bonus and localisation of Business Rates will not change before 2017/18, then 2016/17 will show an in-year surplus. Thereafter the position is far less certain.

Budget Model

To inform the financial outlook for UDC, a detailed budget model is used. The following are key assumptions used in the model.

- a) **Gross service expenditure:** Uses the 2015/16 base budget as a starting point and one-off items removed. Assumptions about annual inflation for 2015/16 are used: staff pay 2%; utilities 3%; contractual indexation 3% (unless specified otherwise); price inflation 2%.
- b) **Gross Service Income:** Again uses the 2015/16 base budget as a starting point. Assumed price inflation 2% for fees and charges except where special arrangements apply e.g. car park charges and taxi licences.
- c) **Universal Credit** – assumed that Housing Benefits expenditure and subsidy will start to phase out of the UDC budget in 2016/17.
- d) **Service demand** – due to growing population and housing numbers, it is prudent to assume greater demand for council services such as refuse and recycling, revenues collection, etc. A cumulative figure of £50,000 pa has been used.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Gross service expenditure	£33.829m	£33.198m	£30.920m	£26.466m	£22.095m	£20.630m
Gross service income	-£24.229m	-£23.274m	-£20.255m	-£15.313m	-£10.438m	-£8.441m
Net service expenditure	£9.600m	£9.924m	£10.665m	£11.153m	£11.657m	£12.189m

- e) **Corporate items:** Pension Fund deficit payment – inflationary increase. Capital Financing Costs – in line with expected capital expenditure financing requirements. Investment Income – nominal sum only due to continued low interest rates and prudent investment policy. Recharges to HRA – no change in methodology.

£000	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Pension Fund	102	102	502	527	552	577
Capital Financing	3,454	1,366	1,429	1,546	1,540	1,509
Collection Fund Balance	-89	0	0	0	0	0
Recharge to HRA	-1,372	-1,300	-1,300	-1,300	-1,300	-1,300
Investment income	-50	-50	-50	-50	-50	-50
Total corporate items	2,045	118	581	723	742	736

- f) **Specific grants:** Assumed no change to PFI, Homelessness and NNDR collection costs funding. Housing Benefits subsidy at 98% of expenditure, phased out from 2016/17. Benefits admin subsidy reduced to reflect onset of Universal Credit.

- g) **Council Tax Freeze Grant** – The Government has announced that Council Tax Freeze Grant will be rolled into formula grant from 2015/16 onwards.
- h) **Localisation of Business Rates** – Under most foreseeable scenarios the amount retained by UDC shall be between £1.3m and £1.5m. The figures assumed in the model are based on incremental growth from the 2014/15 baseline position. In the event of gross revenue reduction e.g. because of the Diamond Hangar case, or additional discretionary rate relief being granted, the amount retained by the council would reduce.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Retained Business Rates	£1.303m	£1.329m	£1.356m	£1.383m	£1.411m	£1.439m

- i) **Formula Grant:** 2015/16 figure is that includes the council tax freeze grant. The model assumes Formula Grant is nil by 2019/20 and is profiled accordingly.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Formula Grant	£1.234m	£0.925m	£0.62m	£0.3m	£0.0m	£0.0m

- j) **New Homes Bonus:** Assumes that the scheme will continue in line with the existing published methodology. The council will be rewarded by around £1,456 pa for six years for each new home brought into the Council Tax system. There are two major uncertainties here. NHB is a six year scheme and the MTFS period goes beyond the sixth year. Based upon predictions of housing growth consistent with the latest Local Plan Statement the estimated NHB funding is as shown below.

MTFS PERIOD								
	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
2011/12 award	£0.714m	£0.714m	£0.714m	£0.714m				
2012/13 award	£0.534m	£0.534m	£0.534m	£0.534m	£0.534m			
2013/14 award	£0.794m	£0.794m	£0.794m	£0.794m	£0.794m	£0.794m		
2014/15 award		£0.835m	£0.835m	£0.835m	£0.835m	£0.835m	£0.835m	
2015/16 award			£0.721m	£0.721m	£0.721m	£0.721m	£0.721m	£0.721m
2016/17 provisional				£0.708m	£0.708m	£0.708m	£0.708m	£0.708m
2017/18 provisional					£0.93m	£0.93m	£0.93m	£0.93m
2018/19 provisional						£1.435m	£1.435m	£1.435m
2019/20 provisional							£1.441m	£1.441m
2020/21 provisional								£1.051m
TOTAL NHB	£2.042m	£2.877m	£3.598m	£4.306m	£4.522m	£5.423m	£6.070m	£6.286m

Council Tax

The Administration has given instruction that UDC's Council Tax should be cut by 3% in 2015/16 and frozen in 2016/17, thereafter to plan on the basis of a 2% annual increase from 2017/18. The Administration shall be looking carefully at the council's finances during the next 2 to 3 years and will take appropriate and responsible decisions depending on the circumstances at the time. Tax base assumptions are in line with housing growth forecasts and an estimate of LCTS discounts and additional income arising from reducing discounts on second homes and empty homes. These assumptions give rise to the forecasts on the table below.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Tax Base	34,132	34,652	35,374	36,492	37,308	37,884
LCTS discounts	-2,420	-2,320	-2,220	-2,220	-2,220	-2,220
Extra tax base from changing discounts	248	248	248	248	248	248
Tax Base (net)	33,540	34,132	34,652	35,374	36,492	37,308
UDC Band D	£138.74	£138.74	£141.51	£144.34	£147.23	£150.17
Planning assumptions	-3%	0%	2%	2%	2%	2%
Council Tax income	£4.653m	£4.736m	£4.904m	£5.106m	£5.373m	£5.603m

Cumulative CPI inflation since April 2010 (date of last UDC Council Tax increase) to December 2014 (latest published inflation data) is 12.26%.

December 2014 CPI Index 128.2

April 2010 CPI Index 114.2

Cumulative CPI = (Later index figure – Earlier index figure) ÷ Earlier index figure x 100

$(128.2 - 114.2) = 14.0 \div 114.2 = 0.1226 \times 100 = 12.26\%$

If a 3% cut is approved by the council, the district Band D figure will have reduced by 6% during this period. This would represent a real term reduction in the UDC precept of 16.16% since 2010.

(2010/11 Band D £147.42 + 12.26% = £165.49. £138.74 is 83.84% of £165.49. Real terms reduction therefore of 16.16%.)

Outcome of Budget Modelling

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000	£000	£000
Gross service expenditure	33,829	33,148	30,820	26,316	21,895	20,380
Gross service income	-24,228	-23,274	-20,255	-15,313	-10,438	-8,441
Demand growth	0	50	100	150	200	250
Net service expenditure	9,600	9,924	10,665	11,153	11,657	12,189
Capital financing costs	3,454	1,366	1,429	1,546	1,540	1,509
Pension fund deficit	102	102	502	527	552	577
Recharge to HRA	-1,372	-1,300	-1,300	-1,300	-1,300	-1,300
Other corporate items	-50	-50	-50	-50	-50	-50
Total budget	11,733	10,042	11,246	11,876	12,399	12,925
Funding						
Business Rates Retention	-1,303	-1,329	-1,356	-1,383	-1,411	-1,439
Council Tax Freeze Grant	0	0	0	0	0	0
Collection Fund Balance	-89	0	0	0	0	0
Section 106 Funding	-10	0	0	0	0	0
Formula Grant	-1,234	-925	-620	-300	0	0
New Homes Bonus	-3,598	-4,306	-4,522	-5,423	-6,070	-6,286
Total Funding	-6,234	-6,560	-6,498	-7,106	-7,481	-7,725
Net Operating Expenditure	5,499	3,482	4,748	4,770	4,918	5,200
Movement in Reserves	-846	-11	-86	-197	-273	-60
COUNCIL TAX REQUIREMENT	4,653	3,471	4,662	4,573	4,645	5,140
COUNCIL TAX INCOME	-4,653	-4,736	-4,904	-5,106	-5,373	-5,603
In year surplus (-) / deficit	0	-1,265	-242	-533	-728	-463

Medium Term Financial Strategy

These figures represent a “best case” scenario. It is emphasised that all forecasts, in particular those about government funding, are not based on firm information and figures from 2016/17 onwards especially are (informed) conjecture. The model is unavoidably full of assumptions about the future which obviously may prove to be correct, optimistic or pessimistic.

As set out on page 3 it is highly likely that New Homes Bonus will at best be reformed and at worst scrapped and replaced with an alternative form of formula grant. Below are the effects of a 10%, 20% and 30% cut in NHB from 2017/18 (whilst this refers to NHB it should be interpreted as a cut in government funding).

10% cut

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
In year surplus (-) / deficit	0	-1,265	-242	-533	-728	-463
10% cut in NHB	0	0	453	543	607	629
Revised surplus (-) / deficit	0	-1,265	211	10	-121	166

20% cut

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
In year surplus (-) / deficit	0	-1,265	-242	-533	-728	-463
20% cut in NHB	0	0	905	1085	1214	1258
Revised surplus (-) / deficit	0	-1,265	663	552	486	795

30% cut

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
In year surplus (-) / deficit	0	-1,265	-242	-533	-728	-463
30% cut in NHB	0	0	1,357	1,627	1,821	1,886
Revised surplus (-) / deficit	0	-1,265	1,115	1,094	1,093	1,423

The red highlighted areas are shortfalls in budget which would have to be met from service savings in the long term, covered by use of reserves in the shorter term.

Sufficient reserves should be maintained to cover the eventualities that may arise from the 2015 General Election. To that end the forecast surplus in 2016/17 should be set aside to cover any reduction in government funding. Once the new funding position is known a revised plan for that surplus can be established.

The council should proactively look for service savings and cost-sharing options.

Medium Term Financial Strategy

This is a risk-based approach, given that the uncertainties arising from the General Election are too many to reasonably try to quantify. Having Financial Management Reserves of at least £2m in 2015/16 will enable the worst case scenario identified on the previous page to be managed.

Because of the degree of estimation involved and the longer term projections referred to in the preceding paragraphs, it will be absolutely essential to maintain strong financial discipline around all aspects of the council's costs and income. The council must ensure it is in a strong position to anticipate and adapt to funding outcomes that differ from what is currently assumed. Therefore any decision to incur additional costs (e.g. service investment) or to reduce income (e.g. fees & charges reductions) must be fully funded by sustainable cost savings and/or additional income elsewhere in the council's budget.

Reserves

Total General Fund usable reserves during this five year model are estimated to reduce from £5.5m to £3.4m. This excludes any in-year surpluses or deficits. A schedule of forecasted reserves balances is set out below.

£000	31.3.2015 Forecast	2015/16 additions	2015/16 deductions	31.3.2016 Forecast	31.3.2017 Forecast	31.3.2018 Forecast	31.3.2019 Forecast	31.3.2020 Forecast
USABLE RESERVES								
<u>Financial management Reserves</u>								
MTFS Reserve	1,000	22	-50	972	972	972	972	972
Transformation Reserve	1,000	0	-50	950	850	550	350	150
<u>Contingency Reserves</u>								
Emergency Response	40	0	0	40	40	40	40	40
<u>Service Reserves</u>								
New waste depot site	1,500	0	-1,500	0	0	0	0	0
Planning	1,000	0	-200	800	600	400	400	400
Waste Management	230	0	-30	200	200	200	200	200
Homelessness	40	0	0	40	40	40	40	40
Economic Development	50	0	-50	0	0	0	0	0
Elections	95	20	-95	20	40	60	80	20
Strategic Initiatives Fund	353	1,034	0	1,387	1,387	1,387	1,387	1,387
Access Fund	200	200	-200	200	200	200	200	200
TOTAL USABLE RESERVES	5,508	1,276	-2,175	4,609	4,329	3,849	3,669	3,409
RING-FENCED RESERVES								
Working Balance	1,214	0	0	1,214	1,183	1,077	860	567
Business Rates Reserve	3,623	0	-2,689	934	0	0	0	0
Licensing Reserve	27	0	-22	5	2	2	2	2
DWP Reserve	175	0	-175	0	0	0	0	0
TOTAL RING-FENCED RESERVES	5,039	0	-2,886	2,153	1,185	1,079	862	569
TOTAL RESERVES	10,547			6,762	5,514	4,928	4,531	3,978

* The MTFS Reserve will be drawn down to assist with shortfalls identified in the Medium Term Financial Strategy

** These reserves show spend that is anticipated but not shown in the General Fund budget as the precise expenditure cannot yet be identified.

*** The access fund has an initial £200,000 allocated to it. It will be used in 15/16 for the Wenden cycle path scheme. This reserve will then be topped up and drawn down on as S106 monies are received and new schemes started

**** The forecast underspend for 2016/17 is not shown in the 5 year plan

Housing Revenue Account

2015/16 shall be the fourth year of self-financing. The HRA Business Plan sets out estimates of revenue headroom and how this will be invested, including improvements to the council's housing stock, and new build including the development of Mead Court and garden sites.

The key issues for the HRA will be:

- ensuring that delivery of the HRA Business Plan is on course
- maintaining clear plans which demonstrate how headroom is to be used.
- applying UDC rent setting policy and ensuring that income is maximised where appropriate
- monitoring the effects of Right To Buy invigoration
- ensuring that the Housing Service has the capacity to deliver the plan.

In the event of slippage in the use of revenue headroom, the council will need to consider whether to pay off a proportion of the £88.4m debt it has been required to take on under the self-financing reform. The debt has been structured so that it is repaid in years 6 to 30 i.e. from 2017/18 to 2041/42. However, up to £10m can be paid off early without financial penalty.

Committee: Cabinet

Agenda Item

Date: 17 February 2015

12

Title: Treasury Management Strategy 2015/16

Portfolio Holder: Councillor Robert Chambers

Item for decision

1.0 Summary

- 1.1 The Council's cash-flow management, use of banks, investments and borrowing is governed by the Treasury Management Strategy (TM strategy).
- 1.2 The CIPFA Code of Practice for Treasury Management in Public Services (the "TM Code") requires the Council to determine its Treasury Management Policy and Strategy for 2015/16 and the following 2 years. However a five year strategy has been prepared to be consistent with the Medium Term Financial Strategy period.
- 1.3 The Local Government Act 2003 also requires Local Authorities to adopt Prudential Indicators and Minimum Revenue Provision Statements, see Appendices A1 and A2.
- 1.4 The TM strategy, *Appendix A*, will continue to give priority to security and liquidity of investment capital over return. It will also be prudent and transparent.
- 1.5 The strategy assumes no new external borrowing. Investments will continue to be prudent and diversify Council surplus cash within the parameters permitted.
- 1.6 The Scrutiny Committee reviewed the budget reports on 10 February. Comments from the Committee are in a separate item on the agenda.

2.0 Recommendations

- 2.1 The Cabinet is requested to approve, for recommendation to Full Council on 26 February, the following items:
 - Treasury Management Strategy 2015/16, Appendix A.
 - Prudential Indicators, Appendix A1.
 - Minimum Revenue Provision (MRP) Statement, Appendix A2
 - Economic Forecast, Appendix A3

3.0 Impact

Communication/Consultation	No specific implications
Community Safety	No specific implications
Equalities	No specific implications
Finance	The financial impact and the associated arrangements for managing risk are included in the body of the report.
Health and safety	No specific implications
Human Rights	No specific implications
Legal implications	The strategy fulfils requirements of the LGA 2003
Ward-specific impacts	No specific implications
Workforce /Workplace	No specific implications

4.0 Background

- 4.1 The Council has adopted the TM Code which requires the Council to approve a Treasury Management Strategy before the start of each financial year.
- 4.2 In addition, the Department for Communities and Local Government (DCLG) issued revised *Guidance on Local Authority Investments* in March 2010 that requires the Council to approve an Investment Strategy before the start of each financial year.
- 4.3 The Treasury Management Strategy fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to both the TM Code and the DCLG Guidance.
- 4.4 The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Council's Treasury Management Strategy and to mitigate these risks.

5.0 Background Papers

- 5.1 None

Risk Analysis			
Risk	Likelihood	Impact	Mitigating actions
Credit/Liquidity/Refinancing and Market risks	2	2	<p>Council compliance with the legal framework as set out in the local Government Act 2003 (as amended), associated regulations and professional Codes of Practice/guidance.</p> <p>Compliance monitored regularly through:</p> <ul style="list-style-type: none"> • adoption of TM Policy and Strategy • Mid year TM progress report to Cabinet/Council • Annual TM outturn Report to Cabinet/Council. • TM procedures

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.

Treasury Management Strategy

2015/16

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2. Policies & Objectives	Appendix A2. MRP Statement
3. Reporting Requirements	Appendix A3. Economic Forecast
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1.0 - Introduction

1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management requires the preparation of an annual Treasury Management Strategy Statement (TMSS).

1.2 Treasury Management activities are defined by CIPFA as:

“The management of the Council’s investments, borrowing and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities and the pursuit of optimal performance consistent with those risks.”

1.3 The Council regards the successful identification, monitoring and control of risk to be prime criteria by which the effectiveness of its treasury management activities will be measured. Therefore, any reporting of treasury management activities will focus on the

risk to the Council and the management of such risks.

1.4 The main risks to the Council’s treasury activities are:

- Liquidity risk (inadequate cash resources)
- Market or interest rate risk (fluctuations in interest rates)
- Inflation risk (exposure to change in prices)
- Credit and counterparty risk (security of investments)
- Refinancing risks (impact of debt maturing in future years)
- Legal and regulatory risk (i.e. non-compliance with requirements)

1.5 The main changes from the strategy adopted in 2014/15 are:

The counterparty list has been revised to include Fire Authorities and Police Authorities.

The new strategy also recognises that counterparty list regularly changes during the financial year and the Council will set a maximum cash, credit rating and time limit for relevant counterparties as it sees appropriate for the Council and also work within the parameters regularly advised by Treasury Management Consultants, Arlingclose through their counterparty list.

The Council has also reduced its minimum credit rating requirement due to the expected overall credit rate lowering by credit rating agencies following the implementation of bail-in legislation.

The strategy overall provides more opportunity to diversify the surplus of cash in order to reduce the risk the Council is exposed to within the financial markets.

2.0 - Policies and Objectives

- 2.1 The Council acknowledges that effective Treasury Management will provide support towards the achievement of its business and services objectives. Therefore, it is committed to the principles of achieving value for money in treasury management and to employing suitable comprehensive performance measurement techniques within the context of effective risk management.
- 2.2 The Council's borrowing will be affordable, ensuring appropriate provision is made within the revenue budget to repay debt. It should also be sustainable and prudent, consideration being given to the management of interest rate risk and risks associated with refinancing. Also, the Council's borrowing activities will be transparent as will its control of its debt.
- 2.3 With regards to the Council's Investment Strategy the key focus and order of priority will be as follows:
- 1) Security
 - 2) Liquidity
 - 3) Return

3.0 - Reporting Requirements

3.1 In line with best practice, Members are required to receive and approve, as a minimum, three main reports each year. The report which should accompany the Council’s budget strategy and Medium Term Financial Strategy (MTFS) is to be reviewed by Scrutiny Committee prior to approval by Cabinet and referral to Full Council. The main reports to be reviewed during the year are:

a) Mid-Year Treasury Management Report:

updating Cabinet with progress on the capital position, amending the prudential indicators or Investment Counterparty list as necessary and in general revising the TM strategy if need be.

b) An Annual Treasury Management Outturn Report:

Providing details of actual prudential and treasury indicators and actual treasury operations compared to the estimates included in the strategy. The report will be presented to Cabinet in September 2014 after the financial year end.

c) Treasury Management Regular Reports:

included within the General Fund, Housing Revenue Account and Capital Programme budget monitoring reports received by the Cabinet as scheduled in the Committee reporting timetable.

4.0 - External Context

- 4.1 There is momentum in the UK economy, with a continued period of growth through domestically-driven activity and strong household consumption. There are signs that growth is becoming more balanced. The greater contribution from business investment should support continued, albeit slower, expansion of GDP. However, inflationary pressure is benign and is likely to remain low in the short-term. There have been large falls in unemployment but levels of part-time working, self-employment and underemployment are significant and nominal earnings growth remains weak and below inflation.
- 4.2 The MPC's focus is on both the degree of spare capacity in the economy and the rate at which this will be used up, factors prompting some debate on the Committee.

- 4.3 Credit outlook: The continued global economic recovery has led to a general improvement in credit conditions since last year. This is evidenced by a fall in the credit default swap spreads of banks and companies around the world. However, due to the above legislative changes, the credit risk associated with making unsecured bank deposits will increase relative to the risk of other investment options available to the Authority.
- 4.4 Interest rate forecast:

The Authority's treasury management advisor Arlingclose forecasts the first rise in official interest rates in August 2015 and a gradual pace of increases thereafter, with the average for 2015/16 being around 0.75%. Arlingclose believes the normalised level of the Bank Rate post-crisis to range between 2.5% and 3.5%.

- 4.5 A more detailed economic and interest rate forecast provided by the Arlingclose is attached at **Appendix A3**.

5.0 - Borrowing Strategy

- 5.1 The Council maintained an ‘under-borrowed’ position up until 28th March 2012. This means that the Capital Financing Requirement was not funded with new external debt as cash supporting the Council’s reserves balances and cash flow have been used. This position changed with the need to borrow to finance the HRA ‘Self Financing’ payment.
- *If there is a significant risk of a sharper rise in long and short term rates than forecast then the debt portfolio position will be reappraised; with consideration given to fixed rate funding whilst rates are still relatively cheap.*
- 5.2 The Medium Term Financial Strategy (MTFS) is based on the following borrowing assumptions for the next five years:
- *To finance capital expenditure by continuing to run down cash balances and forego interest income at historically low interest rates.*
 - *The Council has signed up for the Government’s new ‘certainty rate’ for local authorities of 0.2% below the standard PWLB rates but the arrangement will not be required for 2015/16 as the intention is to use internal borrowing which is currently more cost effective.*
- 5.3 Given the significant cuts to public expenditure and in particular to local government funding, the Council’s borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.
- 5.4 By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. Whilst such a strategy is most likely to be beneficial over the next 2-3 years as official interest rates remain low, it is unlikely to be sustainable in the medium-term.
- 5.5 In addition, the Council may borrow short-term loans (normally for up to one month) to cover unexpected cash flow shortages.
- 5.6 The approved sources of long-term and short-term borrowing are:
- Public Works Loan Board and its successor body
 - UK local authorities
 - any institution approved for investments
 - any other bank or building society authorised by the Prudential Regulation Council to operate in the UK
- 5.7 The Council has previously raised £88.407m of long-term borrowing from the Public Works Loan Board.

6.0 - Debt Rescheduling

6.1 The Council’s debt portfolio can be restructured through the premature repayment of loans and refinancing to reduce interest rate risk and make savings in the revenue budgets.

6.2 The Council currently pays approximately £2.6m each year towards interest cost for the £88.407m loan borrowed from PWLB.

6.3 The Council has the option of paying off some of the loans prior to maturity in order to benefit from discount rates and save on future interest rate payments if cash flow forecast permits. Following discussions with the Council’s Treasury Management consultants it is agreed that the Council could benefit from future discount rates offered by Public Works Loan Board (PWLB) and overall reduce cost to the Council. With the assistance of the Council’s treasury advisors, the debt portfolio will be kept under review to take advantage of any rescheduling opportunities.

January 2015 – Fixed Rate Loans Only

Start Date	Maturity Date	Years to Final Maturity	Principal	Coupon Rate	(Premium)/Discount	Redemption Amount Excluding Interest
28/03/2012	28/03/2024	9.2	£3,000,000	2.70%	(£351,482)	£3,351,482
28/03/2012	28/03/2034	19.2	£4,000,000	3.37%	(£912,636)	£4,912,636
28/03/2012	28/03/2036	21.2	£4,000,000	3.42%	(£976,938)	£4,976,938
28/03/2012	28/03/2032	17.2	£4,000,000	3.30%	(£843,896)	£4,843,896
28/03/2012	28/03/2025	10.2	£3,000,000	2.82%	(£396,950)	£3,396,950
28/03/2012	28/03/2026	11.2	£3,000,000	2.92%	(£437,133)	£3,437,133
28/03/2012	28/03/2028	13.2	£3,000,000	3.08%	(£514,208)	£3,514,208
28/03/2012	28/03/2037	22.2	£5,000,000	3.44%	(£1,254,210)	£6,254,210
28/03/2012	28/03/2023	8.2	£2,000,000	2.56%	(£203,229)	£2,203,229
28/03/2012	28/03/2039	24.2	£5,000,000	3.47%	(£1,337,531)	£6,337,531
28/03/2012	28/03/2031	16.2	£4,000,000	3.26%	(£810,551)	£4,810,551
28/03/2012	28/03/2041	26.2	£5,000,000	3.49%	(£1,406,088)	£6,406,088
28/03/2012	28/03/2029	14.2	£3,000,000	3.15%	(£546,216)	£3,546,216
28/03/2012	28/03/2027	12.2	£3,000,000	3.01%	(£477,388)	£3,477,388
28/03/2012	28/03/2038	23.2	£5,000,000	3.46%	(£1,295,764)	£6,295,764
28/03/2012	28/03/2042	27.2	£5,407,000	3.50%	(£1,574,953)	£6,981,953
28/03/2012	28/03/2035	20.2	£4,000,000	3.40%	(£948,829)	£4,948,829
28/03/2012	28/03/2040	25.2	£5,000,000	3.48%	(£1,366,852)	£6,366,852
28/03/2012	28/03/2033	18.2	£4,000,000	3.34%	(£882,131)	£4,882,131
28/03/2012	28/03/2030	15.2	£4,000,000	3.21%	(£775,770)	£4,775,770
		19.0	£78,407,000	3.28%	(£17,312,754)	£95,719,754

7.0 - Investment Strategy

- 7.01 The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council’s outstanding investment balance has ranged between £18m and £38 million, and similar levels are expected to be maintained in the forthcoming year.
- 7.02 Both the CIPFA Code and the CLG Guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council’s objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk receiving unsuitably low investment income.
- 7.03 The Council may invest its surplus funds with any of the counterparties in section 7.17 subject to the cash, credit rating and time limits shown.
- 7.04 Given the increasing risk and continued low returns from short term unsecured bank investments the Council aims to diversify into more secure and/or higher yield during 2015/16.
- 7.05 Current Account:

The Council banks with Barclays plc which meets the Council’s minimum credit criteria, BBB+. Even if the banks credit rating fell below the Council’s minimum rating the bank would continue to be used to facilitate short term liquidity requirements (overnight and weekend investments) and to provide business continuity arrangements.
- 7.06 In determining the maximum investment with Barclays plc the Council will need to exclude the balance on the Deposit and General account which are all non-fixed cash balances and are callable at any time.
- 7.07 For liquidity reasons and to ensure optimum interest the Council should hold no more than £1.5m of cash overnight on the Barclay Bank General Bank, i.e. callable account, excluding the deposit account
- 7.08 The Council will also have the flexibility to open accounts with other banks subject to meeting Council’s minimum credit criteria and the parameters listed within the Counterparty list. The Council will be able to hold cash balances of up to £1m, excluding fixed term deposits, per callable account with other Banks. Therefore cash balances in these accounts can be requested on the same day to help with Council’s cash flow requirements during the year and earn interest returns at the same time.
- 7.09 This level of diversification will ensure security and liquidity of the investments the Council makes on a daily basis as part of its treasury management arrangements.

7.10 Banks Unsecured:

These are accounts, deposits and building societies. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. Unsecured investments with banks rated BBB or BBB- are restricted to overnight deposits at the Authority’s General Bank Account with Barclays plc.

7.11 Government:

These are loans, bonds and bills issued or guaranteed by national governments, regional and local authorities. These investments are not subject to bail-in and there is an insignificant risk of insolvency. Investments with the UK central Government may be made in unlimited amounts for up to 50 years.

7.12 Money Market Funds

These funds are pooled investment vehicles consisting of money market deposits and similar instruments. They have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager. Fees between 0.10% and 0.20% per annum are deducted from the interest paid to the Council. Funds that offer same-day liquidity and aim for a constant net asset value will be used as an alternative to instant access bank accounts. The Council currently only uses UK domiciled Money Market Funds. In 2014/15 the Council only invested in the public sector deposit fund.

7.13 Use of Financial Instruments

Although legislation has opened up the ability of Councils to operate in a similar manner to a corporate body (General Power of Competence – Localism Act 2011) and use financial derivatives to manage its treasury management risks. The Council does not at present intend to use derivative financial instruments to manage treasury management risk.

7.14 Treasury-Bills (T-Bills):

These are short term securities issued by HM Treasury on a discount basis. For example a £100 coupon will be issued below its value to the investor and on maturity the investor will receive £100. The difference will be the interest received. The security can also be cashed before maturity in the active secondary market giving the lending party more freedom to cash in the T-bill before maturity date. The Council has invested in T-Bills in 2014/15 using Barclays Plc as the Custodian account.

7.15 Government Gilts:

Conventional gilt is a liability of the Government which guarantees to pay the holder of the gilt a fixed cash payment (coupon) every six months until the maturity date, at which point the holder receives the final coupon payment and the return of the principal. The Council has not invested in Gilts in 2014/15.

7.16 Specified Investments:

The CLG Guidance defines specified investments as those denominated in pound sterling and due to be repaid within 12 months of arrangement. Also not defined as capital expenditure by legislation, and invested with the UK Government, a UK local Authority, or a body or investment scheme of “high credit quality”.

7.17 Non-specified Investments:

Any investment not meeting the definition of a specified investment is classed as non-specified. The Council does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares.

7.18 Given the Council’s current risk appetite in the current economic climate the Council is not willing to consider ‘Non Specified’ investments.

7.19 Investment Limits

The Council’s revenue reserves available to cover investment losses are forecast to be £10.547 million on 31st March 2015.

Counterparty list:

General Counterparty list *		Cash limit	Time limit
Banks and other organisations whose lowest published long-term credit rating from Fitch, Moody's and Standard & Poor's is:	AAA	£2m	365 days
	AA+	£2m	365 days
	AA	£2m	365 days
	AA	£2m	365 days
	AA-	£2m	365 days
	A+	£2m	182 days
	A	£2m	182 days
	A-	£2m	182 days
	BBB+	£1m	100 days
Council's General bank account if it fails to meet the above criteria, excluding fixed term deposit accounts		£1.5m	next day
UK Central Government (irrespective of credit rating)		unlimited	50 years
UK Local Authorities including Fire and Police (irrespective of credit rating), per authority		£3m	182 days
UK Building Societies without credit ratings		£1m	100 days
Saffron Building Society		£0.5m	100 days
Money Market Funds, UK Domiciled per fund	AAA	£1m	next day

* The list is the maximum risk appetite the Council is willing to take and will not invest with Counterparties outside of the Arlingclose Counterparty list. Furthermore UDC will not exceed the cash, credit rating and time limit set by Arlingclose in their regularly updated counterparty report

7.20 Approved Instruments:

The Council may lend or invest money using any of the following instruments:

- interest-bearing bank accounts
- fixed term deposits and loans,
- Government Treasury Bills (T-Bills)
- Money Market Funds and other pooled funds.

7.21 Investments may be made at either a fixed rate of interest, or at a variable rate linked to a market interest rate, such as LIBOR, subject to the limits on interest rate exposures below.

8.0 - Risk Assessment

8.1 Where applicable, the Council uses long-term credit ratings from the three main rating agencies Fitch Ratings, Moody’s Investors Service and Standard & Poor’s Financial Services to assess the risk of investment default. The lowest available counterparty credit rating will be used to determine credit quality, unless an investment-specific rating is available. Credit ratings are obtained and monitored by the Council’s treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

8.2 Credit rating:

The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

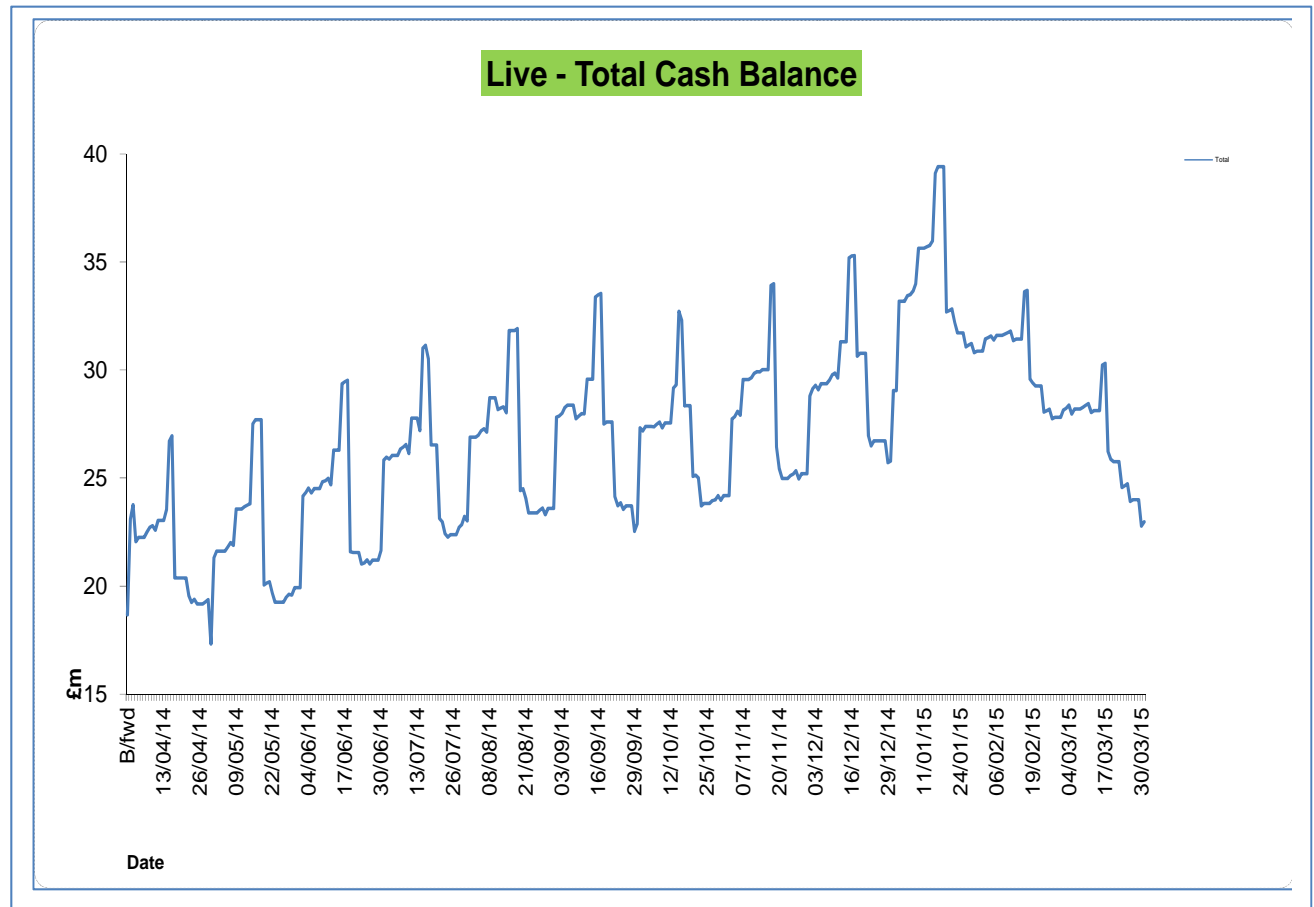
8.3 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security.

8.4 The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council’s cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

9.0 - Liquidity Management

9.1 The Council uses cash flow forecasting spreadsheets to determine the maximum period for which funds may prudently be committed.

9.2 The forecast is compiled on a prudent basis, with receipts under-estimated and payments over-estimated to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council’s medium term financial plan and cash flow forecast.



10.0 - Governance Arrangements

10.1 Treasury Management Scheme of Delegation:

The following lists the main treasury management responsibilities in relation to the relevant individual/Committee:

Full Council:

Approval of the Treasury Management Strategy, Prudential Indicators and Minimum Revenue Provision.

Cabinet:

Reviews the Treasury Management Strategy and recommends the Strategy for approval by Full Council. Receive reports on Treasury Management activities.

Performance and Audit Committee:

Monitors compliance with the Council’s Financial Regulations.

Scrutiny Committee:

Assists in the development of budget and policy framework. Reviews and scrutinises policy objectives and performance targets.

S151 Officer – Director of Finance and Corporate Services:

Implements and monitors the Treasury Management Strategy. Reports to Cabinet no less than three times in each financial year on treasury management activities and the relevant delegated powers.

One activity report must comprise the annual treasury management outturn report. To be reported to Cabinet by the September following the end of the financial year.

11.0 - Treasury Management Procedures

11.1 Treasury Management Procedures (TMP's) will be reviewed on an annual basis prior to the commencement of the financial year and will be in compliance with CIPFA's guidance on Treasury Management Practices.

11.2 Role of Treasury Management Advisors:

The Council uses Arlingclose as its treasury management advisors, which provides access to specialist skills/resources in the following areas:

- Credit Advice
- Investment advice
- Technical advice
- Economic and interest rate forecasts
- Workshops and training events
- HRA support, etc

11.3 The quality of the service provided by Arlingclose reviewed by the Chief Finance officer and other relevant staff members.

11.4 In applying the Council's agreed terms of appointment and undertaking timely reviews of the service provided; the value added from the appointment can be assessed and properly documented.

11.5 The Council recognises that the responsibility for treasury management decisions remains with the Council at all times and will ensure that the appropriate training and decision making process does not place undue reliance on the advisors.

11.6 Training:

CIPFA's Code of Practice requires the S151 Officer to ensure that all officers and members tasked with treasury management responsibilities, including scrutiny of the TM function receive appropriate training and understand fully their roles and responsibilities.

12.0 – Existing Investment & Debt Portfolio Position

Forecast Investment and Debt Portfolio Position	
As at 31st March 2015	
Balance Sheet Extract	Forecast £'000
External Borrowing:	
Variable Rate PWLB	10,000
Fixed Rate PWLB	78,407
Total External Borrowing	88,407
Other Long Term Liabilities:	
PFI	5,053
Finance Leases	14
Pension Liability	0
Total Long Term Liabilities	5,067
Total Gross Debt	93,474
Investments	
Long Term Investments	0
Short Term Investments	21,000
Cash and Cash Equivalents	2,416
Total Investments	23,416
Net Borrowing	70,058

Prudential Indicators

2015/16

Contents

1. Introduction
2. Background
3. Capital Expenditure
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5. Operational Boundary for External Debt
6. Authorised Limit for External Debt
7. Ratio of Financing Costs to Net Revenue Stream
8. Incremental Impact of Capital Investment Decisions
9. Interest Rate Exposure
10. Liquidity / Refinancing



1.0 - Introduction

- 1.1 This report covers the requirements of the 2011 CIPFA Prudential Code (as amended in 2012) to set prudential indicators. This item should be approved by the full Council before the start of the new financial year which is a legislative requirement.

2.0 - Background

- 2.1 Prudential Indicators 2015/16:
- The Local Government Act 2003 requires the Council to have regard to the Chartered Institute of Public Finance and Accountancy's *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) when determining how much money it can afford to borrow.
- 2.2 The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice.
- 2.3 To demonstrate that the Council has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.



3.0 – Capital Expenditure

3.1 The Council's planned capital expenditure and financing may be summarised as follows:

Capital Expenditure - General Fund £000s	2014/15 Current Budget	2014/15 Forecast Spend	2015/16 Budget	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	Total
Total Capital Expenditure	2,419	2,347	3,979	1,022	1,321	701	2,611	14,400
Financing - General Fund								
Grants & Contributions	-420	-1,008	-1,603	-103	-103	-103	-103	-3,443
Revenue Contributions	-1,353	-910	-1,030	-297	-298	-300	-300	-4,488
General Fund Capital Receipts	0	-70	0	0	0	0	0	-70
Internal Borrowing	-646	-359	-1,346	-622	-920	-298	-2,208	-6,399
Total Capital Financing	-2,419	-2,347	-3,979	-1,022	-1,321	-701	-2,611	-14,400
Net Financing Need (External Borrowing)	0	0	0	0	0	0	0	0

Housing Revenue Account Capital Schemes £000s	2014/15 Current Budget	2014/15 Forecast Spend	2015/16 Budget	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	Total
Total Capital Expenditure	9,797	7,648	9,774	9,174	5,028	5,691	5,545	52,657
Financing - Housing Revenue Account								
Major Repairs Reserve Contribution	-3,227	-3,227	-3,334	-3,427	-3,502	-3,578	-3,541	-23,836
HRA Financial Headroom - Specific Schemes	-3,720	-1,619	-2,432	-2,802	-1,046	-719	-1,439	-13,777
HRA Revenue Contributions	-1,291	-1,221	-1,066	-626	-210	-797	-50	
HRA Headroom - Funded from reserves	-835	0	-1,374	-1,405	0	-417	-335	-4,366
Grants & Contributions	0	0	-800	0	0	0	0	-800
S106 - Housing Partnership Funding - HRA	0	-1,192	-434	0	0	0	0	-1,626
Capital Receipts - RTB	-724	-389	-334	-176	-270	-180	-180	-2,253
Internal Borrowing	0	0	0	-738	0	0	0	-738
Total Financing	-9,797	-7,648	-9,774	-9,174	-5,028	-5,691	-5,545	-52,657
Net Financing Need (External Borrowing)	0	0	0	0	0	0	0	0

4.0 – Capital Financing Requirement

4.1 Estimates of Capital Financing Requirement:

The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose.

CAPITAL FINANCING REQUIREMENT	Forecast 2014/15 £'000	Estimate 2015/16 £'000	Estimate 2016/17 £'000	Estimate 2017/18 £'000	Estimate 2018/19 £'000	Estimate 2019/20 £'000
General Fund	9,752	9,412	10,100	9,993	10,059	11,409
Housing Revenue Account (HRA)	88,407	88,407	89,144	88,261	86,260	84,260
TOTAL	98,159	97,819	99,244	98,254	96,319	95,669

5.0 – Operational Boundary

5.1 The operational boundary is based on the Council's estimate of most likely, i.e. prudent, but not worst case scenario for external debt. It links directly to the Council's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Council's debt.

6.0 - Authorised Limit

6.1 The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Council can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

Prudential Indicator	Forecast 2014/15 £'000	Estimate 2015/16 £'000	Estimate 2016/17 £'000	Estimate 2017/18 £'000	Estimate 2018/19 £'000	Estimate 2019/20 £'000
Operational Boundary	93,474	93,364	93,261	91,149	89,028	86,897
Authorised Limit	101,474	101,364	101,261	99,149	97,028	94,897

7.0 – Ratio of Financing Costs to Net Revenue Stream

7.1 Ratio of Financing Costs to Net Revenue Stream:

This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

ESTIMATE OF THE RATIO OF FINANCING COSTS TO NET REVENUE	Forecast 2014/15	Estimate 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19	Estimate 2019/20
	%	%	%	%	%	%
General Fund	8.00%	8.18%	9.04%	9.48%	9.76%	9.25%
Housing Revenue Account	17.10%	16.93%	16.76%	16.57%	16.17%	15.73%

8.0 – Incremental Impact of Capital Investment Decisions

8.1 Incremental Impact of Capital Investment Decisions:

This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax and housing rent levels. The incremental impact is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement arising from the capital programme proposed earlier in this report.

INCREMENTAL IMPACT OF CAPITAL INVESTMENT	Forecast 2014/15	Estimate 2015/16	Estimate 2016/17	Estimate 2017/18	Estimate 2018/19	Estimate 2019/20
	£	£	£	£	£	£
General Fund, Council Tax Impact	13.51	49.71	8.96	19.32	4.11	0.00
Housing Revenue Account (AWR)	16.03	-0.99	4.65	18.52	-6.28	0.00

AWR = Average Weekly Rent

9.0 – Interest Rate Exposure

9.1 Interest Rate Exposures:

This indicator is set to control the Council's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the amount of net interest payable.

Interest Rate Exposure	Forecast 2014/15 £'000	Estimate 2015/16 £'000	Estimate 2016/17 £'000	Estimate 2017/18 £'000	Estimate 2018/19 £'000	Estimate 2019/20 £'000
Limit and Fixed Interest Rate paid on Net Debt	2,570	2,570	2,570	2,570	2,570	2,570
	3.28%	3.28%	3.28%	3.28%	3.28%	3.28%
Limit and Variable Interest Rate paid based on Net Debt	75	100	125	150	140	120
	0.75%	1.00%	1.25%	1.50%	1.75%	2.00%

Fixed Rate Limit 4%
Variable Rate Limit 2%

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10.0 – Liquidity / Refinancing

10.1 Maturity Structure of Borrowing:

This indicator is set to control the Council's exposure to refinancing risk. This is the upper limit on the maturity structure of **fixed** rate borrowing.

10.2 The limits are set for each category to ensure that the Council avoids fixed rate loans being matured in one time and spreads that across several periods.

Liquidity/Refinancing	2015/16 £000's
Maturity Structure - Upper Limit	
Under 5 Years	4,000
5 years to 10 years	14,000
11 years to 20 years	36,000
21 years and above	34,407
Total	88,407

An example for clarity: If the Council decides to borrow £5m **fixed rate** loan in 2015/16 it must ensure that the Council's total **fixed** rate loan should not all mature within the next five years as it is capped at £4m.

Minimum Revenue Provision Statement

2015/16

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1.0 - Introduction

2.0 - Background

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|--|--|--|
| <ul style="list-style-type: none"> 1. Introduction 2. Background 3. UDC MRP Statement 4. CFR / MRP Table | <ul style="list-style-type: none"> 1.1 This report covers the requirements of the latest Guidance on Minimum Revenue Provision for an annual MRP statement. The Statement should be approved by the full Council before the start of the new financial year which is a legislative requirement. | <ul style="list-style-type: none"> 2.1 Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum charge since 2008. The Local Government Act 2003 requires the Council to have regard to the Department for Communities and Local Government's / Department of Environment's <i>Guidance on Minimum Revenue Provision</i> (the DCLG/DOE Guidance) most recently issued in 2012/2011. 2.2 The broad aim of the DCLG/DOE Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant. |
|--|--|--|

3.0 - UDC Minimum Revenue Provision Statement

- 3.1 The DCLG/DOE Guidance requires the Council to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance as well as locally determined prudent methods.
- 3.2 For unsupported capital expenditure incurred after 31st March 2008, MRP will be determined by either charging the expenditure over the useful economic life of the relevant assets in equal instalments or as the principal repayment on an annuity with a specifically determined annual interest rate, starting in the year after the asset becomes operational. If additional financing capacity permits the authority reserves the right to charge MRP over shorter periods to help with minimising the level of the capital financing requirement burden in subsequent years.
- 3.3 Where MRP is charged over the useful economic life of the asset it will be consistent with the write down period adopted for the same assets in the Council’s accounting policy for depreciation.
- 3.4 For assets acquired by finance leases or the Private Finance Initiative, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.
- 3.5 MRP in respect of the £88.407m payment made in 2012 to exit the Housing Revenue Account subsidy system will be determined as being equal to the principal amount repaid on the loans borrowed to finance that payment.
- 3.6 Expenditure not related to fixed assets but which has been capitalised by regulation or direction will be charged to revenue in the year the expenditure is incurred. Examples of this expenditure include Community Grants, Disabled Facilities Grants and Private Sector Renewal Grants.
- 3.7 Expenditure related to capital contracts which is classified as work in progress at year-end, will be fully financed in the year the expenditure is incurred.

4.0 – CFR / MRP Tables

	31.03.2015 Estimated CFR	2014/15 Estimated MRP
	£m	£m
Capital expenditure before 01.04.2008	-	-
Supported capital expenditure after 31.03.2008	-	-
Unsupported capital expenditure after 31.03.2008	4.685	0.361
Finance leases and Private Finance Initiative	5.067	0.106
Transferred debt	-	-
Loans to other bodies	-	Nil
Total General Fund	9.752	0.467
Assets in the Housing Revenue Account	0.000	Nil
HRA subsidy reform payment	88.407	-
Total Housing Revenue Account	88.407	0.000
Total	98.159	0.467

Economic Forecast

2015/16

Arlingclose Economic & Interest Rate January 2015:**Underlying assumptions:**

The UK economic recovery slowed towards the end of 2014, with economic and political uncertainty weighing on business investment. However, the Q3 growth rate of 0.7% remains slightly above the long run average, suggesting the recovery remains robust.

Household consumption is key to the recovery in 2015. While we expect consumption growth to slow, given softening housing market activity and slower employment growth, the fall in inflation and resulting rise in both real (and nominal) wage growth and disposable income should support spending.

Inflationary pressure is currently low (annual CPI is currently 0.5%) and is likely to remain so in the short-term. The fall in oil prices has yet to feed fully into the prices of motor fuel and retail energy and CPI is expected to fall further. Supermarket price wars are also expected to bear down on food price inflation.

The MPC's focus is on both the degree of spare capacity in the economy and the rate at which this will be used up, factors prompting some debate on the Committee.

Nominal earnings growth is strengthening, but remains relatively weak in historical terms, despite large falls in unemployment. Our view is that spare capacity remains extensive. The levels of part-time, self-employment and underemployment are significant and indicate capacity within the employed workforce, in addition to the still large unemployed pool. Productivity growth can therefore remain weak in the short term without creating undue inflationary pressure.

However, we also expect employment growth to slow as economic growth decelerates. This is likely to boost productivity, which will bear down on unit labour costs and inflationary pressure.

In addition to the lack of wage and inflationary pressures, policymakers are evidently concerned about the bleak prospects for the Eurozone. These factors will maintain the dovish stance of the MPC in the medium term. The MPC clearly believes the appropriate level for Bank Rate for the post-crisis UK economy is significantly lower than the previous norm. We would suggest this is between 2.5 and 3.5%.

The ECB has introduced outright QE as expected. While this may alleviate some of the anxiety about the economic potential of the Eurozone, political risk remains significant (e.g. Greek election). Therefore fears for the Eurozone are likely to maintain a safe haven bid for UK government debt.

Forecast:

We continue to forecast the first rise in official interest rates in Q3 2015, but the risks to this forecast are very much weighted to the downside. The February Inflation Report will be key to our review of the possible path for Bank Rate. We project a slow rise in Bank Rate. The pace of interest rate rises will be gradual and the extent of rises limited; we believe the normalised level of Bank Rate post-crisis to range between 2.5% and 3.5%.

Market sentiment (derived from forward curves) has shifted significantly lower in the past three months; market expectations are now for a later increase in interest rates and a more muted increase in gilt yields.

The short run path for gilt yields has flattened due to the sharp decline in inflation expectations. We project gilt yields on an upward path in the medium term.

The short run path for gilt yields is flatter due to the deteriorating Eurozone situation. We project gilt yields on an upward path in the medium term.

	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
Official Bank Rate													
Upside risk				0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Arlingclose Central Case	0.50	0.50	0.75	0.75	1.00	1.00	1.25	1.25	1.50	1.50	1.75	1.75	1.75
Downside risk			0.25	0.25	0.50	0.50	0.75	0.75	1.00	1.00	1.00	1.00	1.00
3-month LIBID rate													
Upside risk	0.10	0.20	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Arlingclose Central Case	0.55	0.60	0.80	0.90	1.05	1.15	1.30	1.40	1.55	1.65	1.80	1.95	2.00
Downside risk	0.15	0.20	0.30	0.40	0.55	0.65	0.75	0.85	0.95	0.95	0.95	0.95	1.00
1-yr LIBID rate													
Upside risk	0.10	0.20	0.20	0.30	0.30	0.30	0.30	0.30	0.40	0.40	0.40	0.40	0.40
Arlingclose Central Case	0.95	1.00	1.20	1.30	1.45	1.55	1.70	1.80	1.95	2.05	2.20	2.35	2.40
Downside risk	0.15	0.20	0.30	0.50	0.55	0.60	0.65	0.70	0.75	0.80	0.80	0.80	0.80
5-yr gilt yield													
Upside risk	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.45	0.45	0.45	0.45	0.50	0.50
Arlingclose Central Case	1.10	1.20	1.30	1.40	1.50	1.65	1.80	1.95	2.10	2.20	2.35	2.40	2.50
Downside risk	0.35	0.35	0.40	0.45	0.50	0.50	0.55	0.60	0.65	0.70	0.70	0.70	0.75
10-yr gilt yield													
Upside risk	0.35	0.40	0.40	0.40	0.40	0.45	0.45	0.45	0.45	0.50	0.50	0.55	0.55
Arlingclose Central Case	1.60	1.70	1.80	1.90	2.00	2.15	2.30	2.45	2.60	2.70	2.85	2.90	3.00
Downside risk	0.35	0.35	0.40	0.45	0.50	0.50	0.55	0.60	0.65	0.70	0.70	0.75	0.80
20-yr gilt yield													
Upside risk	0.35	0.40	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.55	0.55	0.55	0.55
Arlingclose Central Case	2.10	2.20	2.30	2.35	2.45	2.50	2.65	2.75	2.90	3.00	3.15	3.20	3.30
Downside risk	0.35	0.40	0.50	0.60	0.70	0.75	0.75	0.75	0.80	0.85	0.85	0.90	0.90
50-yr gilt yield													
Upside risk	0.35	0.40	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.55	0.55	0.55	0.55
Arlingclose Central Case	2.15	2.25	2.35	2.40	2.50	2.55	2.70	2.80	2.95	3.05	3.20	3.25	3.35
Downside risk	0.35	0.40	0.50	0.60	0.70	0.75	0.75	0.75	0.80	0.85	0.85	0.90	0.90

Committee: Cabinet

Agenda Item

Date: 17 February 2015

13

Title: Capital Programme 2015/16 – 2019/20

Portfolio Holder: Councillor Robert Chambers

Item for decision

Summary

1. The Capital programme is for the next 5 years, 2015/16 to 2019/20.
2. Capital Expenditure relates to spending on schemes and assets that have a long term value and exceeds cost of £10,000.
3. The programme details planned Capital Expenditure on the Council's buildings, vehicles and ICT assets.
4. The programme includes Capital Grants to other organisations and individuals.
5. The programme is for both General Fund and Housing Revenue Account assets and schemes.
6. The Scrutiny Committee reviewed the budget reports on 10 February. Comments from the Committee are in a separate item on the agenda.

Recommendation

7. The Cabinet is requested to approve, for recommendation to Full Council, the Capital Programme and associated financing of the programme as set out in this report.

Financial Implications

8. The revenue costs of financing the Capital Programme have been built into the HRA and General Fund budgets detailed elsewhere on the agenda.

Background Papers

9. None

Impact

Communication/Consultation	None
Community Safety	None
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	None
Sustainability	None
Ward-specific impacts	None
Workforce/Workplace	None

Capital Programme 2014/15 – 2019/20

- 10. Appendix A shows a summary table of all the capital projects and their costs for each year.
- 11. Appendix B details all the capital programmes by Portfolio and gives details of the type of expenditure and the scheduled programme of works for each year.
- 12. The Capital Programme is an evolving and rolling programme year on year.
- 13. Appendix C details the financing of the Capital Programme.
- 14. The schemes of works detailed in the programme are proposed to be funded by the following means:
 - Grants
 - S106 contributions
 - Revenue contributions
 - Capital receipts and internal borrowing
 - The HRA will also use the 'Financial Headroom' available
- 15. No external borrowing is required to finance the 5 year Capital Programme detailed in this report.

16. The HRA capital financing includes a contribution from the Major Repairs Reserve which is the equivalent to the annual depreciation charge on council dwellings and other HRA assets. This funding is used to support the annual capital repairs budget.
17. A regular update on the capital programme and associated financing is included in the Budget Monitoring reports presented to Cabinet throughout the year.
18. The robustness of the capital programme and a review of each scheme have been undertaken by the officers of the Capital Programme Working Group at regular intervals.

Capital Programme – Key points

19. General Fund

- Castle renovation – the programme of works are being carried out to comply with English Heritage requirements. The original expectation was that this project would be 50% funded by English Heritage. This funding has now been cut and an application for a £200k grant contribution from English Heritage has been submitted and we are awaiting confirmation.
- London Road Offices - A conditions survey was carried out on the Council Offices and associated buildings in 2014/15. The outcome and findings of the survey have now been built into the capital programme.
- Dunmow Depot – Plans are in process to identify and relocate to a new site. Expenditure has been built into the capital programme to purchase and develop a new plot to meet the requirements of the Waste Service. There is the potential of a capital receipt for the sale of the original site or part thereof. Currently there is no decision on the plans for the future of the Dunmow site, so no receipt has been built into the capital financing.

20. HRA

- Mead Court – phase 1 is due to complete in late 2014/15, and phase 2 will commence in 2014/15 with an expected completion date of October 2015.
- Reynolds Court – rebuild of the sheltered scheme is in the planning and consultation period and the programme of works are anticipated to commence in early 2015/16
- Hatherley Court – remodelling of the sheltered scheme is in the consultation stage and the programme of works are anticipated to commence in later 2015/16

- Ongoing development of new build sites (including garden and garage land to be used) - this scheme has a direct correlation to the Right to Buy scheme and our obligation to replace sold properties on a 1 for 1 basis. Catons Lane site has been identified for new build of 6 social houses. This contract is now in the tender process and it is anticipated that work will start in early 2015/16.
- Capital Financing – the transfer of 8 designated temporary accommodation units from the HRA to the GF has released funding of £1.047m to help support the HRA Business Plan

21. Stansted Housing Partnership Fund – Although this does not fall within the Councils’ capital programme, for members’ information the fund will be fully drawn down in 2015/16. The detail of the allocation of funding is shown below:

Project for Funding	2015/16 £ '000	Total £ '000
Mead Court Garage Site	1,626	1,626
Total	1,626	1,626

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Failure to identify capital budget pressures and/or funding not realised	2	2	Ongoing review of the spend via budget monitoring and capital officers working group

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project

APPENDIX A – 5 YEAR CAPITAL PROGRAMME SUMMARY

	2015/16 Forecast Budget £ '000	2016/17 Forecast Budget £ '000	2017/18 Forecast Budget £ '000	2018/19 Forecast Budget £ '000	2019/20 Forecast Budget £ '000
Community Partnerships & Engagement	690	162	110	110	146
Community Safety	0	0	0	0	0
Environmental Services	2,572	340	757	205	1,991
Finance & Administration	419	230	162	93	181
General Fund Housing	298	290	291	293	293
Total General Fund Capital	3,979	1,022	1,320	701	2,611
HRA Capital Fund	3,550	3,210	3,508	3,591	3,445
HRA Business Plan Items	6,223	5,963	1,520	2,100	2,100
Total HRA Capital	9,773	9,173	5,027	5,691	5,545
Total Capital Programme	13,752	10,195	6,348	6,392	8,156

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

COMMUNITY PARTNERSHIPS AND ENGAGEMENT							
	2014-15 Current Budget £	2015-16 Forecast Budget £	2016-17 Forecast Budget £	2017-18 Forecast Budget £	2018-19 Forecast Budget £	2019-20 Forecast Budget £	Total £
Community Projects Grants	136,000	110,000	110,000	110,000	110,000	110,000	550,000
Museum Storage Facility Contribution	300,000	0	0	0	0	0	0
Saffron Walden Castle	355,000	400,000	0	0	0	0	400,000
<u>New schemes</u>							
Superfast broadband	100,000	100,000	0	0	0	0	100,000
Museum Buildings	0	80,000	52,000	0	0	36,000	168,000
Total Community Partnerships and Engagement	891,000	690,000	162,000	110,000	110,000	146,000	1,218,000

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

COMMUNITY SAFETY							
	2014-15 Current Budget £	2015-16 Forecast Budget £	2016-17 Forecast Budget £	2017-18 Forecast Budget £	2018-19 Forecast Budget £	2019-20 Forecast Budget £	Total £
CCTV Stansted	42,000	0	0	0	0	0	0
CCTV Thaxted	35,000	0	0	0	0	0	0
Total Community Safety	77,000	0	0	0	0	0	0

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

ENVIRONMENTAL SERVICES							
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
	Current	Forecast	Forecast	Forecast	Forecast	Forecast	
	Budget	Budget	Budget	Budget	Budget	Budget	£
	£	£	£	£	£	£	£
Vehicle Replacement Programme	280,000	847,000	270,000	687,500	135,200	1,921,000	3,860,700
In -cab Technology	12,000	0	0	0	0	0	0
Household Bins	0	30,000	30,000	30,000	30,000	30,000	150,000
Trade Waste Bins	0	10,000	10,000	10,000	10,000	10,000	50,000
Garden Waste Bins	0	20,000	20,000	20,000	20,000	20,000	100,000
Kitchen Caddies	0	10,000	10,000	10,000	10,000	10,000	50,000
Swan Meadow Car Park	130,000	0	0	0	0	0	0
Catons Lane Car Park	155,000	155,000	0	0	0	0	155,000
Flood prevention	45,000	0	0	0	0	0	0
Dunmow Depot	0	1,500,000	0	0	0	0	1,500,000
Total Environmental Services	622,000	2,572,000	340,000	757,500	205,200	1,991,000	5,865,700

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

FINANCE AND ADMINISTRATION							
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
	Current	Forecast	Forecast	Forecast	Forecast	Forecast	
	Budget	Budget	Budget	Budget	Budget	Budget	
	£	£	£	£	£	£	£
ICT							
Members IT Equipment	0	18,000	0	0	0	0	18,000
Minor Items IT	20,000	20,000	20,000	20,000	20,000	20,000	100,000
Video Conferencing	0	25,000	0	0	0	0	25,000
Bring Your Own Device	10,000	0	0	0	0	0	0
Citrix Upgrade	20,000	0	0	0	0	0	0
PSN CoCo	30,000	30,000	30,000	30,000		30,000	120,000
Mobile working ICT set up - Housing	50,000	0	0	0	0	0	0
Mobile working ICT set up - Planning and Environmental Health	45,000	0	0	0	0	0	0
Mobile working - Other dept	0	25,000	25,000	0	0	0	50,000
New Schemes							
Revenues and Benefits server	0	30,000	0	0	0	0	30,000
PCI Compliance - cash receipting	0	35,000	0	0	0	0	35,000
PCI Compliance - Direct debit	0	20,000	0	0	0	0	20,000
Council Assets							
London Road Building works	189,000	190,000	119,000	58,000	57,000	94,000	518,000
London Rd Electrical	0	0	0	54,000	0	37,000	91,000
London Rd Heating	0	26,000	36,000	0	16,000	0	78,000
Hill Street Conveniences	120,000	0	0	0	0	0	0
Stansted Conveniences - Grant	30,000	0	0	0	0	0	0
Total Finance Administration	514,000	419,000	230,000	162,000	93,000	181,000	1,085,000

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

GENERAL FUND HOUSING							
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
	Current	Forecast	Forecast	Forecast	Forecast	Forecast	
	Budget	Budget	Budget	Budget	Budget	Budget	£
	£	£	£	£	£	£	
Disabled Facilities Grants	225,000	198,000	198,000	198,000	198,000	198,000	990,000
Empty Dwellings	50,000	50,000	50,000	50,000	50,000	50,000	250,000
Private Sector Renewal Grants	30,000	30,000	30,000	30,000	30,000	30,000	150,000
Day Centres Improvements	10,000	20,000	12,000	13,000	15,000	15,000	75,000
Compulsory purchase order	0	0	0	0	0	0	0
GF Housing Total	315,000	298,000	290,000	291,000	293,000	293,000	1,465,000

APPENDIX B – 5 YEAR CAPITAL PROGRAMME BY PORTFOLIO

HOUSING REVENUE ACCOUNT							
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total
	Current	Forecast	Forecast	Forecast	Forecast	Forecast	
	Budget	Budget	Budget	Budget	Budget	Budget	
	£	£	£	£	£	£	£
HRA Capital Repairs	3,968,000	3,260,000	3,060,000	3,255,000	3,345,000	3,295,000	16,215,000
UPVC Fascia's and Guttering	500,000	140,000	100,000	100,000	100,000	100,000	540,000
Cash Incentive Scheme Grants	50,000	150,000	50,000	50,000	50,000	50,000	350,000
Light Vans Replacement programme	0	0	0	102,500	96,400	0	198,900
<u>HRA Original Business Plan Schemes</u>							
New builds							
Unidentified Sites	295,000	212,000	586,000	900,000	600,000	600,000	2,898,000
Catons Lane	30,000	900,000	0	0			900,000
Mead Court - New Build/Redevelopment	3,741,000	1,327,000	0	0	0	0	1,327,000
Sheltered redevelopments							
Reynolds Court	205,000	2,350,000	4,200,000	620,000	0	0	7,170,000
Hatherley Court	60,000	864,500	897,500	0	0	0	1,762,000
Walden Place	10,000	10,000	0	0	0	0	10,000
Unidentified Sheltered Schemes	0	0	0	0	1,500,000	1,500,000	3,000,000
Other Business plan schemes							
Sheltered Hsg Alarm equip	100,000	0	0	0	0	0	0
Energy Efficiency improvement schemes	606,000	380,000	280,000	0	0	0	660,000
Supported unit for people with learning disabilities	100,000	100,000	0	0	0	0	100,000
Review of potential internet cafes in sheltered schemes	40,000	25,000	0	0	0	0	25,000
ICT							
Service charges planned repair system	92,000	0	0	0	0	0	0
Housing contractors portal & SAM	0	55,000	0	0	0	0	55,000
HRA Housing Total	9,797,000	9,773,500	9,173,500	5,027,500	5,691,400	5,545,000	35,210,900
Total Housing	10,112,000	10,071,500	9,463,500	5,318,500	5,984,400	5,838,000	36,675,900

APPENDIX B – 5 YEAR CAPITAL PROGRAMME

S106							
	2014-15 Current Budget £	2015-16 Forecast Budget £	2016-17 Forecast Budget £	2017-18 Forecast Budget £	2018-19 Forecast Budget £	2019-20 Forecast Budget £	Total £
<u>S106</u>							
From reserves	0	0	0	0	0	0	0
Agreements	500,000	0	0	0	0	0	0
Other bodies	0	0	0	0	0	0	0
Total S106 Community Partnerships and Engagements	500,000	0	0	0	0	0	0
Total General fund excl S106	2,419,000	3,979,000	1,022,000	1,320,500	701,200	2,611,000	9,633,700
Total Capital Programme Excluding S106	12,216,000	13,752,500	10,195,500	6,348,000	6,392,600	8,156,000	44,844,600
Total Capital Programme Including S106	12,716,000	13,752,500	10,195,500	6,348,000	6,392,600	8,156,000	44,844,600

APPENDIX C – GENERAL FUND 5 YEAR CAPITAL FINANCING

Financing - General Fund	2014-15 Current Budget £	2015-16 Forecast Budget £	2016-17 Forecast Budget £	2017-18 Forecast Budget £	2018-19 Forecast Budget £	2019-20 Forecast Budget £
Disabled Facilities Grant	(65,000)	(103,000)	(103,000)	(103,000)	(103,000)	(103,000)
Museum Society Grant - Museum Store	(300,000)	0	0	0	0	0
Capital Hardware Grant	(10,000)	0	0	0	0	0
DEFRA - flood prevention grant	(45,000)	0	0	0	0	0
Funde from Reserves	0	(1,500,000)	0	0	0	0
Revenue Contributions to Capital - Comm Part & Engagements	(591,000)	(610,000)	(110,000)	(110,000)	(110,000)	(110,000)
Revenue Contribution to capital - Comm Safety	(77,000)	0	0	0	0	0
Revenue Contributions to Capital - Environmental	(285,000)	(225,000)	0	0	0	0
Revenue Contributions to Capital - Finance & Admin	(150,000)	0	0	0	0	0
Revenue Contribution - GF Housing	(250,000)	(195,000)	(187,000)	(188,000)	(190,000)	(190,000)
Internal Borrowing	(646,000)	(1,346,000)	(622,000)	(919,500)	(298,200)	(2,208,000)
Total Financing	(2,419,000)	(3,979,000)	(1,022,000)	(1,320,500)	(701,200)	(2,611,000)

APPENDIX C – GENERAL FUND 5 YEAR CAPITAL FINANCING

Financing - Housing Revenue Account	2014-15 Current Budget £	2015-16 Forecast Budget + Slippage £	2016-17 Forecast Budget £	2017-18 Forecast Budget £	2018-19 Forecast Budget £	2019-20 Forecast Budget £
<u>Business Plan Schemes</u>						
Funded from reserves	(835,000)	(1,313,000)	(419,000)	0	(417,000)	(335,000)
S106 - Housing Partnership Funding - HRA	0	(434,000)	0	0	0	0
HCA grant funding	0	(800,000)	0	0	0	0
Capital Receipts - RTB	(724,000)	(334,000)	(176,000)	(270,000)	(180,000)	(180,000)
Release of prior years funding	0	(61,000)	(986,000)	0	0	0
HRA Financial Headroom - Specific Schemes	(3,720,000)	(2,431,500)	(2,802,126)	(1,046,334)	(719,360)	(1,439,000)
Internal borrowing			(736,374)			
Sub total	(5,279,000)	(5,373,500)	(5,119,500)	(1,316,334)	(1,316,360)	(1,954,000)
<u>Other Schemes</u>						
Major Repairs Reserve Contribution	(3,136,412)	(3,208,960)	(3,281,126)	(3,355,945)	(3,432,400)	(3,395,000)
Other MRR reserve cont	(91,000)	(125,000)	(146,000)	(146,000)	(146,000)	(146,000)
HRA Revenue Funding	(1,290,588)	(1,066,040)	(626,874)	(209,221)	(796,640)	(50,000)
Sub total	(4,518,000)	(4,400,000)	(4,054,000)	(3,711,166)	(4,375,040)	(3,591,000)
Total Financing	(9,797,000)	(9,773,500)	(9,173,500)	(5,027,500)	(5,691,400)	(5,545,000)

Committee: Cabinet

Agenda Item

Date: 17 February 2015

14

**Title: Housing Revenue Account 2015/16 Budget
and 5 year Business Plan Strategy**

**Portfolio Holders: Councillor Robert Chambers
Councillor Julie Redfern**

Item for decision

Summary

1. This report sets out the following:
 - a) A proposed Housing Revenue Account(HRA) budget and reserves position for 2015/16
 - b) A proposed 5 year financial forecast for the period from 2015/16 to 2019/20
 - c) HRA rents are increased in line with the new government guidelines of CPI + 1%, an average rent increase of 2.2%
 - d) Garage rents are increased by RPI of 2.3%.
 - e) Heating, Service and Sewerage charges are increased in line with actual costs.
 - f) Service charges for common services in sheltered schemes continue to be subsidised for tenants at 31st March 2012 who are not in receipt of housing benefit. Subsidy reducing by 25% annually.
 - g) Charge for Sheltered support services is increased by RPI of 2.3%
 - h) Sheltered support services for tenants as at 31st March 2003, who are not eligible for supporting people grant, continue to receive transitional relief protection
 - i) Lifeline basic charge is increased by RPI of 2.3%
2. The Housing Board and the Tenants Forum have reviewed the Housing Rent options and service charge increases and recommended the proposals for approval by Cabinet and Full Council.
3. The Housing Board has reviewed the Housing Revenue Budget and 5 year financial strategy and recommended the reports for approval by Cabinet and Full Council.
4. The Scrutiny Committee reviewed the budget reports on 10 February. Comments from the Committee are in a separate item on the agenda.

Recommendations

5. The Cabinet is request to approve, for recommendation to Full Council the HRA Revenue Budget and 5 Year Financial Strategy.

Financial Implications

6. These are included in the body of the report.

Background Papers

7. None

Impact

Communication/Consultation	None
Community Safety	None
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	None
Sustainability	Affordable rent levels and appropriate housing supply are an important factor in the sustainability of local communities and in particular rural communities
Ward-specific impacts	None
Workforce/Workplace	None

Background

8. The HRA budget for 2015/16 reflects the service arrangements and investments in relation to the council's housing services for the fourth year under 'Self Financing'.
9. The new financial arrangements enable the service to stand alone financially and take 'local' decisions for housing services.
10. The Council's overall aims and objectives for housing services over a 30 year period is reflected in the HRA Business Plan which was approved by Housing Board in January 2012. The HRA Business Plan is reflected in these budget proposals.
11. The Business Plan has been framed in the light of:
 - Estimated rental income in line with the Government's guidance at the time
 - Appropriate capital investment in maintaining the quality of the housing stock through planned maintenance and replacement works
 - The new build programme
 - One for one replacement of Right to Buy sales
 - Servicing and repaying debt so that new borrowing is available for future maintenance works or investment in further new build schemes
 - Remodelling and modernising sheltered housing schemes.
12. The dwelling rental income has been included in this report based on the Central Government Guidelines issued on HRA dwelling rental increases at CPI + 1%. This gives an average rental increase of 2.2%.

13. Income and expenditure is budgeted on an incremental and inflationary basis to reflect the financial and operational needs of the housing service, using 2014/15 as a base.

14. The HRA budget is detailed in Appendix A.

Housing Revenue Account Budget 2015/16

15. The budget identifies a net operating surplus of £3,498,000 made up of total income of £15,715,000 and total expenditure of £12,217,000. The surplus has been allocated to fund agreed projects as detailed in the Business Plan.

16. The supporting people grant is currently under review by Essex County Council and if this grant funding ceased this would put an added burden on the HRA revenue costs. The loss of this funding equates to approximately £185k and it would need to be considered as to whether this would be funded by the HRA in future years or the cost transferred to the tenants in receipt of this support. The tables below give a breakdown of the budget and associated variances.

Budget Summary

	2014/15 Restated Budget £' 000	2015/16 Original Budget £' 000	Increase / Decrease (-) £' 000
Dwelling Rents	(14,390)	(14,672)	(282)
Other income	(1,000)	(1,043)	(43)
Income	(15,390)	(15,715)	(325)
Housing Finance & Business Management	503	414	(89)
Housing Maintenance & Repairs Service	2,872	3,109	237
Housing Management & Homelessness*	865	919	54
Expenditure Direct Services	4,240	4,442	202
Capital Repairs	3,261	3,455	194
Interest on HRA Loan	2,625	2,625	0
Pension Cost	85	20	(65)
General Fund Recharge	1,464	1,372	(92)
Bad Debt Provision	150	250	100
Supporting People	53	53	0
Pay Award	20	0	(20)
Other Costs	7,658	7,775	117
Total Expenditure	11,898	12,217	319
Operating (Surplus)	(3,492)	(3,498)	(6)
Working Balance	0	0	0
Allocation of Headroom	3,492	3,498	(6)
Total	0	0	0

**This is the management cost of the service rather than the actual service cost for homelessness which is funded from the General Fund Account.*

Dwelling Rents

Further details of the rent calculation can be found on the UDC website for the Housing Board meeting agenda item 4 on the link below.

<https://uttlesford.cmis.uk.com/uttlesford/CalendarofMeetings/tabid/174/ctl/ViewMeetingPublic/mid/679/Meeting/6134/Committee/1890/Default.aspx>

Average weekly rent 2014/15	Average weekly rent 2015/16	Average weekly increase	Average weekly % increase
£98.65	£100.60	£1.95	2.2%

Budget Movements

	Inflation £' 000	Service Investment £' 000	Efficiencies £' 000	Adjustments £' 000
Rates and Property charges	(275)			
Business & Performance			(43)	
Estate Maintenance				150
Common Services Flats				(34)
Housing Services		44		
Property Services		30		(176)
Housing Repairs	(26)	225		26
Sheltered Housing	(13)			(17)
Other Costs				117
Other Minor Variances (net)				(14)
Total Budget movements	(314)	299	(43)	52

Variances (Greater than £10,000)

	Variance £'000	Reason for variance
Dwelling Rents income	(282)	Increased income due to inflationary uplift
Property Services	(157)	Post transferred to Housing Repairs as part of the staffing restructure (contra variance below)
	(20)	Feasibility study costs now capitalised
Service Charges and Facilities	(19)	Additional income is being received from the new Welfare Garden Schemes
	(39)	Additional income relates to the inflationary increase in housing repairs charges
Business and Performance	(43)	Post transferred to CSC, this will be reflected in the recharge calculation to General Fund

Staffing		
Common Services Flats	(34)	Budget realigned to reflect current usage
Housing Repairs	182	Increase in staffing costs due to restructure of the repairs team
	60	Increase in planned works and ad-hoc repairs
Estate Maintenance	150	Increase in expenditure for works on estate access roads
Housing Services	44	0.5fte ASBO post moved from General Fund to HRA
Property Services	30	Consultancy costs due to increase workload for new build schemes
Garage Rents	26	Income reduction due to redevelopment of sites
Bad debt provision	100	The introduction of Universal Credit in 2015/16 increases the risk to the council of tenants falling into rent arrears. Bad debt provision has been increased in anticipation of this
Depreciation	73	This is the proxy charge as set out in the business plan
	21	Increased due to IT asset investment in 2014/15
Impairment	100	Market value of the Council's garages has fallen below the original purchase price
Recharge from General Fund	(92)	Net effect of apportionment of central services cost
Pension Cost	(66)	Deficit 3 year payment deal offered discounts for upfront payment and so no payment in 15/16 or 16/17
Pay award	(20)	This is now incorporated into the salary budget as per the 2015/16 pay award agreed in January 2015

Movement in Reserves

Reserve	2014/15				2015/16		
	Opening Balance	Use of Reserves	Additions to Reserves	Closing Balance	Use of Reserves	Additions to Reserves	Closing Balance
Working Balance	680	(192)	42	530			530
Major Repairs (note 1)	91	(3,227)	3,261	125	(3,334)	3,355	146
Change Mgt.	200	(200)		0			0
Transformation	0		147	147		42	189
Revenue Projects	60			60			60
Sheltered Housing (note 2)	318		268	586	(221)		365
Potential Projects (note 3)	800			800	(620)		180
Capital Projects (note 4)	1,223	(425)		798	(514)		284
Additional Resource	0		1,047	1,047	(61)		986
Total	3,372	(4,044)	4,765	4,093	(4,750)	3,397	2,740

Notes to the reserves:

Note 1 – The major repairs reserve is used for planned repair works

Note 2 – The Sheltered Housing reserve shows the anticipated drawdown for Reynolds Court and Hatherley Court.

Note 3 – The Potential Projects reserve is being used for the development of 6 new social houses

Note 4 – The Capital Projects reserve is for general schemes

More details of the HRA projects/schemes; the expenditure and financing over the next 5 years can be found in the Capital Programme (Appendix B) and Capital Financing (Appendix C)

HRA Business Plan and 5 Year Strategy

17. The Housing Service prepared a 30 year HRA Business Plan in line with the Self-Financing Agreement; from this business plan a 5 year working plan has been extracted detailing specific priorities/projects up until 2018/19. This is a rolling programme and is continuously updated.

- Appendix B – details all planned projects for the 5 year period 2015/16 – 2019/20
- Appendix C – identifies the capital financing for the period 2015/16 – 2019/20

18. The capital programme shows in 2016/17 that we no longer have any reserves or external funds to finance the current capital programme. The shortfall in financing of £737,000 will be met by internal borrowing and is within the restrictions of the HRA debt cap. The capital programme will continue to be monitored carefully to ensure that any opportunities or efficiencies are explored and implemented as appropriate.

19. The planned transfer of 8 designated temporary accommodation units (4 Mead Court, Stansted and 4 Burnt Villas, Takeley) from the HRA to the General Fund has been planned in 2014/15. The release of funds for this transaction has been built into the capital financing programme and will help support the planned programme of works.

20. A 5 year budget forecast summary table, Appendix D, shows that the HRA budgets over the medium term and the HRA is fully able to meet loan payments and manage the projects in the business plan along with providing a consistent level of services to residents.

21. The authority is continuing to deliver a significant programme of investment in the first five years of the HRA business plan - the largest investment in the stock, new development and the service for many years. To date the Council has made around £19 million of investment since the introduction of self-financing to improve the standard and availability of council housing. Progress with the priorities identified in the HRA business plan is attached in Appendix E. In summary as a landlord the council has delivered the following:

- a) Developed a housing asset management and development strategy
 - Improved the information on the housing stock
 - Decent homes – all housing stock now meets this national standard
 - Completed 8 new build Council houses at Holloway Crescent
 - Mead Court development on site and progressing well
 - Catons Lane, Saffron Walden – redevelopment of a garage site with 6 houses. Planning permission secured. Start on site anticipated for March 2015
 - Hatherley Court, Saffron Walden – Remodelling of existing sheltered scheme. Planning application submitted. Start on site programmed for November 2015
 - Reynolds Court, Newport – new build redevelopment of existing sheltered scheme. Planning application submitted December 2014. Start on site programmed for July 2015
 - Successful delivery of the investment programme including the delivery of environmental improvements
- b) Implemented and improved integrated monitoring, response and maintenance service for sheltered schemes and Lifeline users
- c) Reviewed Housing Allocations Scheme to prioritise those with a local connection
- d) Developed a new Anti-social Behaviour Policy
- e) Introduced fixed term tenancies
- f) Developed a Housing Regulation Panel to scrutinise the performance of the Housing Service and to undertake service reviews
- g) Re-launched the tenant participation service under the 'Get Involved' banner

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Changes in legislation may alter the assumptions contained in the proposed 2015/16 Budget and HRA Business Plan	2	2	Prudent budget management and assumptions are built into the budget predictions. This is supported by the minimum operational balance and earmarked reserves to provide a short term contingency
Rent arrears increase	2	2	The introduction of Universal Credit in 2015/16 increases the risk of arrears. Increased officer support to tenants was put in place in 2013/14 and this resource will be used to help support tenants in difficulty
Cut in Supporting People (SP) Grant	3 – ECC are proposing that tenants self-fund	3 – tenants in receipt of SP will need to fund their support services	Increased officer support for those tenants affected - will need help with their finances
Failure to deliver major housing and development projects	2 – the council has an ambitious development programme	3 – schemes do not progress	Robust project planning and resources aligned to deliver projects
Increase in interest rates	1 – not anticipated that rates will increase in the next year	3 – increase in loan repayment	Prudent budget management. To closely manage the situation with the support of our Financial Consultants, Arlingclose and consider fixed rate alternatives
Increases in Right to Buy discounts present a risk as the Council may be unable to replace stock at the same rate as sales	2 – Sales are already higher than estimated in the business plan	2 – Repayment of capital receipt to government	Continuous review of the Business Plan and possible options for new build housing

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.

Appendices

Appendix A – 2015/16 Summary Budget

Appendix B – Capital Programme (5 year)

Appendix C – Capital Financing Requirement (5 year)

Appendix D – 5 year Budget Summary (2015/16 – 2019/20)

Appendix E – Action Plan/Progress/Priorities

APPENDIX A

HRA Budget Summary 2015/16

£'000	2014/15 Original Budget	2014/15 Restated Budget	2015/16 Original Budget	Increase / (Decrease)
Housing Revenue Income				
Dwelling Rents	-14,390	-14,390	-14,672	-282
Garage Rents	-210	-210	-184	26
Other Rents etc	-3	-3	-3	0
Charges for Services & Facilities	-777	-777	-835	-58
Contributions towards Expenditure	0	0	0	0
Investment Income	-10	-10	-21	-11
TOTAL INCOME	-15,390	-15,390	-15,715	-325
Housing Finance & Business Management				
Business & Performance Management	467	467	378	-89
Rents, Rates & Other Property Charges	36	36	36	0
	503	503	414	-89
Housing Maintenance & Repairs Service				
Common Service Flats	275	275	241	-34
Estate Maintenance	141	141	293	152
Housing Repairs	1,935	1,935	2,190	255
Housing Sewerage	49	49	54	5
Newport Depot	12	12	11	-1
Property Services	460	460	320	-140
	2,872	2,872	3,109	237
Housing Management & Homelessness				
Housing Services	253	253	324	71
Sheltered Housing Services	612	612	595	-17
	865	865	919	54
Total Service Expenditure	4,240	4,240	4,442	202
Other Costs				
Depreciation - Council Dwellings (transfer to MRR)	3,136	3,136	3,209	73
Depreciation - Other Assets (transfer to MRR)	125	125	146	21
Impairment - Other Assets	0	0	100	100
Bad Debt Provision	150	150	250	100
Supporting People	53	53	53	0
Recharge from General Fund	1,211	1,211	1,138	-73
HRA Share of Corporate Core	253	253	234	-19
Interest/Costs re HRA Loan	2,625	2,625	2,625	0
Pension Costs - Added Years	19	19	20	1
Pension Costs - Deficit	198	66	0	-66
Pay Award	20	20	0	-20
Total Non-Service Expenditure	7,790	7,658	7,775	117
TOTAL EXPENDITURE	12,030	11,898	12,217	319
OPERATING (SURPLUS)/DEFICIT	-3,360	-3,492	-3,498	-6
Funding of Capital Programme from HRA				
Funding of Action Plan Capital Items	1,597	2,147	4,811	2,664
Funding of Capital from Revenue	1,097	1,097	0	-1,097
	2,694	3,244	4,811	1,567
Transfers to/from(-) Reserves				
Capital Projects	0	-550	-514	36
Change Management Reserve	0	0	0	0
Potential Developments	0	0	-620	-620
Sheltered Housing Reserve	798	798	-221	-1,019
Transformation Reserve	0	0	42	42
Working Balance	-132	0	0	0
	666	248	-1,313	-1,561
Total Use of Reserves/Funding	3,360	3,492	3,498	6
(SURPLUS)/DEFICIT	0	0	0	0

APPENDIX B

HRA Capital Programme – 5 Year Forecast

HRA FUND	2014-15 Current Budget £	2015-16 Forecast £	2016-17 Forecast £	2017-18 Forecast £	2018-19 Forecast £	2019-20 Forecast £	Total £
HRA Capital Repairs	3,968,000	3,260,000	3,060,000	3,255,000	3,345,000	3,295,000	20,093,000
UPVC Fascia's and Guttering	500,000	140,000	100,000	100,000	100,000	100,000	1,040,000
Cash Incentive Scheme Grants	50,000	150,000	50,000	50,000	50,000	50,000	400,000
Light Vans Replacement programme	0	0	0	102,500	96,400	0	218,900
Holloway Crescent Final costs	0	0	0	0	0	0	30,000
New builds							
Unidentified Sites	295,000	0	586,000	900,000	600,000	600,000	2,898,000
Catons Lane	30,000	827,000	0	0			930,000
Mead Court - New Build/Redevelopment	3,741,000	0	0	0	0	0	3,741,000
Reynolds Court	205,000	2,350,000	4,200,000	620,000	0	0	7,375,000
Hatherley Court	60,000	864,500	897,500	0	0	0	1,822,000
Walden Place	10,000	0	0	0	0	0	20,000
Unidentified Sheltered Schemes	0	0	0	0	1,500,000	1,500,000	3,000,000
Other schemes							
Sheltered Hsg Alarm equip	100,000	0	0	0	0	0	10,000
Energy Efficiency improvement schemes	606,000	280,000	280,000	0	0	0	960,000
Supported unit for people with learning disabilities	100,000	0	0	0	0	0	100,000
Review of potential internet cafes in sheltered schemes	40,000	25,000	0	0	0	0	65,000
ICT							
Service charges planned repair system	92,000	0	0	0	0	0	101,000
Housing contractors portal & SAM	0	55,000	0	0	0	0	55,000
HRA Housing Total	9,797,000	9,773,500	9,173,500	5,027,500	5,691,400	5,545,000	42,858,900

HRA Capital Financing – 5 year forecast

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Financing - Housing Revenue Account	Current Budget	Forecast Budget +	Budget	Budget	Budget	Budget
	£	£	£	£	£	£
Business Plan Schemes						
Funded from reserves	-835,000	-1,313,000	-419,000	0	-417,000	-335,000
S106 - Housing Partnership Funding - HRA	0	-434,000	0	0	0	0
HCA grant funding	0	-800,000	0	0	0	0
Capital Receipts - RTB	-724,000	-334,000	-176,000	-270,000	-180,000	-180,000
Release of prior years funding	0	-61,000	-986,000	0	0	0
Energy Efficiency Grant Funding	0	0	0	0	0	0
HRA Financial Headroom - Specific Schemes	-3,720,000	-2,431,500	-2,802,126	-1,046,334	-719,360	-1,439,000
	-5,279,000	-5,373,500	-4,383,126	-1,316,334	-1,316,360	-1,954,000
Other Schemes						
Major Repairs Reserve Contribution	-3,136,412	-3,208,960	-3,281,126	-3,355,945	-3,432,400	-3,395,000
Other MRR reserve cont	-91,000	-125,000	-146,000	-146,000	-146,000	-146,000
HRA Revenue Funding	-1,290,588	-1,066,040	-626,874	-209,221	-796,640	-50,000
Sub total	-4,518,000	-4,400,000	-4,054,000	-3,711,166	-4,375,040	-3,591,000
TOTAL FINANCING	-9,797,000	-9,773,500	-8,437,126	-5,027,500	-5,691,400	-5,545,000
Funding deficit (Borrowing outside of HRA required)	0	0	736,374	0	0	0

HRA Summary – 5 Year Forecast 2015/16 – 2019/20

£'000	2015/16 Original Budget	2016/17 Original Budget	2017/18 Original Budget	2018/19 Original Budget	2019/20 Original Budget
Dwelling Rents	(14,672)	(14,974)	(15,277)	(15,585)	(15,900)
Garage Rents	(184)	(190)	(196)	(202)	(207)
Other Rents etc	(3)	(3)	(3)	(3)	(3)
Charges for Services & Facilities	(835)	(841)	(868)	(896)	(918)
Investment Income	(21)	(11)	(11)	(11)	(12)
Total Income	(15,715)	(16,019)	(16,355)	(16,698)	(17,041)
<u>Housing Finance & Business Management</u>					
Business & Performance Management	378	390	403	415	426
Rents, Rates & Other Property Charges	36	37	38	40	41
	414	427	441	455	466
<u>Housing Maintenance & Repairs Service</u>					
Common Service Flats	241	249	257	265	272
Estate Maintenance	293	302	312	322	330
Housing Repairs	2,190	2,260	2,332	2,407	2,467
Housing Sewerage	54	56	58	59	61
Newport Depot	11	11	12	12	12
Property Services	320	330	341	352	361
	3,109	3,208	3,311	3,417	3,503
<u>Housing Management & Homelessness</u>					
Housing Services	324	334	345	356	365
Sheltered Housing Services	595	614	634	654	670
	919	948	979	1,010	1,035
<u>Other Costs</u>					
Depreciation - Council Dwellings	3,209	3,281	3,356	3,432	3,518
Depreciation - Other Assets	146	146	146	146	146
Impairment - Other Assets	100	0	0	0	0
Bad Debt Provision	250	300	300	300	300
Supporting People	53	53	53	53	54
Recharge from General Fund	1,138	1,290	1,331	1,374	1,408
HRA Share of Corporate Core	234	269	278	287	294
Interest/Costs re HRA Loan	2,625	2,625	2,625	2,625	2,691
HRA Loan Repayments	0	0	2,000	2,000	2,050
Pension Costs	20	20	100	100	103
Pay Award	0	21	22	22	23
Minimum revenue provision	0	0	113	113	113
	7,775	8,005	10,324	10,452	10,699
Total Expenditure	12,217	12,589	15,055	15,334	15,704
OPERATING (SURPLUS)/DEFICIT	(3,498)	(3,429)	(1,301)	(1,364)	(1,337)
Transfer to(+)/from(-) the Change Management Reserve	0	0	0	0	0
Transfer to(+)/from(-) the Transformation Reserve	42	0	0	0	0
Transfer to(+)/from(-) reserves for Revenue Action Plan Slippage	0	0	0	0	0
Transfer to(+)/from(-) HRA Working Balance	0	0	0	0	0
Transfer to(+)/from(-) Capital receipts	0	0	(1,748)	(152)	(152)
Revenue balance available for capital financing	(3,456)	(3,429)	(3,049)	(1,516)	(1,489)
<u>CAPITAL and RESERVES</u>					
Capital Spend	9,774	9,174	5,028	5,691	5,545
Potential funding from HCA	(800)	0	0	0	0
Potential S106 contribution	0	0	0	0	0
Financing from transfer of assets to General Fund	(61)	(986)	0	0	0
Transfer to(+)/from(-) Capital receipts (1-4-1)	(334)	(176)	(270)	(180)	(180)
Transfer to(+)/from(-) reserves grants/contributions	(434)	0	0	0	0
Transfer to(+)/from(-) reserves for Major Repairs	(3,334)	(3,427)	(3,502)	(3,578)	(3,541)
Transfer to(+)/from(-) reserves for Capital Schemes	(514)	0	904	(70)	(107)
Transfer to(+)/from(-) reserves for Potential Developments	(620)	(180)	0	0	0
Transfer to(+)/from(-) reserves for Sheltered Housing Projects	(221)	(239)	889	(347)	(228)
Capital spend financed from reserves and contributions	3,456	4,166	3,049	1,516	1,489
(SURPLUS)/DEFICIT	(0)	737	0	0	(0)

HRA BUSINESS PLAN - PRIORITIES FOR ACTION PROGRESS TO DATE - JANUARY 2015

Priority	Action	By When	Resources	Progress to Date
1. Resident Involvement and Empowerment	Develop Housing Regulation Panel to scrutinise the performance of the Housing Service and to undertake service reviews	Ongoing	5k pa - training for members	Panel now fully established and commencing their 2nd project - review of the Sheltered Housing Service Standards. Panel continue to be supported and developed by external consultant. Officers progressing action plan from the voids review and reporting progress to the Panel, Tenant Forum and Housing Board
	Collect evidence from surveys, questionnaires, estate walkabouts and mystery shoppers	Ongoing	Within existing resources	Ongoing - held a number of successful 'get involved' events held around the district - these have been successful in encouraging residents to engage with Council services; new residents group formed in Coltsfield Stansted. Estate walkabouts completed. Working with partners such as the Fire Brigade to provide advice and support to the community; further events planned to encourage tenant participation and feedback
	Link tenant participation with opportunities for skill development	Ongoing	Within existing resources	Ongoing - both Tenant Forum and Tenant Regulatory Panel members are encouraged to attend training, seminars and conferences that will build their knowledge base
	Consult leaseholders on views of current service and participation arrangements	Ongoing	Within existing resources	Ongoing - Leaseholders included in STAR survey
	Undertake new Tenant Satisfaction Survey	Ongoing	£5k - every 2 years	Ongoing - repeat of STAR survey planned for 2015 when re-structure and process changes at the Newport Depot have been completed. All feedback to be managed through an action plan
	Develop action plan to respond to issues in the Tenant Satisfaction Survey	Aug-12	Within existing resources	Complete - High level analysis identified key areas for improvement which have been managed in day-to-day activities
	Develop and Implement new Tenant Involvement Strategy	Apr-13	Within existing resources	Complete - strategy adopted December 2013. In 2014 relaunched the tenant participation service under the 'Get Involved' banner
	Publish annual tenants report	Ongoing	£3k pa	Ongoing - report for 2014 due to be distributed during January 2015
	Benchmark service with other landlords through Housemark	Ongoing	Within existing resources	Ongoing - working with corporate performance team to produce PI performance reports from both Covalent (UDC Performance Management System) and HouseMark. Currently developing 'user friendly' benchmarking reports for regular review by Tenant Regulatory Panel, Tenant Forum and Housing Board. Core benchmarking data also being uploaded to Housemark for full organisational review as well as performance data

**HRA BUSINESS PLAN - PRIORITIES FOR ACTION
PROGRESS TO DATE - JANUARY 2015**

Priority	Action	By When	Resources	Progress to Date
2. Home	Develop a housing asset management strategy	Apr-13	Within existing resources	Complete - Housing Asset Management and Development Strategy approved by Cabinet - established a clear policy on the use of HRA assets, regeneration and development
	Carry out development appraisals of identified sites and review business plan capacity to develop	Mar-16	£10k pa - architect/planning fees	Ongoing - sites to be identified and submitted to planning department for initial feedback. Capacity identified in the business plan to develop further sites. Schemes presented to Housing Board for prioritisation in April 2015. Catons Lane which has now received planning permission targeted to start on site in April 2015
	Respond to changing housing need by making the best use of the Housing Stock to meet local need (Mead Court redevelopment etc)	Jan-16	£4.25m - commencing Jan-14	Mead Court phase 1 commenced January 2014 and due to complete in February 2015. Phase 2 to commence on site in March 2015 with completion in November 2015.
	Review the potential for undertaking new build schemes on identified garden sites	Apr-17	Approx £600k per annum plus revenue cost of £50k pa for in-house surveyor to co-ordinate works	Our Council housing development programme is now established. A number of garage and infill sites, and excess garden land are being assessed for development viability, or for the opportunity to sell in order to cross-subsidise the development programme.
	Improve the information on the housing stock	Apr-13	£50k - one off 2012	Complete - investigated and concluded that this would be better carried out in house. Stock Condition Surveyor appointed and work is progressing on collecting stock data - it is anticipated that a 100% stock condition survey will be achieved on a rolling 5 year basis
	Implement planned maintenance/service charge module of Housing System	Apr-14	£100k - one off 2013	Work in progress - planned maintenance module delayed due to re-structure of housing repairs and maintenance teams. Services Charges module installed - due to go-live for April 2015
	Review and implement new Schedule of Rates	Apr-13	£20k - one off 2012	Complete - new schedule of rates tested and implemented (NHF)
	Continue to manage and maintain the housing stock effectively and efficiently ensuring that properties meet, as a minimum, the decent homes standard	Ongoing	within existing resources - approx £2.9m pa	Ongoing - planned works programmes are progressing well - the authority is continuing to deliver a significant programme of investment in the first five years of the HRA business plan - the largest annual capital investment in the stock for many years
	Improve average energy efficiency and reduce fuel costs for residents	Apr-17	£300k pa	Work in progress - Phase I and II air source heat pumps contracts now complete, Phase III commenced October 2013 External wall insulation contract for solid wall properties underway but progressing slowly due to electric cabling issues - further properties identified for contracts during the next financial year
	Analyse performance of eco-house in Wendens Ambo	Ongoing	Within existing resources	Ongoing monitoring: experience of the family and how they have adapted to the changes ie living with low water use appliances and airtight requirements; electricity consumption monitoring; water consumption monitoring. Results reported to housing board in July 2014
Progress the outcomes of the sheltered housing asset management review	Mar-16	£6.6 mill for Reynolds Court.	Work in progress - residents consulted at sheltered schemes where site appraisals have been carried out (Alexia House, Reynolds Court, Hatherley Court, Parkside and Walden Place). Report presented to the Housing Board and Cabinet giving options for these schemes. Reynolds Court Planning application submitted to redevelop the scheme with 41 new apartments. Subject to planning, this should start on site in October 2015 and take 18 months to complete. Hatherley Court has received planning permission to be remodelled to provide a higher standard of accommodation with a start on site anticipated 2016/17. Parkside, Walden Place and Alexia House will continue to have the options assessed, including detailed tenant consultation.	

HRA BUSINESS PLAN - PRIORITIES FOR ACTION PROGRESS TO DATE - JANUARY 2015

Priority	Action	By When	Resources	Progress to Date
3. Tenancy	Establish a strategic tenancy strategy that ensures that local housing need is met and assets are used effectively, utilising all available flexibilities	Jan-13	£3k - one off 2012	Complete - over-arching tenancy strategy reviewed by housing board and approved by Cabinet Jan 2013
	Consider whether the Council should use the new fixed term tenancies and, if so, formulate a Tenancy Policy setting out the proposed operation of the scheme	Apr-13	Within existing resources	Complete - over-arching tenancy strategy established; options for fixed term tenancies examined by Housing Board; tenancy policy approved by Cabinet and implemented from April 2013: 1 + 9yr fixed term tenancies for 3+ bedroom houses
	Continue to fund disabled adaptations and disabled facilities grants for HRA tenants and private owners and improve the delivery process	Ongoing	within existing resources - approx £280k per year	Ongoing - increase in DFG applications and adaptation work has continued in 2014/15 and budgets are fully committed already
	Investigate and implement a better integrated monitoring, response and maintenance service for sheltered schemes and Lifeline users	Oct-12	£42k pa	Complete - Monitoring contract tendered for and awarded to Careline. Contract commenced October 2012 - all equipment has now been re-programmed Maintenance contract tendered and awarded to Cirrus - contract commenced October 2013
	Update the remaining sheltered housing schemes with Piper Haven alarm equipment with the latest Communicall equipment	Mar-14	£100k pa capital; £10k pa revenue	Complete - Equipment/Maintenance contract tendered and awarded to Cirrus for the upgrade of alarm/call out systems at all schemes. Work on all schemes completed by March 2014 - replacement programme meets the new BS on fire/smoke detecting
	Undertake fundamental review of policies and procedures to ensure service is 'Fit for Purpose'	Apr-13	Within existing resources	Ongoing - the following policies have been written and reviewed by Housing Board and approved by Cabinet: allocations policy - November 2014; void management policy and void letting standard - Jan 2013; rent and service charge setting policy - Apr 2013; downsizing and de-cant policy - Apr 2013; asset management and development strategy - Jun 2013; tenancy policy - Apr 2013; bed and breakfast charging policy - Nov 2013; welfare garden and redecoration policy - Jan 2014; anti-social behaviour policy and procedures - Nov 2014
	Carry out an under occupation survey and establish what incentives would encourage tenants to move to more appropriate accommodation	Apr-13	Within existing resources	Complete - underoccupation survey carried out in Dec 2013 and data used to inform new downsizing and decanting policy

HRA BUSINESS PLAN - PRIORITIES FOR ACTION PROGRESS TO DATE - JANUARY 2015

Priority	Action	By When	Resources	Progress to Date
4. Neighbourhood and Community	Review Housing Strategy	Apr-13	Within existing resources	Complete - new housing and homelessness strategy 2012 -2015 approved by Cabinet and published. Currently consulting on new Housing Strategy
	Review Homelessness Strategy	Apr-13	Within existing resources	Complete - new housing and homelessness strategy 2012 -2015 approved by Cabinet and published. Currently consulting on new homelessness strategy
	Establish an older persons strategy that addresses needs of elderly people in the district	Sep-12	Within existing resources	Complete - included within the new housing and homelessness strategy 2012 - 2015 approved by Cabinet and published
	Work with planning policy to identify future provision for the gypsy and traveller community	Sep-12	Within existing resources	Currently consulting on an Issues and Options consultation which forms part of the Gypsy and Traveller Local Plan
	Continue to work with Partners to deliver affordable housing through use of the Stansted Area Housing Partnership and Growth Area Funding	Apr-13	£2.2 million and £725,000	Stansted Area Housing Partnership funding has been allocated and the project is now complete. Growth Area funding has been spent at Broomfields, Hatfield Heath to deliver 14 affordable units. Further funding has been allocated towards our Council new build programme and a rural scheme in Newport
	Investigate re-provision of temporary accommodation following demolition on Mead Court	Apr-13	Within existing resources	complete - 4 houses converted into 8 units of furnished temporary accommodation. A further 4 units of new build accommodation in Stansted due to complete in January 2015. Entered into a SLA with Supportworks to provide nightly let accommodation in Harlow as alternative to bed and breakfast which should reduce reliance on this type of accommodation
	Work with partners on the delivery of a supported unit for people with learning disabilities	Apr-13	£100k - one off 2013	Work in progress - we have been working for a number of years to provide a scheme for young adults with learning disabilities in Saffron Walden to live independently. A scheme has now been drawn up that will provide 6 x 1 bedroom flats along with communal space and sleepover/office for carers; Meetings held with care provider and parents to progress this scheme; a planning application is ready to submit with work due to commence in June 2015; £100,000 HRA funds will enable this to be delivered. A further scheme is being investigated in Stansted to enable service users to live more independently
	Investigate the provision of additional supported accommodation in the district for vulnerable adults (currently only one facility - Bromfield House)	Apr-13	Within existing resources	A scheme is required in Great Dunmow similar to Bromfield House in Saffron Walden, providing support to vulnerable adults who are homeless. Discussion ongoing with Genesis and/or East Thames about funding /support costs
	Investigate the provision of a supported unit in the district for those fleeing domestic violence	Apr-14	Within existing resources	Work in progress - discussions held with Women's Aid as to size and preferred location and suitable site identified; Cabinet have approved transfer of land to Safer Places for delivery of a refuge; architects have been appointed and scheme designs drawn. Bid for additional government grant funding made in January 2015
	Investigate the reprovision of a new mental health facility	Sep-12	Within existing resources	We remain keen to undertake a reprovision of the mental health scheme in Station Street, Saffron Walden with Granta Housing. It would need to be within the town – on the outskirts would be ok provided it is on a bus route. This is to ensure clients can maximise their opportunities for social inclusion etc. Supporting People and Adult Social Care/Mental Health both provide revenue funding into the existing service and are aware of our aspiration to reprove our service. Preferred size would be 12 self contained units
	Review anti social behaviour policy and procedures	Apr-13	Within existing resources	Complete - new policy and procedures written and adopted in Nov 2014 to reflect government bill on changes to ASB legislation
	Provide 'internet cafes' in sheltered schemes for silver surfers	Oct-17	20k pa	Work in progress - project tendered for as 'design competition'. Alan Hasler House in Great Dunmow completed July 2012; The Close Hatfield Heath completed December 2013. Priors Wood Court completed in January 2015. Normans Court - work in progress
	Review future contracts to include clauses to require contractor to take action to tackle climate change relevant to work to be carried out	Ongoing	Within existing resources	Ongoing - all contracts contain clauses

APPENDIX E continued...

HRA BUSINESS PLAN - PRIORITIES FOR ACTION PROGRESS TO DATE - JANUARY 2015

Priority	Action	By When	Resources	Progress to Date
5. Value for Money	Continue to develop business plan financial model to inform investment and service planning	Ongoing	Within existing resources	Ongoing - model updated in October 2014
	Prepare for supporting people funding reductions	Aug-12	Within existing resources	Complete - service reviewed - Sheltered Housing Officers(SHOs) now working more generically - to include work in sheltered schemes and in the community (lifeline users). Further reductions in SP funding is being proposed by ECC - to be announced in Feb 2015
	Improve performance management and financial planning systems in housing services	Aug-13	£20k in 2012	Complete - PI targets based on a combination of performance of peer LA's in HouseMark benchmarking group and historic UDC performance data. Regular review of PI performance and budget performance at Housing Section Heads meetings. PI's continually monitored through Housing Performance Management process. 2015/16 Service Plan actions and PI's currently being identified and agreed. Budget monitoring completed on a monthly basis with all relevant budget managers. Budget awareness/control refresher training session planned for April 2015
	Maximise income to the HRA by achieving high collection rates for rents, service charges, sewage charges, garage rents and miscellaneous invoices	Ongoing	Within existing resources	Ongoing - rent arrears process reviewed and timescales amended to ensure action taken at an earlier stage to prevent arrears from escalating. Service charge process and garage management to be implemented on the Northgate IT system from April 2015. Current invoice process being reviewed to ensure accuracy of budget allocation and improvements in the time taken to process invoices. Tenant and internal re-charge processes currently being reviewed. Focus remains on reducing arrears levels by having dedicated officer providing debt support and signposting to tenants who are struggling. Rents team working closely with Housing Management and Home Options team to ensure join-up with individual cases. Regular meetings completed to ensure awareness of Universal Credit implementation timeframes and impact it may have on services. DWP providing direct support and information as and when required
	Ensure rent arrears are kept to a minimum	Ongoing	Within existing resources	Ongoing - additional funding provided to CAB for debt counselling; Rent arrears policy has been reviewed; allocations policy has been changed to reflect welfare reforms (bedroom criteria); all reviews completed and implemented
	Implement service charges for common services for flats	Apr-12	Within existing resources	Complete - service charges calculated and charged for common services
	Access external funding where available to reduce carbon emissions and improve energy efficiency	Ongoing	Within existing resources	Ongoing - bids for funding for the financial year 2014-2015 now in application stage
	Ensure the void turnaround figure does not exceed 28 days	Ongoing	£30k pa	Ongoing - new repairs surveyor appointed; new offices created at the depot to bring all the asset management team together; representatives from all areas of the service continue to work together to improve the void process. Dedicated voids operatives introduced and Void-Co-ordinator role appointed. Weekly void meetings to discuss and agree actions continue. Void turnaround for GN properties as at end December 2014 = 12 days

Committee: Cabinet

Agenda Item

Date: 17 February 2015

15

Title: General Fund and Council Tax 2015/16

Portfolio Holder: Councillor Robert Chambers

Summary

1. This report presents the 2015/16 General Fund budget for consideration by the Cabinet on 17 February ahead of final determination by Full Council on 26 February.
2. This budget must be considered alongside the report made by the Director of Finance and Corporate Services under Section 25 of the Local Government Act 2003, to be received by the Cabinet earlier in the agenda. The budget is consistent with the Medium Term Financial Strategy also to be considered earlier on the agenda.
3. The Scrutiny Committee reviewed the budget reports on 10 February. Comments from the Committee are in a separate item on the agenda.

Recommendations

4. The Cabinet is requested to recommend that the Full Council approves the General Fund Council Tax requirement of £4,653,312, summarised in paragraph 24.
5. The Cabinet is recommended to approve the schedule of fees and charges in Appendix E.
6. The Cabinet is recommended to approve the new criteria with regards to Members Allowances (New Homes Bonus) paragraph 30.

Background Papers

7. None.

Impact

Communication/Consultation	Consultation carried out is summarised below.
Community Safety	No specific implications
Equalities	An EQIA is included with the agenda papers
Finance	Detailed in the report
Health and Safety	No specific implications
Human Rights	No specific implications
Legal implications	The recommendations fulfil the legal requirement to set a balanced budget.

Sustainability	No specific implications
Ward-specific impacts	No specific implications
Workforce/Workplace	No specific implications

Introduction

8. This report provides detailed revenue estimates for the General Fund and Council Tax for 2015/16.
9. The estimates, as summarised in Appendix A, show a Council Tax Requirement of £4,653,312, which balances to the level of Council Tax yield, assuming a 3% cut in Council Tax.
10. The Cabinet is required to determine a recommended budget for consideration by the Council on 27 February.
11. The estimates in this report are based on the recommended Capital Programme, Treasury Management Strategy and Housing Revenue Account budget for 2015/16 that were considered earlier in today's agenda. Any changes may have a marginal effect on the revenue estimates and these will be reflected in the material that is prepared for Full Council.

2015/16 Budget Strategy

12. On 4 December 2014, the Cabinet determined its strategy for the 2015/16 budget. The table below summarises these and indicates that the draft 2015/16 budget fulfils the Cabinet's strategy.

Budget Strategy objective	Achievement of objective
Take account of consultation results.	Yes – see points 14 - 16.
To plan on the basis that the UDC Council Tax will be frozen for 2015/16.	This objective has been exceeded, with a 3% cut proposed.
Unless there is a significant change in circumstances, not to require any cuts in services to make financial savings, although efficiency savings will continue to be sought.	There have been no cuts in services in the production of the 2015/16 budget. The Council will continue to take advantage of any naturally occurring efficiencies as they arise, but there are no plans to make any specific financial savings.
To maintain and seek opportunities to enhance support for the voluntary sector.	Voluntary sector support has been maintained in the 2015/16 budget at the same level as the 2014/15. The Council continues to work closely with the voluntary sector and an internal project has been carried out on ways to improve this support.

To introduce and implement a new reserves strategy that takes account of areas of priority.	A new reserves strategy has been produced and has been presented earlier in today's agenda for approval.
To strive to achieve better accuracy at the time of annual budget setting	A continuous programme of monitoring is in place and challenge will be provided to services showing consistent underspends.
Continue to implement the HRA Business Plan.	Yes. See separate HRA Budget Report which details the HRA Business Plan and 5 year strategy.

Consultation

Residents Consultation

13. In summer 2014 consultation on the Council's budget priorities was completed via a questionnaire on the website and a survey of the e-citizens panel. The results were reported in full to the Cabinet on 4 December 2014. The table below sets out the respondents' highest priorities, and how the draft 2015/16 budget relates to them.

	Survey respondents' priority	Consistency with budget
Highest Priority	Keep Council Tax as low as possible while maintaining or improving services and providing support to the vulnerable	Yes. The budget has been built with a cut in Council Tax of 3% whilst maintaining a balanced budget with no cuts in services.
Second Highest	Work with Essex County Council to ensure our roads are maintained to a good standard	Yes. The budget enables the Council to continue the work of the Highways Panel and the Highways Ranger service.
Third Highest	Continue with sound financial management to ensure the Council remains financially stable	The budget produced continues to work on the principles as set out in the MTFs to reduce the Council's dependency on New Homes Bonus. The budget has not made any cuts in service but the Council will continue to maintain the ethos of finding natural efficiency savings to ensure the financial stability for current and future years.
Don't do	Work with the owners of Stansted Airport to ensure economic and social benefits but maintaining vigilance against a second runway	No provision has been made in the 2015/16 budget for any joint working with the owners of Stansted Airport. Although a reserve has been set aside for any work that might be needed in relation to a second runway at Stansted.

Business consultation

14. In lieu of writing to all business rate payers, the following organisations were invited to comment on the council's priorities and the Cabinet's budget strategy:

- Saffron Walden Initiative
- Business Xchange group
- Federation of Small Businesses
- Saffron Walden Friends
- Bishops Stortford Business Club
- Dunmow Chamber
- Newport Business Association
- Stansted Airport Chamber
- Stansted Airport Business Association
- Stansted Business Forum
- Saffron Walden Town Team
- Great Dunmow Town Team

15. The invitations to comment were issued on 24 November 2014 with a requested response date of 12 January 2015. No responses were received.

2015/16 resources available

16. By law the budget (Council Tax Requirement) has to balance to the expected Council Tax income receivable.

17. The Director of Finance and Corporate Services (s151 Officer), under delegated authority, has approved the Council Taxbase to be used when setting the 2015/16 Council Tax. The Taxbase, expressed in Band D equivalents, is 33,539.8, an increase of 1.5% on the 2014/15 figure of 35,223.8. Deducted from the 33,539.8 figure is an adjustment to reflect the level of Local Council Tax Support Discounts. The estimate of these discounts in Band D equivalent terms is 2,230.6. This produces a Taxbase for budget setting purposes of **33,539.8**.

18. The 2014/15 UDC Band D Council Tax was £143.03. In accordance with the Cabinet's guidance, a 3% cut has been assumed for the purpose of preparing this report, so the 2015/16 Band D is **£138.74**. Multiplied by the taxbase, this would produce a Council Tax yield of **£4,653,312**:

19. The Council is therefore required to balance its net budget to a **Council Tax Requirement of £4,653,312**.

	2014/15	2015/16	% Change
Taxbase (gross)	35,223.8	35,770.4	+1.5%
LCTS Discounts	<u>-2,398.2</u>	<u>-2,230.6</u>	<u>-6.9%</u>
Taxbase (net)	32,825.6	33,539.8	+2.2%
Band D	£143.03	£138.74	-3.0%
Council Tax Yield	£4,695,046	£4,653,312	-0.9%

20. This figure is smaller than the equivalent sum for 2014/15, as explained below:

	£000	£000
2014/15 Council Tax Requirement		4,695
Additional income arising from taxbase increase	102	
Income lost because of 3% cut	<u>(144)</u>	
Net decrease in council tax income	(42)	
2015/16 Council Tax Requirement		4,653

21. The £4,653,312 figure represents estimated Council Tax income, but for budget purposes it is treated as a UDC levy on the Collection Fund and is therefore a reliable figure. Inevitably the actual amount of Council Tax income will differ from the assumed amount. This will give rise to a surplus or deficit on the Collection Fund which will be taken into account as part of next year's budget setting.

Indicative District Council Tax for 2015/16

22. Assuming a 3% cut in Council Tax, the amount of Uttlesford DC Council Tax, by each Council Tax band, is shown below.

Band	Chargeable Dwellings		Proportion of Band D	2014/15 UDC Council Tax £	2015/16 UDC Council Tax £	Decrease (3%)
	No.	%				£/year
A	1,014	2.99	6/9ths	95.35	92.49	2.86
B	3,539	10.45	7/9ths	111.25	107.91	3.34
C	7,870	23.23	8/9ths	127.14	123.32	3.82
D	6,636	19.59	9/9ths	143.03	138.74	4.29
E	6,084	17.96	11/9ths	174.81	169.57	5.24
F	4,268	12.60	13/9ths	206.60	200.40	6.20
G	4,059	11.98	15/9ths	238.38	231.23	7.15
H	410	1.20	18/9ths	286.06	277.48	8.58
Total	33,880	100.0				

General Fund Budget

23. Appendix A is a summary of the budget for 2015/16, showing a budget requirement of £4,653,312 in line with the resources available detailed above.
24. A summary of the 2015/16 General Fund budget is shown in the table below. Further details are set out in Appendix B.

	2014/15 restated Budget £ '000	2015/16 Original Budget £ '000	Increase / Decrease (-) £ '000
Net Service Expenditure	8,720	9,600	880
Recharge to HRA	(1,464)	(1,372)	92
Pension Fund deficit payment	373	0	(373)
Capital financing costs	1,611	3,454	1,843
Corporate Items (net)	57	51	(6)
Sub-total - General Fund Expenditure	9,297	11,733	2,436
Formula Grant	(1,642)	(1,234)	408
New Homes Bonus	(2,877)	(3,598)	(721)
Business Rates Retention	(1,279)	(1,303)	(24)
Collection Fund Surplus	(256)	(89)	167
Council Tax Freeze Grant	(50)	0	50
Other funding items	(46)	(10)	36
Net Operating Expenditure	3,147	5,499	2,352
Dunmow Depot Reserve	0	(1,500)	(1,500)
DWP Reserve	0	(175)	(175)
Strategic Initiatives Reserve	1,000	1,034	34
Access Reserve	200	0	(200)
Budget Equalization Reserve	213	0	(213)
Net Movements from other earmarked reserves	135	(205)	(340)
Council Tax Requirement	4,695	4,653	(42)
District Council Precept on Collection Fund	(4,695)	(4,653)	42
	0	0	0

25. A subjective analysis of net service expenditure is below.

£'000	2014/15 restated Budget	2015/16 Original Budget	Increase / Decrease (-)
Employees	8,954	9,506	552
Premises	672	677	5
Transport	659	645	(14)
Supplies & Services	4,352	5,153	801
Third Party Payments	261	250	(11)
Transfer Payments (mainly Benefits)	18,456	17,361	(1,095)
Sub total - expenditure	33,354	33,592	238
External Funding	(1,321)	(1,412)	(91)
Specific Government Grants (mainly Benefits)	(4,287)	(4,853)	(566)
Fees & Charges Income	(18,706)	(17,419)	1,287
Other Income	(320)	(308)	12
Sub total - income	(24,634)	(23,992)	642
Net service expenditure	8,720	9,600	880

26. The following table is a reconciliation of the movement from the 2014/15 budget to the 2015/16 estimates. Details of all adjustments are given in Appendix C.

2014/15 Council Tax Requirement		4,695
<u>Service budget changes (where greater than £10k)</u>		
Inescapable growth	210	
Service investment	523	
Efficiency savings	(151)	
Changes to income	(522)	
Other adjustments	751	
Minor variances < £10k	69	
	<u>880</u>	880
<u>Funding items</u>		
Increase in New Homes Bonus	(721)	
Reduction in Settlement Funding	408	
Council Tax Freeze Grant now within Formula Grant	50	
Net impact of Collection Fund-related transactions	143	
	<u>(120)</u>	(120)
<u>Corporate items</u>		
Capital financing costs increase	1,843	
Decrease in HRA share of costs	92	
Pension Fund deficit payment paid up front	(373)	
	<u>1,562</u>	1,562
Net increase in draw on earmarked reserves	(2,394)	
Other net adjustments	31	
	<u>(2,363)</u>	(2,363)
Net changes to base budget		(42)
2015/16 Council Tax Requirement		4,653

Key budget items

27. The budget includes the following items of investment in improved services and facilities:

Amount £ '000	Item	Description	One off or ongoing
50	Public Health	Net growth in establishment and extra consultancy (funded by green bean inspection income)	Ongoing (see risks)
21		Empty Homes Post (fixed term contract until November 2015)	One off
66	Financial Services	Corporate Management restructure and recruitment of Finance Systems Officer. Please see table in paragraph 29 for corresponding efficiency savings	Ongoing
55	Revenues Administration	Increase in staffing by 2.5 FTE. Service is now fully staffed and this will reduce the dependency on expensive agency costs.	Ongoing
50	Grounds Maintenance	Temporary 2 year enhancement to the service. 2 operatives and associated vehicle and equipment.	One off (1 st of 2 year contract)
39	New Homes Bonus	Additional £1k per ward member (new criteria to be applied see point 30)	Ongoing
31	Economic Development	Business Support Officer	One off (2 nd year of 2 year agreement)
30	Planning Specialists	2nd Conservation Officer to support work load and	Ongoing
25	Waste Management	To cover consultancy requirements for the future development of the service	Ongoing
23	Information Technology	To provide extra ongoing software support	Ongoing
22	Environmental Management	Administration Assistant for additional work transferred from HRA (savings within HRA restructure)	Ongoing
20	Customer Services Centre	Transfer of workload on Housing Repairs (HRA restructure) initial point of contact	Ongoing
20	Public Conveniences	Grant to Saffron Walden Town Council in respect of Hill Street Toilets	Ongoing (5 years)
15	Day Centres	Post to assist the development of the Management Committees	One off
44	Various	Net of various non-significant items	Ongoing
553	Total		

28. The budget includes the following items of savings and efficiencies within services and facilities:

Amount £ '000	Item	Description	One off or ongoing
88	Corporate Management	ACE – Finance costs removed from budget, see Financial Services investment for contra entry in paragraph 28	Ongoing
33	Office Cleaning	Staffing reduction due to efficient planning and change to work allocations	Ongoing
20	Street Services	Management restructure	Ongoing
23	Various	Net of various non-significant items	Ongoing
164	Total		

29. Members Allowances – New Homes Bonus; as part of the increased allocation to ward members it is recommended that the following criteria is adopted:

- To be spent in the Member's Ward
- To be spent in year of allocation and any underspends will not be carried forward into future years
- For the good of the community
- Not to commit to future years
- To be mindful of the financial status of the recipients
- No personal interest in the organisation receiving the award
- In election year the money only becomes available from 1 June (i.e. to the newly elected Member)

30. Other notable items in the budget are:

- The staff pay award was confirmed in January 2015, a 2.2% increase was awarded to be reviewed in March 2016. The cost of this has been included in all services.
- The Waste Service budget has been adjusted to reflect the increase in disposal cost and loss of income due to a change in the market economy for recyclable waste. The financial effect of this equates to £470,000 increase in the direct costs.
- Planning Income of an expected £350,000 per year has been built into the budget for the next 2 years. This relates to a continuing trend of a high level of planning applications.
- Revenues Administration shows an increase in direct costs of £177,000 this relates to previous years anticipated budget efficiencies not being realised. This is partly due to the uncertainty over Universal Credit and how this will impact on the service. The budget has now been adjusted to reflect the actual cost of the service and to ensure that full provision is in place to enable the service to focus on achieving an unqualified audit opinion.

- Green Bean income has been highlighted as a risk; a recent consultation process has indicated a strong likelihood that green beans will be 'delisted' from the inspections list.

Local Government Finance Settlement

31. On the 18 December the Council received provisional notification of the settlement for 2015/16. Final figures are expected to be confirmed in mid-February.
32. The Settlement comprises the following:
 - Formula Grant
 - Localised Business Rates
 - Council Tax Freeze Grant
 - Other minor one off items
33. The 2015/16 "Settlement Funding Assessment" is **£1,234,355**, which represents an approximate cut of 24% on the 2014/15 figure.
34. The 2015/16 Formula Grant figure includes localised business rates which is a variable figure dependent upon many factors, these risks are moderated by the Safety Net which is **£1,303,213**. The actual figure will not be known until after the end of the financial year. Because of known risks regarding appeals, refunds and bad debt losses, the budget prudently assumes that the retained share will be at the safety net level.
35. The 2015/16 figures continue the trend of cutting 'core funding'. There are no indications of what funding councils will receive from April 2016. This is discussed in the Medium Term Financial Strategy (MTFS).
36. The Council Tax Freeze Grant is now included in the core funding.
37. The sum of **£3,598,299** has been allocated to UDC for 2015/16 and this is the fifth year of New Homes Bonus. A more detailed analysis of the New Homes Bonus in future years can be seen in the MTFS.
38. This trend will continue: there are strong indications of continuing cuts in formula funding, with councils increasingly dependent upon New Homes Bonus to support core services. UDC shall be no exception to this. The MTFS discusses the importance of reducing the Council's exposure to this risk.

General Fund Reserves

39. The report made by the Director of Finance and Corporate Services (s151 Officer) under Section 25 of the Local Government Act 2003, received earlier in today's agenda, recommended that the Working Balance be maintained at a minimum of £1,214,000. The forecast on the Working Balance as at 31 March 2015 is set at this required level. The 2015/16 budget therefore includes no provision to increase the Working Balance, in line with the recommendations in the Section 25 report.
40. Appendix E shows a summary of the current reserves, a detailed breakdown of the reserves transfers is shown in agenda item 9, The Reserves Strategy.

Fees and Charges review

41. Officers have reviewed fees & charges in line with the Council's Pricing and Concessions policy and Cabinet decisions where relevant (e.g. car parks, trade waste, licensing). A schedule of proposed charges is included at Appendix E.
42. Where services are operating in competition with other commercial providers, for example trade waste, the service manager needs to have authority to negotiate as required where it is the Council's best interests to do so.

Outstanding Issues

43. As at 10 February, the following issues were outstanding; the updated position will be reported verbally.
 - Confirmation of the Funding settlement for 2015/16
 - Final notifications of the formal precept figures from Essex County Council, Essex Police and Essex Fire.

Risk Analysis

44. The formal risk analysis of the budget is set out in the report earlier on today's agenda, "Robustness of Estimates and Adequacy of Reserves".

Risk	Likelihood	Impact	Mitigating actions
Actual events may differ from the assumptions and estimates used to produce the draft budget, which will lead to variances from the budget.	3 (some risk that variances will occur requiring action to be taken)	3 (potential impact which could adversely affect the council's financial position if not managed)	Budget monitoring and corrective action taken as necessary.

List of Appendices

- Appendix A – General Fund Budget Summary
- Appendix B – Portfolio Budgets
- Appendix c – Schedule of Budget Adjustments
- Appendix D – General Fund Reserves Summary
- Appendix E – Fees and Charges

APPENDIX A – GENERAL FUND SUMMARY 2015/16

£000	2014/15 Original Budget	2014/15 Restated Budget	2015/16 Original Budget	Increase / Original (Decrease)
Service budgets				
Community Partnerships & Engagement	2,146	2,036	2,161	125
Community Safety	313	268	237	-31
Environmental Services	1,686	1,637	2,032	395
Finance & Administration	4,740	4,745	5,165	420
Housing (General Fund)	38	34	5	-29
Sub-total – Portfolio and Committee budgets	8,923	8,720	9,600	880
Corporate items				
Capital Financing Costs	1,611	1,611	3,454	1,843
Investment Income	-50	-50	-50	0
Pension Fund - Added Years	107	107	102	-5
Pension Fund - Deficit	1,121	373	0	-373
Recharge to HRA	-1,211	-1,211	-1,138	73
HRA Share of Corporate Core	-253	-253	-234	19
Sub total - Corporate Items	1,325	577	2,133	1,556
Sub total - Budget	10,248	9,297	11,733	2,436
Funding				
Council Tax - Collection Fund Balance	-256	-256	-89	167
Council Tax - Freeze Grant 15/16	-50	-50	0	50
NNDR - Retained Income	-1,279	-1,279	-1,303	-24
NNDR - Collection Fund Balance	0	0	3,148	3,148
NNDR - Section 31 Funding	0	0	-459	-459
NNDR - Transfer to/(from) Ringfenced Reserve	0	0	-2,689	-2,689
DCLG Funding - Other	-36	-36	0	36
Flood Support Schemes - Other Funding	0	0	0	0
New Homes Bonus - Grant	-2,877	-2,877	-3,598	-721
Section 106 Funding	0	-10	-10	0
Settlement Funding	-1,642	-1,642	-1,234	408
Sub-total – Funding	-6,140	-6,150	-6,234	-84
Sub-total - Net Operating Expenditure	4,108	3,147	5,499	2,352
Transfers to/from(-) Reserves				
Access Reserve	200	200	0	-200
Budget Equalization Reserve	0	213	0	-213
Budget Equalization Reserve - Pension Deficit	-748	0	0	0
DWP Reserve	0	0	-175	-175
Economic Development Reserve	0	0	-50	-50
Council Tax Freeze Grant Reserve	50	50	0	-50
Elections Reserve	20	20	-75	-95
LGRR Contingency Reserve	73	73	0	-73
Licensing Reserve	-25	-25	-22	3
MTFS Reserve	0	0	-28	-28
Planning Development Reserve	17	17	0	-17
Strategic Initiatives Reserve	1,000	1,000	1,034	34
Waste Depot Relocation Project	0	0	-1,500	-1,500
Waste Management	0	0	-30	-30
Sub-total - Movement in Earmarked Reserves	587	1,548	-846	-2,394
COUNCIL TAX REQUIREMENT (BOTTOM LINE)	4,695	4,695	4,653	-42
Council Tax (precept levied on Collection Fund)	-4,695	-4,695	-4,653	42

APPENDIX B

COMMUNITY PARTNERSHIPS AND ENGAGEMENT PORTFOLIO

£'000	2013/14 Actual	2014/15 Original Budget	2014/15 Restated Budget	2015/16 Original Budget	Increase / (Decrease)
Assisted Travel	1	1	1	0	(1)
Committee Administration	153	152	152	165	13
Communications	156	243	243	255	12
Community Information Centres	46	50	50	48	(2)
Community & Leisure Management	46	46	46	49	3
Customer Services Centre	293	307	307	351	44
Democratic Representation	343	361	361	336	(25)
Economic Development	127	203	123	135	12
Grants & Contributions	359	371	361	377	16
Leisure & Administration	75	96	96	95	(1)
Leisure PFI	(75)	(9)	(9)	10	19
Museum Saffron Walden	178	160	160	167	7
New Homes Bonus (Ward members' budgets)	88	88	88	117	29
Sports Development	29	77	57	56	(1)
Portfolio Total	1,819	2,146	2,036	2,161	125

APPENDIX B continued..

COMMUNITY SAFETY

£'000	2013/14 Actual	2014/15 Original Budget	2014/15 Restated Budget	2015/16 Original Budget	Increase / (Decrease)
Community Safety	175	177	177	171	(6)
Emergency Planning	41	43	43	44	1
Enforcement	190	188	147	150	3
Highways	(11)	(15)	(15)	(13)	2
Licensing	(109)	(80)	(84)	(115)	(31)
Portfolio Total	286	313	268	237	(31)

APPENDIX B continued..

ENVIRONMENTAL SERVICES

£'000	2013/14 Actual	2014/15 Original Budget	2014/15 Restated Budget	2015/16 Original Budget	Increase / (Decrease)
Animal Warden	30	30	30	31	1
Car Parking	(629)	(589)	(595)	(618)	(23)
Depots	40	44	44	59	15
Development Management	(610)	(129)	(129)	(434)	(305)
Environmental Management & Admin	95	88	88	110	22
Grounds Maintenance	140	157	167	224	57
Housing Strategy	88	89	89	95	6
Local Amenities	3	7	7	8	1
Pest Control	22	27	27	28	1
Planning Management & Admin	382	373	373	388	15
Planning Policy	270	244	244	244	0
Planning Specialists	171	175	175	219	44
Public Health	302	385	344	467	123
Street Cleansing	265	298	298	299	1
Street Services Management & Admin	251	340	340	319	(21)
Vehicle Management	345	346	346	372	26
Waste Management - Expenditure	1,906	2,010	1,998	2,291	293
Waste Management - Income	(2,284)	(2,209)	(2,209)	(2,070)	139
Portfolio Total	787	1,686	1,637	2,032	395

APPENDIX B continued..

FINANCE AND ADMINISTRATION

£'000	2013/14 Actual	2014/15 Original Budget	2014/15 Restated Budget	2015/16 Original Budget	Increase / (Decrease)
Benefit Administration	(293)	(264)	(264)	(202)	62
Business Improvement & Performance Team	153	76	76	78	2
Central Services	407	381	372	380	8
Conducting Elections	(9)	1	1	96	95
Conveniences	27	22	9	21	12
Corporate Management	726	817	817	657	(160)
Corporate Team	113	105	105	114	9
Council Tax Benefits	(179)	0	0	0	0
Electoral Registration	24	21	21	45	24
Financial Services	907	848	845	927	82
Housing Benefits	(148)	63	63	145	82
Human Resources	253	218	218	221	3
Information Technology	1,088	1,092	1,092	1,121	29
Internal Audit	108	110	110	115	5
Legal Services	23	101	101	99	(2)
Local Council Tax Support	206	79	91	91	0
Local Tax Collection	(98)	(50)	(50)	(50)	0
Non Domestic Rates	(142)	(29)	(29)	21	50
Offices	343	324	322	274	(48)
Office Cleaning	169	176	176	166	(10)
Resources Miscellaneous	(29)	0	0	0	0
Revenues Administration	765	649	669	846	177
Portfolio Total	4,414	4,740	4,745	5,165	420

APPENDIX B continued..

HOUSING – GENERAL FUND

£'000	2013/14 Actual	2014/15 Original Budget	2014/15 Restated Budget	2015/16 Original Budget	Increase / (Decrease)
Building Surveying	(85)	(69)	(69)	(81)	(12)
Day Centres	29	36	36	55	19
Energy Efficiency	43	47	47	47	0
Homelessness	169	211	207	167	(40)
Housing Grants	10	10	10	10	0
Land Charges	(90)	(65)	(65)	(61)	4
Lifeline	(139)	(132)	(132)	(132)	0
Portfolio Total	(63)	38	34	5	(29)

APPENDIX C – BUDGET ADJUSTMENTS

INESCAPABLE GROWTH				
Portfolio	Service	Description	£000	
All portfolios	Various services	Net inflationary increase in salaries (pay award budget netted off)	163	Ongoing
Community Partnerships & Engagement	Leisure PFI	Leisure PFI contractual inflation (net rise for unitary payments/rental income)	19	Ongoing
Finance & Admin	Financial Services	Insurance contract inflationary rise	14	Ongoing
Finance & Admin	Information Technology	Contractual inflation on support costs	14	Ongoing
			Total	
			<u>210</u>	

APPENDIX C – BUDGET ADJUSTMENTS

SERVICE INVESTMENT				
Portfolio	Service	Description	£000	
Environment	Public Health	Net growth in establishment / consultancy (offset by increase in green beans income)	71	Ongoing (inc. £21k Empty Homes post FTC one-off)
Finance & Admin	Revenues Admin	Net growth in establishment	55	Ongoing
Finance & Admin	Non-Domestic Rates	Discretionary Rate Relief Policy	50	One off (2nd of 2 years)
Environment	Grounds Maintenance	Two new operatives and associated costs of new vehicle	42	Ongoing (1st of 2 years)
Finance & Admin	Various	Net CMT pay increases*	34	Ongoing
Finance & Admin	Financial Services	Finance Systems Officer post	32	Ongoing
Community Partnerships & Engagement	Economic Development	Business Support Officer	31	One off (2nd of 2 years)
Environment	Planning Specialists	Conservation Officer	30	Ongoing
Community Partnerships & Engagement	New Homes Bonus	Net effect of additional £1k per ward member (less reduction of 5 members)	29	Ongoing
Environment	Waste Management	WYG Consultancy	25	Ongoing
Finance & Admin	Information Technology	Additional ongoing support for various software	23	Ongoing
Environment	Environmental Management	Admin Assistant to take on work previously done by HRA (where saving exists in restructure)	22	Ongoing
Community Partnerships & Engagement	Customer Services	Customer Services Advisor (transferred from HRA)	20	Ongoing
Finance & Admin	Conveniences	Grant to SWTC in respect of Hill Street Toilets	20	Ongoing (5 years max)
Housing	Day Centres	Day Centres Supervisor	15	One off
Finance & Admin	Information Technology	Revenue implications of IT capital programme	13	Ongoing
Finance & Admin	Revenues Admin	Net cost of temporary fraud officers (netted by element funded from preceptors)	11	One off
			Total	<u>523</u>

APPENDIX C – BUDGET ADJUSTMENTS

EFFICIENCY SAVINGS					
Portfolio	Service	Description	£000		
Finance & Admin	Corporate Management	ACE Finance budget cost removed	(88)		Ongoing
Finance & Admin	Office Cleaning	Net establishment saving	(33)		Ongoing
Environmental	Street Services	Net saving arising from management restructure	(20)		Ongoing
Community Safety	Licensing	Net savings arising from establishment restructure	(10)		Ongoing
				Total	<u>(151)</u>

APPENDIX C – BUDGET ADJUSTMENTS

CHANGES TO INCOME			
Portfolio	Service	Description	£000
Increases			
Environmental Services	Development Management	Planning Application Fees	Ongoing (1st of 2 years max)
			(350)
Finance & Admin	Offices	London Road Offices - Top floor rental income from Essex County Council	Ongoing
			(60)
Environmental	Waste Management	ECC recycling credits	Ongoing
			(58)
Housing	Homelessness	Additional rental income from 8 temporary accomodation units transferred from HRA	Ongoing
			(54)
Environmental	Waste Management	Green Waste kerbside customers	Ongoing
			(50)
Environmental	Car Parking	Revised share of Pig Market charity income	Ongoing
			(19)
Environmental	Waste Management	Trade Waste small containers	Ongoing
			(15)
Community Safety	Licensing	Taxi licences	Ongoing
			(14)
Environmental	Street Cleansing	ECC recycling credits	Ongoing
			(14)
Community Safety	Licensing	Liquor licenses	Ongoing
			(10)
Environmental Services	Car Parks	Net increase in operating income	Ongoing
			(10)
Housing	Building Surveying	Building surveying income	Ongoing
			(10)
		Total	(664)
Decreases			
Environmental	Public Health	Decrease in border inspection fees	Ongoing
			11
Finance & Admin	Office Cleaning	Reimbursements budget alignment as per current trend	Ongoing
			12
Environmental	Public Health	Harlow funding for Health & Safety Officer now ceased	Ongoing
			21
Finance & Admin	Revenues Admin	New Burdens Grant budget being removed	Ongoing
			48
Finance & Admin	Local Council Tax Support	Preceptors sharing agreement	Ongoing
			50
		Total	142
		Net Total	(522)

APPENDIX C – BUDGET ADJUSTMENTS

OTHER ADJUSTMENTS - MATERIAL ITEMS (£10K MINIMUM)				
Portfolio	Service	Description	£000	One off or Ongoing
Increases				
Environment	Waste Management	Net effect of recyclables contract now being a cost to UDC	470	Ongoing
Finance & Admin	Conducting Elections	Net cost of district elections in 2015 (to be covered by Elections Reserve)	95	One Off
Finance	Housing Benefits	Net increase in portion of Housing Benefit expenditure recoverable from subsidy	82	Ongoing
Environment	Vehicle Maintenance	Increase in tyre costs*	40	Ongoing
Environment	Waste Management	Other net employee-related increase (establishment/agency/overtime)	37	Ongoing
Environment	Waste Management	Additional costs of taking food waste to Haverhill	32	Ongoing
Environment	Development Management	Net consultancy increase (including SLA with ECC for history/ecology)	26	Ongoing
Finance & Admin	Revenues Admin	Net staffing increase	21	Ongoing
Finance & Admin	Electoral Registration	Postage budget returned from central pot	20	Ongoing
Environment	Public Health	Net effect of staffing restructure	18	Ongoing
Environment	Waste Management	Disposal charges increase for trade waste service	18	Ongoing
Environment	Street Cleansing	Disposal charges increase	16	Ongoing
Community Partnerships & Engagements	Customer Services	Other increase in staffing due to regradings, and officers now opted into pension scheme	13	Ongoing
Environment	Depots	Business Rates at SW Depot - larger premises with increased rateable value	12	Ongoing
Finance & Admin	Benefits Admin / LCTS	Net increase in budgets to reflect 20% of 15/16 benefit admin grant being in LCTS service	12	Ongoing
Housing	Homelessness	Temporary accomodation costs increased with current trend	10	Ongoing
			922	
Decreases				
Housing	Building Surveying	Net effect of staffing restructure	(10)	Ongoing
Environment	Waste Management	Vehicle running costs decrease	(15)	Ongoing
Environment	Vehicle Maintenance	Electricity budget for SW depot already reflected in Depots service	(17)	Ongoing
Community Partnerships & Engagements	Economic Development	Reduction in grants payable	(19)	Ongoing
Finance & Admin	Corporate Team/Information	Net budget reduction arising following Project Officer transfer to Corporate team	(21)	Ongoing
Community Partnerships & Engagements	Democratic Representation	Members allowances reduction (five less members)	(26)	Ongoing
Environment	Waste Management	Bins being transferred to Capital	(63)	Ongoing
			(171)	
			Net Total	
			751	

APPENDIX D

GENERAL FUND RESERVES 2015/16

Reserve	Estimated Balance 01-Apr-15	Estimated Balance 31-Mar-16
£'000		
<u>RINGFENCED RESERVES</u>		
Business Rates	3,623	934
DWP Reserve	175	0
Licensing Reserve	27	5
Working Balance	1,214	1,214
	5,039	2,153
<u>USABLE RESERVES</u>		
<u>Financial Management Reserves</u>		
MTFS Reserve	1,000	972
Transformation Reserve	1,000	1,000
	2,000	1,972
<u>Contingency Reserves</u>		
Emergency Response	40	40
	40	40
<u>Service Reserves</u>		
Access Reserve	200	200
Economic Development	50	0
Elections	95	20
Homelessness	40	40
Planning	1,000	1,000
Strategic Initiatives	353	1,387
Waste Depot Relocation Project	1,500	0
Waste Management	230	200
	3,468	2,847
TOTAL USABLE RESERVES	5,508	4,859
TOTAL RESERVES	10,547	7,012

figures **INCLUDE** P9 forecast 14/15 & budgeted 15/16 surpluses

Uttlesford District Council

2015/16 Fees & Charges

With effect from 1 April 2011, the Council's general policy is to allow a 25% discount for customers in receipt of UDC-administered Housing Benefit and LC-Tax Support.

Certain exemptions to the policy and additional discounts apply in some cases.

Building Regulations Charges and Car Parking charges are not covered by the policy.

Building surveying other charges	2014/15 charge £	2015/16 charge £	Does the charge include VAT?	Note
Provision of Energy Performance Certificates	240.00	240.00	Yes	Standard Charge
Copying charges	10p a sheet + £25 per hour officer time if job exceeds 1 hour	10p a sheet + £25 per hour officer time if job exceeds 1 hour	Yes	Statutory limitations

Street Naming and Numbering	2014/15 charge £	2015/16 charge £	Does the charge include VAT?
Name or number change to existing dwelling	72.00	72.00	No
1 new dwelling name or number change - existing road	102.50	102.50	No
2 to 10 dwelling name or number change - existing road	175.00	175.00	No
Over 10 dwellings name or number - existing road	205.00	205.00	No
Over 10 dwellings name or number on existing road - extra charge per dwelling	20.50	20.50	No
1 to 10 dwellings on a new road	307.50	307.50	No
Over 10 dwellings name or number on new road - extra charge per dwelling	20.50	20.50	No
Parish/Town Council initiated scheme to re name/number on existing road	52.00	52.00	No
Parish/Town Council initiated scheme to re name/number on existing road extra charge per dwelling	20.50	20.50	No
Street Renaming (residents request)	257.00	257.00	No
Street Renaming (residents request, extra charge per dwelling)	20.50	20.50	No
Change of Building Name (e.g. block of flats)	154.00	154.00	No

**STANDARD CHARGES
SCHEDULE 1- NEW DWELLINGS
Dwelling houses and Flats**

<u>Code</u>	<u>New Build Houses or Bungalows Not Exceeding 250m²</u>		<u>Plan Charge</u>	<u>Inspection Charge*</u>	<u>Building Notice*</u>	<u>Regularisation Charge*</u>
HO1	1 Plot	Fee	£260.00	£385.00	£695.00	£868.75
		VAT	£52.00	£77.00	£139.00	
		Total	£312.00	£462.00	£834.00	
HO2	2 Plots	Fee	£330.00	£590.00	£970.00	£1,212.50
		VAT	£66.00	£118.00	£194.00	
		Total	£396.00	£708.00	£1,164.00	
HO3	3 Plots	Fee	£395.00	£785.00	£1,260.00	£1,575.00
		VAT	£79.00	£157.00	£252.00	
		Total	£474.00	£942.00	£1,512.00	
HO4	4 Plots	Fee	£465.00	£960.00	£1,525.00	£1,906.25
		VAT	£93.00	£192.00	£305.00	
		Total	£558.00	£1,152.00	£1,830.00	
HO5	5 Plots	Fee	£520.00	£1,085.00	£1,700.00	£2,125.00
		VAT	£104.00	£217.00	£340.00	
		Total	£624.00	£1,302.00	£2,040.00	
<u>New Build Flats Not Exceeding 250m² and Not More Than 3 Storeys</u>						
FL1	1 Plot	Fee	£260.00	£385.00	£695.00	£868.75
		VAT	£52.00	£77.00	£139.00	
		Total	£312.00	£462.00	£834.00	
FL2	2 Plots	Fee	£330.00	£590.00	£970.00	£1,212.50
		VAT	£66.00	£118.00	£194.00	
		Total	£396.00	£708.00	£1,164.00	
FL3	3 Plots	Fee	£395.00	£785.00	£1,260.00	£1,575.00
		VAT	£79.00	£157.00	£252.00	
		Total	£474.00	£942.00	£1,512.00	
FL4	4 Plots	Fee	£465.00	£960.00	£1,525.00	£1,906.25
		VAT	£93.00	£192.00	£305.00	
		Total	£558.00	£1,152.00	£1,830.00	
FL5	5 Plots	Fee	£520.00	£1,085.00	£1,700.00	£2,125.00
		VAT	£104.00	£217.00	£340.00	
		Total	£624.00	£1,302.00	£2,040.00	
<u>Conversion to</u>						
COH	Single dwelling house (Where total floor area does not exceed 150m ²)	Fee	£220.00	£320.00	£590.00	£737.50
		VAT	£44.00	£64.00	£118.00	
		Total	£264.00	£384.00	£708.00	
COF	Single Flat (Where total floor area does not exceed 150m ²)	Fee	£220.00	£320.00	£590.00	£737.50
		VAT	£44.00	£64.00	£118.00	
		Total	£264.00	£384.00	£708.00	
<u>Notifiable Electrical work (in addition to the above, where applicable.)</u>						
DNE	(Where a satisfactory certificate will not be issued by a Part P registered electrician)	Fee	£220.00	This charge relates to a first fix pre-plaster inspection of the wiring and final testing on completion. Re- visits/testing will be subject to further charges. For regularisation applications a full appraisal and testing will be carried out		
		VAT	£44.00			
		Total	£264.00			

Where Standard Charges are not applicable please contact Building Control on 01799 510539

Please note that the charges marked with an * have been reduced to reflect where controlled electrical installations are being carried out, tested and certified by a registered Part P electrician. If these reductions are claimed and a self certifying electrician is not subsequently employed, the applicant will be invoiced for supplementary charges equal to the discount (see DNE below)

Car Parking	2014/15 charge	2015/16 charge	Does the charge include VAT?
	£	£	
<u>Saffron Walden</u>			
<i>Fairycroft</i>			
30 Minutes	0.50	0.50	Yes
1 Hour	0.70	0.70	Yes
2 Hours	1.20	1.20	Yes
3 Hours	2.00	2.00	Yes
<i>Common</i>			
30 Minutes	0.50	0.50	Yes
1 Hour	0.70	0.70	Yes
2 Hours	1.20	1.20	Yes
3 Hours	2.00	2.00	Yes
4 Hours	3.00	3.00	Yes
<i>Rose & Crown</i>			
30 Minutes	0.50	0.50	Yes
1 Hour	0.70	0.70	Yes
2 Hours	1.20	1.20	Yes
<i>Swan Meadow</i>			
1 Hour	0.70	0.70	Yes
2 Hours	1.20	1.20	Yes
4 Hours	2.00	2.00	Yes
6 Hours	2.50	2.50	Yes
10 Hours	3.50	3.50	Yes
Season Tickets (per annum)	300.00	300.00	Yes
<u>Coaches</u>			
5 Hours	3.00	3.00	Yes
10 Hours	6.00	6.00	Yes
<u>Great Dunmow</u>			
<i>White Street</i>			
30 Minutes	0.40	0.40	Yes
1 Hour	0.60	0.60	Yes
3 Hours	1.20	1.20	Yes
5 Hours	2.40	2.40	Yes
10 Hours	3.50	3.50	Yes
Season Ticket (per annum)	300.00	300.00	Yes
<i>New Street/Chequers & Anis Lane</i>			
30 Minutes	0.40	0.40	Yes
1 Hour	0.60	0.60	Yes
3 Hours	1.20	1.20	Yes
<u>Stansted Mountfitchet</u>			
<i>Lower Street</i>			
30 Minutes	0.40	0.40	Yes
1 Hour	0.60	0.60	Yes
3 Hours	1.20	1.20	Yes
6 Hours	2.40	2.40	Yes
10 Hours	4.00	4.00	Yes
Coaches	6.00	6.00	Yes
<i>Crafton Street</i>			
30 Minutes	0.40	0.40	Yes
1 Hour	0.60	0.60	Yes
3 Hours	1.20	1.20	Yes
10 Hours	3.00	3.00	Yes
Season Ticket - Local Business & employee	250.00	250.00	Yes
Season Ticket - Non business	420.00	420.00	Yes

Environmental Health	2014/15 charge £	2015/16 charge £	Does the charge include VAT?
<u>Food and Water Safety</u>			
Food Safety course - level 2 certificate	70.00	75.00	No
Health Certificate for Export	80.00	85.00	No
Voluntary Surrender Certificate	70.00	75.00	No
Water Samples (Airport)	20.00	25.00	Yes
Private water supply sample collection fee (plus laboratory charges)	25.00	25.00	Yes
Private water supply carrying out of Risk Assessment	45.00	45.00	No
Chemical Water Samples on request	Charged at Cost	Charged at Cost	Yes
<u>Imported Food Inspection Charges</u>			
Organic Produce Certificate - office hours (per certificate)	60.00	70.00	No
Organic Produce Certificate - outside office hours	230.00	250.00	No
POAO per CVED (Products of animal origin) (per consignment)	170.00	175.00	No
POAO per CVED Out of Hours additional fee (Products of animal origin)	65.00	75.00	No
High Risk NAO per CED (Non animal origin)	50.00	55.00	No
High Risk NAO sampling fee + laboratory charges	55.00	60.00	No
High Risk NAO per CED Out of Hours	-	65.00	No
High Risk NAO Out of Hours sampling fee + laboratory charges	-	95.00	No
High Risk destruction charge + disposal costs	55.00	60.00	No
IUU Catch Certificate EEA	15.00	25.00	No
IUU Catch Certificate non EEA	45.00	50.00	No
<u>Animals</u>			
Micro chipping - Pets - Home visit	25.00	25.00	Yes
Micro chipping - Pets - Microchip event	16.50	16.50	Yes
Stray dog - admin and call out fee - (kennel fees additional charge)	45.00	50.00	Yes
<u>Licences</u>			
Animal boarding establishment	130.00	135.00	No
Dog breeding establishment	130.00	135.00	No
Riding establishment (vet fee not included)	230.00	235.00	No
Pet shop (vet fee not included)	130.00	135.00	No
Dangerous wild animals (vet fee not included)	260.00	265.00	No
Zoo licence (5 years) (vet fee not included)	660.00	680.00	No
Skin piercing, acupuncture and electrolysis premises & 1 person licence	160.00	170.00	No
Skin piercing, acupuncture and electrolysis person licence	70.00	70.00	No
<u>Other charges</u>			
Licensing of Houses of Multiple Occupancy (HMO) std fee for up to 5 bedrooms	340.00	350.00	No
5 letting rooms or more - charge per additional room	40.00	40.00	No
Housing Immigration Inspection	140.00	150.00	No
Copy of Food Register - Whole - (hourly charge or part thereof)	65.00	70.00	Yes
Copy of Food Register - Single Entry	20.00	25.00	Yes

Museum	2014/15 charge £	2015/16 charge £	Does the charge include VAT?
Admission Charge adult	1.50	1.50	Yes
Admission Charge discount	0.75	0.75	Yes
Admission Charge children	0.00	0.00	n/a
Season Ticket adult	5.00	5.00	Yes
Season Ticket discount	2.50	2.50	Yes
School visits per pupil	3.00	3.00	Yes
School visits minimum charge	48.00	48.00	Yes
<u>Reproduction Charges</u>			
<u>Fee for providing images of collections for commercial publications</u>			
One country / language	108.00	108.00	Yes
Two or more countries	134.40	134.40	Yes
Regional publication	54.00	54.00	Yes
Local publication	14.40	14.40	Yes
Still image for regional TV	134.40	134.40	Yes
Still image for national TV	270.00	270.00	Yes
Film and video, regional TV	96.00	96.00	Yes
Film and video, national TV	192.00	192.00	Yes
Facility fee for use as "set"	162.00	162.00	Yes
<u>Hire of premises</u>			
Corporate and private hire per hour (first hour)	75.00	75.00	No
Hire per hour after first hour	50.00	50.00	No

Pest Control	2014/15	2015/16	Does the charge include VAT?
	charge	charge	
	£	£	
Mice in domestic premises	57.00	57.00	Yes
Rats at domestic premises includes up to 5 baits	25.00	25.00	Yes
Rats at domestic premises - charge per additional bait where the keeping of animals is contributing to an infestation	15.00	15.00	Yes
Rats & Mice in commercial premises initial survey	130.00	130.00	Yes
Rats & Mice in commercial premises per additional treatment	65.00	65.00	Yes
Abortive visit charge	40.00	40.00	Yes
Cancellation fee (telephone) (after booking/fee charged)	5.00	5.00	Yes
Cluster Flies per treatment	55.00	55.00	Yes
Fleas, carpet beetles, moths (initial treatment plus 1 follow up) up to 3 bed property	80.00	80.00	Yes
Fleas, carpet beetles, moths (initial treatment plus 1 follow up) more than 3 bed property	105.00	105.00	Yes
Ants per treatment	60.00	60.00	Yes
Insect identification charge (per insect type)	10.00	10.00	Yes
Wasps per nest domestic premises	58.00	58.00	Yes
Additional wasp nests domestic	29.00	29.00	Yes
Wasps per nest - commercial premises	85.00	85.00	Yes
Additional wasp nests commercial	45.00	45.00	Yes
Squirrels	92.00	92.00	Yes
Squirrels additional visit	51.00	51.00	Yes

Licensing	2014/15	2015/16	Does the charge include VAT?
	charge	charge	
	£	£	
<u>Taxi Licensing</u>			
Drivers	40.00	40.00	No
Operators	60.00	60.00	No
Vehicles	70.00	70.00	No
CRB checks	Charged at cost	Charged at cost	No
<u>Alcohol Licensing Act 2003</u>			
For the current schedule of statutory fees, please visit the Uttlesford District Council website:			
http://www.uttlesford.gov.uk/article/2295/Licensing-Act-2003---Personal			
http://www.uttlesford.gov.uk/article/2023/Licensing-Act-2003---Premises			
<u>Gambling Act 2005</u>			
For the current schedule of statutory fees, please visit the Uttlesford District Council website:			
http://www.uttlesford.gov.uk/article/2292/Gambling-Act-2005			

Planning Applications

For the current schedule of planning application fees, please visit the Uttlesford District Council website:

<http://www.uttlesford.gov.uk/article/2160/Planning-Application-Fees>

Planning Pre-application advice	2014/15 charge £	2015/16 charge £	Does the charge include VAT?
Major Developments Written advice	300.00	300.00	Yes
Major Developments - Meeting in office	650.00	650.00	Yes
Major Developments - Meeting on site	850.00	850.00	Yes
Minor Developments - written advice	150.00	150.00	Yes
Minor Developments - Meeting in office	350.00	350.00	Yes
Minor Development - Meeting on site	450.00	450.00	Yes
House extensions & alterations	no charge	no charge	n/a

Conservation - Listed Buildings	2014/15 charge £	2015/16 charge £	Does the charge include VAT?
<u>Listed Building Advice (all types excl. Householder)</u>			
Written	150.00	150.00	Yes
Meeting in office	350.00	350.00	Yes
Meeting on site	400.00	400.00	Yes
Additional Officer	-	-	Yes
Follow up	-	-	Yes
<u>Listed Building Householder</u>			
Written	125.00	125.00	Yes
Meeting in office	300.00	300.00	Yes
Meeting on site	350.00	350.00	Yes
Follow up	-	-	Yes
Listed Buildings - urgent structural advice			n/a

Other Planning fees and charges	2014/15 charge £	2015/16 charge £	Does the charge include VAT?
Documents provided under Local Government Access to Information Act 1985 Documents - TPO, BPN, LB Planning & Building Regulation Decision Notices	10p a sheet plus £25 per hour if job exceeds 1 hour	10p a sheet plus £25 per hour if job exceeds 1 hour	Yes
Uttlesford Local Plan Adopted 2005	25.00	25.00	Yes
Weekly list of Planning Application Submissions	321.00	321.00	Yes
Rights of Way - Footpath Diversion - (Now administered by ECC)	n/a	n/a	No

Refuse Collection & Recycling	2014/15 charge £	2015/16 charge £	Does the charge include VAT?
Bulky waste	15.50	16.00	No
<u>Trade Waste</u>			
Trade sacks (3 cubic feet)	1.87	1.87	No
Trade tape rolls (12 rolls = 360 sacks)	46.33	46.33	No
Green Cardboard Recycling Tape	-	-	No
Bins 240 litres	5.14	5.14	No
Bins 660 litres	11.87	11.87	No
Eurobins 1100 litres	18.28	18.28	No
Light Containers - 12 cubic yard	132.18	132.18	No
Heavy Containers - 12 cubic yard	207.29	207.29	No
Kerbside Garden Collection	40.00	40.00	No

Saffron Walden Offices	2014/15 charge £	2015/16 charge £	Does the charge include VAT?
Room hire - committee room (per hour)	57.00	60.00	Yes
Room hire - committee room (per hour) Charity Rate	25.00	25.00	Yes
Room hire - Council Chamber (per hour)	75.60	78.00	Yes
Refreshments - per 10 people	12.60	13.20	Yes

Print Room	2014/15 charge £	2015/16 charge £	Does the charge include VAT?
<p>Printing services for town & parish councils, voluntary organisations, clubs & societies. Hourly charge. Materials charged on top.</p> <p>* Addition of VAT varies depending on what is being printed.</p>	36.00	37.00	No*

Sports Development	2014/15 charge £	2015/16 charge £	Does the charge include VAT?
Nordic Walking drop in weekly	4.00	4.00	No
Nordic Walking 4 week courses	39.00	39.00	No
Nordic Walking Card 5 walks	20.00	20.00	No
Nordic Walking Card 3 months	40.00	40.00	No

Committee: Cabinet

Agenda Item

Date: 17 February 2015

16

Title: 2014/15 Budget Monitoring

Portfolio Holder: Cllr Robert Chambers

Key Decision: No

Summary

1. This report details financial performance relating to the General Fund, Housing Revenue Account, Capital Programme and Treasury Management. It is based upon actual expenditure and income from April to December and forecasts for the end of the financial year.
2. The General Fund is forecasting a £24,000 net favourable variance.
3. The Housing Revenue Account is forecasting a £268,000 surplus.
4. The Capital Programme is forecasted to underspend by £2,221,000.
5. Treasury management activity has been routine and in accordance with policy.

Recommendations

6. The Cabinet is recommended to:
 - Note and approve this report.

Financial Implications

7. Any financial implications are included in the body of the report.

Background Papers

None.

Impact

Communication/Consultation	Budget holders and CMT have been consulted. Verbal update to be provided on CMT comments and feedback
Community Safety	None
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	None
Sustainability	None
None Ward-specific impacts	None
Workforce/Workplace	None

General Fund

8. On the bottom line, a **net favourable variance of £24,000** is forecasted. A summary of the budget by portfolio is shown below and this is set out in more detail in Appendix A.

	Budget	Outturn	Variance
Community Partnerships & Engagement	2,237	2,145	(92)
Community Safety	298	229	(69)
Environmental Services	1,716	1,655	(61)
Finance & Administration	4,976	4,897	(79)
Housing	41	39	(2)
Sub total - service budgets	9,268	8,965	(303)
<u>Corporate items</u>			
Recharge to HRA	(1,464)	(1,395)	69
Capital financing	2,166	3,040	874
Pension Fund	1,228	1,212	(16)
Funding	(6,150)	(6,036)	114
Other items (net)	(50)	(52)	(2)
Net expenditure	4,998	5,734	736
Reserves transfers	(303)	(1,063)	(760)
Total	4,695	4,671	(24)

9. The following are the key **adverse variances** greater than £10,000 within service budgets:

- **Waste Management - £293,000**, Due to changes in the co-mingled recyclable market, from the 1 August 2014 income has ceased and transport and transfer station costs have become payable.
- **Housing Benefits/Council Tax Benefit - £292,000, New Item:** Notification has now been received for the repayment of the 2012/13 benefit audit overpayments, at 100% (£212,000). In addition a reduction in subsidy claimable for 2014/15 has been applied for £79,000. A reserve was allocated in the budget for the repayment of £212,000 and this is shown in the reserves, thus no bottom line impact.
- **Information Technology - £85,000, New Item:** Unexpected software maintenance and licencing charges due to improvements and/or upgrades to current systems to ensure effective and efficient service delivery.
- **Revenues Administration - £69,000**, Due to staff turnover and levels of staff absence, temporary agency staffing has been required to cover the

workload. Recruitment is now finalised and the service is now fully staffed with no requirement for agency.

- **Planning Management and Administration - £65,000**, Agency staff, (3), have been employed for the duration of the financial year, to cover the increase in workload on appeals and back scanning of documents. This will be partially funded from the surplus generated in 2013/14 from the Building Surveying Trading account.
- **Planning Policy - £52,000, New Item**: Invoice has now been received for the Local Plan Inspector fees. It was impossible to predict the cost of this and as such was not built into the original budget, with the intention that this would be met from the planning reserve.

10. The following are the key **favourable variances** greater than £10,000 within service budgets:

- **Non Domestic Rates - £366,000, New Item**: Relates to Discretionary Rate Relief, there was some debate on whether this was a General Fund revenue cost or a Collection Fund cost. This has now been clarified and subsequently removed from revenue and accounted for in the Collection Fund.
- **Public Health - £177,000**, Increased income relating to the inspection of imported foods (green beans) at Stansted Airport.
- **Development Management - £138,000**, Planning Application fees and pre application charges are continuing with the increased trend and extra income of £350,000 is expected for this financial year. This is offset by consultancy and Legal costs.
- **Local Amenities - £115,000, New Item**: Section 106 funding previously shown as net of service budget, this has now been reclassified and is shown in the funding section, no bottom line impact.
- **Street Services Management - £102,000, New Item**: Management restructure now in place and reduction in staffing costs.
- **Legal Services - £73,000, New Item**: Additional income relating to S106 work carried out. It is difficult to predict accurately the level of externally chargeable work relating to these agreements.
- **Leisure PFI - £66,000, New Item**: Updated due to reconciliation of actual costs to date as previously budget was calculated on estimated costs.
- **Corporate Management - £47,000, New Item**: This is the net effect of the staff pay award budget which now agreed has been allocated to services, the reduction in CMT employee costs and the increased cost of Audit Fees.
- **Community Safety - £44,000, New Item**: The Anti-Social Behaviour post has been transferred to the Housing Revenue Account, within the Housing Services.
- **Economic Development - £36,000, New Item**: Flood grant now received in the Service.

- **Licensing - £35,000, New Item:** Additional income relates to the increase in Hackney carriage/private hire licences issued. Please note that the current fees do not cover the cost of the service and the deficit is being made up from a draw down on the Licensing reserve.
- **Office Cleaning - £23,000, New Item:** The recruitment of staff to the current vacancies is proving difficult and posts have remained vacant for longer than anticipated.
- **Street Cleaning - £20,000, New Item:** Reduction in staffing and overtime costs.

11. Within the **corporate items** on the General Fund, the variances are summarised below:

- **Capital Financing Costs - £874,000** (adverse), this is due to various changes in the capital financing requirement for revenue contributions and the 2 key items are;
 - £200,000 – Work in progress which has now become a usable asset and subsequent financing now needs to be established within the budget.
 - £1,047,000 – This relates to the transfer of 8 designated temporary accommodation units (details of this are discussed in an earlier report in tonight’s agenda).
- **Housing Revenue Account recharge - £69,000** (adverse), a recalculation of the central and corporate services which are received by the HRA, this is directly related to the favourable variances in the General Fund.
- Planning Application fees and pre application charges are continuing with the increased trend and extra income of £200,000 is expected for this financial year. This is partly offset by consultancy costs.

12. The net drawdown on reserves is predicted at £1,839,000, a summary table is attached at the end of Appendix B. This looks more complicated in the summary table than in previous reports due to the new reserves strategy as discussed earlier in tonight’s agenda.

Housing Revenue Account

13. The HRA is showing a projected forecast surplus of **£268,000**, a summary is shown below and more detail can be seen in Appendix D.

£' 000	Budget	Outturn	Variance
Dwelling Rents	(14,390)	(14,400)	(10)
Garage Rents	(210)	(210)	0
Charges for Services & Facilities	(777)	(811)	(34)
Other Income	(13)	(24)	(11)
Total Income	(15,390)	(15,445)	(55)
Housing Finance & Business Management	476	458	(18)
Housing Maintenance & Repairs Service	2,885	3,349	464
Housing Management & Homelessness	889	882	(7)
Service Expenditure	4,250	4,689	439
Capital Charges	3,261	3,361	100
Bad Debt Provision	150	150	0
Supporting People	53	54	1
Recharge from General Fund	1,464	1,403	(61)
Interest/Costs re HRA Loan	2,625	2,625	0
Pension Fund Costs	217	248	41
Pay Award	10	0	(10)
Other Costs	7,780	7,841	71
Total Expenditure	12,030	12,540	510
OPERATING (SURPLUS)/DEFICIT	(3,360)	(2,905)	455
Funding of Capital Programme from HRA	3,244	3,265	21
Total Use of Reserves/Funding	116	(628)	(744)
(SURPLUS)/DEFICIT	0	(268)	(268)

14. A requirement to change in the way capital items were financed has impacted on the reserves, the sum of £798,000 was budgeted to be added to the Sheltered Housing Reserve, and this has now been absorbed by the direct revenue financing requirement.

15. The following are the key variances both adverse and favourable.

- **Housing Repairs** – adverse variance of £416,000, this is due to a variety of factors
 - Restructure of the Service (there has been transfers of post between Housing Repairs and Property Services, £110,000 of this variance is reflected elsewhere as favourable).
 - £240,000 relates to planned repairs being brought forward in the programme and an increase in ad hoc repairs due to adverse

weather conditions and unexpected number of dwellings suffering from damp.

- **Property Services** – net favourable variance of £10,000
 - £110,000 reduction in costs relates to the transfer of posts to the Housing Repairs Service.
 - £100,000 is the cost of external consultants due to housing repairs and development needs and restructure implications.
- **Housing Services** – adverse variance of £44,000 is the transfer of one FTE from the General Fund to the HRA.
- **Newport Depot** - £40,000 adverse cost due to the unexpected work of resurfacing the car park.
- **Business and Performance** - £62,000 favourable variance due to the delayed recruitment to vacant posts and removal of one post.
- **Sheltered Housing** - £52,000 favourable variance, is due to a variety of reductions in service requirement, reduced need for transitional relief, and reduced dependency on lifeline pendants due to new alarm systems being fitted.
- **Rent and Income** - favourable variance of £55,000, this is due to a combined effect of increased dwelling rent, increased service charges and investment income.

16. The HRA reserves are summarised below and this includes the HRA forecasted surplus of £268,000 in the Sheltered Housing Projects reserve.

Reserve	Actual Balance 01/04/2014	Forecast transfer from HRA	Forecast transfer to HRA	Transfers between Reserves	Estimated Balance 01/04/2015
£'000					
RINGFENCED RESERVES					
Working Balance	680	42	(192)		530
	<u>680</u>	<u>42</u>	<u>(192)</u>	<u>0</u>	<u>530</u>
USABLE RESERVES					
Revenue Reserves					
Change Management	200		(11)	(189)	0
Revenue Projects	60				60
Transformation Reserve	0	(42)		189	147
	260	(42)	(11)	0	207
Capital Reserves					
Capital Projects	1,223		(425)		798
Potential Projects Reserve	800				800
Sheltered Housing Projects Reserve	318	268			586
	2,341	268	(425)	0	2,184
TOTAL USABLE RESERVES	<u>2,601</u>	<u>226</u>	<u>(436)</u>	<u>0</u>	<u>2,391</u>
TOTAL RESERVES	<u>3,281</u>	<u>268</u>	<u>(628)</u>	<u>0</u>	<u>2,921</u>

Capital Programme

17. Forecasted capital expenditure is £9,495,000 against a budget of £12,216,000, showing a reduction in capital spending of £2,721,000. This reflects an underspend in the General Fund of £572,000 and the Housing Revenue Account of £2,149,000. The capital programme is set out in more detail in Appendix E, the main areas which contribute to the budget movements are detailed below.

- **Motte & Bailey – £205,000**, Due to the current contract for semaphore works being delayed and the needs to obtain English Heritage advice, planned works have been delayed on this project. We anticipate that this phase of works will be carried out in 2015/16.
- **Superfast Broadband - £100,000**, the tender process is progressing and the work is planned to start later in 2015/16.
- **Vehicle Replacement - £187,000**, delay in requirement for new street sweeping vehicles.
- **Catons Lane Car Park - £155,000**, this is now unlikely to proceed, awaiting Cabinet paper to be taken in March 2015.
- **Mead Court (Phase 2) - £1,327,000**, this project has now been split into 2 phases and this has allowed the re-profiling of the costs as per the project build programme.
- **Catons Lane Social Housing - £295,000** programme of works now anticipated to start in 2015/16
- **Energy Efficiency for Council Dwellings - £306,000**, £206,000 is a reduction in requirement for properties to be updated so this will be a saving on this and transferred back to reserves. £100,000 is to be re-profiled for works to be carried out in 2015/16.

Treasury Management

18. Activity during the period 1 April to 31 December 2014 has been set out in Appendix F.

19. All deposits placed complied with the Council's Treasury Management Strategy. Balances as at the 31 December 2014 totalled £30.05m and were held at an average interest rate of 0.39%.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Actual income and expenditure will vary from forecast, requiring adjustments to budget and/or service delivery. Detailed risk analysis is set out in Appendix B.	2 – some variability is inevitable	2 – budget will be closely monitored and prompt action taken to deal with variances	Budgetary control framework

APPENDIX A

GENERAL FUND SUMMARY

£000	2013/14				2014/15			
	Outturn	April to December			Original Budget	Full Year		
		Current Budget	Actual to Date	Variance to Date		Current Budget	Forecast Outturn	Forecast Variance
Community Partnerships & Engagement	1,819	1,733	1,441	-292	2,146	2,237	2,145	-92
Community Safety	286	187	103	-84	313	298	229	-69
Environmental Services	790	1,372	655	-717	1,696	1,716	1,655	-61
Finance & Administration	4,414	3,910	3,488	-422	4,740	4,976	4,897	-79
Housing (General Fund)	-63	16	-41	-57	38	41	39	-2
Sub-total – Portfolio and Committee budgets	7,246	7,218	5,646	-1,572	8,933	9,268	8,965	-303
Corporate Items								
Capital Financing Costs	2,049	284	285	1	1,611	2,166	3,040	874
Investment Income	(51)	(45)	(42)	3	(50)	(50)	(52)	(2)
Landsbanki	(79)	0	0	0	0	0	0	0
New Homes Bonus - Community Projects 11/12	11	0	0	0	0	0	0	0
Pension Fund - Added Years	98	95	84	(11)	107	107	92	(15)
Pension Fund - Deficit	380	1,319	1,358	39	1,121	1,121	1,120	(1)
Recharge to HRA	(1,069)	0	0	0	(1,211)	(1,211)	(1,150)	61
HRA Share of Corporate Core	(245)	0	0	0	(253)	(253)	(245)	8
Sub total - Corporate Items	1,094	1,653	1,685	32	1,325	1,880	2,805	925
Sub total - Budget	8,340	8,871	7,331	(1,540)	10,258	11,148	11,770	622
Funding								
Council Tax - Collection Fund Balance	(60)	0	0	0	(256)	(256)	(256)	0
Council Tax - Freeze Grant 13/14 (year 2 of 3)	(50)	0	0	0	0	0	0	0
Council Tax - Freeze Grant 14/15 (year 1 of 2)	0	(37)	(46)	(9)	(50)	(50)	(51)	(1)
NNDR - Retained Income	(1,857)	0	0	0	(1,279)	(1,279)	(1,279)	0
NNDR - Collection Fund Balance	0	0	0	0	0	0	1,275	1,275
NNDR - Levy Payment/Safety Net Reimbursement	(1,611)	0	0	0	0	0	0	0
NNDR - Section 31 Funding	(324)	0	(382)	(382)	0	0	(475)	(475)
NNDR - Transfer to/(from) Ringfenced Reserve	2,538	0	0	0	0	0	(800)	(800)
DCLG - Other Funding	(89)	(36)	(28)	8	(36)	(36)	(43)	(7)
Flood Support Schemes - Other Funding	0	0	(4)	(4)	0	0	(4)	(4)
New Homes Bonus Grant	(2,042)	(2,162)	(2,158)	4	(2,877)	(2,877)	(2,877)	0
Section 106 Funding - Transfers to/(from) S106 reserves	(3)	0	127	127	(10)	(10)	117	127
Settlement Funding	(2,038)	(1,026)	(1,026)	0	(1,642)	(1,642)	(1,643)	(1)
Sub-total – Funding	(5,537)	(3,261)	(3,517)	(256)	(6,150)	(6,150)	(6,036)	114
Sub-total – Net Operating Expenditure	2,803	5,610	3,814	(1,796)	4,108	4,998	5,734	736
Transfers to/from (-) Reserves								
Access Reserve	0	0	0	0	200	200	200	0
Budget Equalization Reserve	0	0	0	0	0	0	(668)	(668)
Budget Equalization Reserve - Pension Deficit	0	0	0	0	(748)	(748)	(748)	0
Budget Slippage Reserve	28	0	0	0	0	0	(28)	(28)
Change Management Reserve	335	0	0	0	0	0	(923)	(923)
Council Tax Freeze Grant Reserve	50	0	0	0	50	50	(174)	(224)
DWP Reserve	0	0	0	0	0	0	175	175
Economic Development Reserve	103	0	0	0	0	(50)	(170)	(120)
Elections Reserve	20	0	0	0	20	20	28	8
Emergency Response Reserve	50	0	0	0	0	0	(100)	(100)
Hardship Fund	0	0	0	0	0	0	(100)	(100)
Homelessness Reserve	20	0	0	0	0	0	(61)	(61)
LGRR Contingency Reserve	423	0	0	0	73	73	(1,385)	(1,458)
Licensing Reserve	(16)	0	0	0	(25)	(25)	(20)	5
MTFS Reserve	0	0	0	0	0	0	1,000	1,000
Municipal Mutual Reserve	0	0	0	0	0	0	(51)	(51)
Neighbourhood Front Runners Reserve	(9)	0	0	0	0	0	(57)	(57)
NHB Community Reserve	(11)	0	0	0	0	0	(15)	(15)
NHB Contingency Reserve	(40)	0	0	0	0	(158)	(790)	(632)
Planning Development Reserve	670	0	0	0	17	17	65	48
Strategic Initiatives Reserve	0	0	0	0	1,000	318	329	11
Transformation Reserve	0	0	0	0	0	0	1,000	1,000
Waste Depot Relocation Project	0	0	0	0	0	0	1,500	1,500
Waste Reserve	221	0	0	0	0	0	(70)	(70)
Sub-total - Movement in Earmarked Reserves	1,844	0	0	0	587	(303)	(1,063)	(760)
COUNCIL TAX REQUIREMENT (BOTTOM LINE)	4,647	5,610	3,814	(1,796)	4,695	4,695	4,671	(24)
Council Tax (precept levied on Collection Fund)	(4,647)	0	0	0	(4,695)	(4,695)	(4,695)	0
OVERALL NET POSITION		0	0	(24)	(24)			

APPENDIX A (continued)

COMMUNITY PARTNERSHIPS & ENGAGEMENT PORTFOLIO

£000	2013/14	2014/15						
	Outturn	April to December			Full Year			
		Current Budget	Actual to Date	Variance to Date	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Assisted Travel	1	0	1	1	1	1	(1)	(2)
Committee Administration	153	113	121	8	152	153	162	9
Communications	156	184	180	(4)	243	244	243	(1)
Community Information Centres	46	40	39	(1)	50	51	46	(5)
Community & Leisure Management	46	35	34	(1)	46	46	46	0
Customer Services Centre	293	230	249	19	307	309	333	24
Democratic Representation	343	276	272	(4)	361	360	358	(2)
Economic Development	127	188	61	(127)	203	250	214	(36)
Grants & Contributions	359	368	306	(62)	371	371	371	0
Leisure & Administration	75	80	47	(33)	96	97	94	(3)
Leisure PFI	(75)	(54)	(96)	(42)	(9)	(9)	(75)	(66)
Museum Saffron Walden	178	124	129	5	160	161	155	(6)
New Homes Bonus	88	80	34	(46)	88	126	126	0
Sports Development	29	69	64	(5)	77	77	73	(4)
Portfolio Total	1,819	1,733	1,441	(292)	2,146	2,237	2,145	(92)

COMMUNITY SAFETY PORTFOLIO

£000	2013/14	2014/15						
	Outturn	April to December Current Budget	Actual to Date	Variance to Date	Full Year Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Community Safety	175	110	48	(62)	177	177	133	(44)
Emergency Planning	41	31	35	4	43	43	50	7
Enforcement	190	135	139	4	188	173	176	3
Highways	(11)	(11)	0	11	(15)	(15)	(15)	0
Licensing	(109)	(78)	(119)	(41)	(80)	(80)	(115)	(35)
Portfolio Total	286	187	103	(84)	313	298	229	(69)

APPENDIX A (continued)

ENVIRONMENT PORTFOLIO

£000	2013/14	2014/15						
	Outturn	April to December			Full Year			
		Current Budget	Actual to Date	Variance to Date	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Animal Warden	30	23	23	0	30	30	30	0
Car Parking	(629)	(381)	(453)	(72)	(589)	(589)	(578)	11
Depots	40	36	53	17	44	44	72	28
Development Management	(610)	(197)	(441)	(244)	(129)	(126)	(264)	(138)
Environmental Management & Admin	95	66	77	11	88	88	103	15
Grounds Maintenance	143	126	115	(11)	167	167	167	0
Housing Strategy	88	74	74	0	89	90	91	1
Local Amenities	3	7	(113)	(120)	7	7	(108)	(115)
Pest Control	22	25	18	(7)	27	27	21	(6)
Planning Management & Admin	382	280	320	40	373	376	441	65
Planning Policy	270	183	181	(2)	244	245	304	59
Planning Specialists	171	131	137	6	175	175	197	22
Public Health	302	298	161	(137)	385	388	211	(177)
Street Cleansing	265	215	173	(42)	298	299	279	(20)
Street Services Management & Admin	251	255	176	(79)	340	342	240	(102)
Vehicle Management	345	259	258	(1)	346	346	350	4
Waste Management - Expenditure	1,906	1,450	1,488	38	2,010	2,016	2,207	191
Waste Management - Income	(2,284)	(1,478)	(1,592)	(114)	(2,209)	(2,209)	(2,108)	101
Portfolio Total	790	1,372	655	(717)	1,696	1,716	1,655	(61)

APPENDIX A (continued)

FINANCE & ADMINISTRATION PORTFOLIO

£000	2013/14	2014/15						
	Outturn	April to December			Full Year			
		Current Budget	Actual to Date	Variance to Date	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Benefit Administration	(293)	(198)	(213)	(15)	(264)	(264)	(264)	0
Business Improvement & Performance Team	153	57	57	0	76	77	76	(1)
Central Services	407	287	265	(22)	381	383	377	(6)
Conducting Elections	(9)	1	28	27	1	1	(17)	(18)
Conveniences	27	20	16	(4)	22	22	21	(1)
Corporate Management	726	638	521	(117)	817	773	726	(47)
Corporate Team	113	78	75	(3)	105	105	104	(1)
Council Tax Benefits	(179)	0	9	9	0	0	71	71
Electoral Registration	24	21	3	(18)	21	21	21	0
Financial Services	907	716	548	(168)	848	850	865	15
Housing Benefits	(148)	(11)	(59)	(48)	63	63	284	221
Human Resources	253	173	169	(4)	218	219	217	(2)
Information Technology	1,088	928	1,025	97	1,092	1,094	1,179	85
Internal Audit	108	83	82	(1)	110	111	111	0
Leased Cars	0	3	4	1	0	0	0	0
Legal Services	23	72	(9)	(81)	101	101	28	(73)
Local Council Tax Support	177	114	74	(40)	79	79	80	1
Local Tax Collection	(98)	(38)	0	38	(50)	(50)	(50)	0
Non Domestic Rates	(142)	82	0	(82)	(29)	221	(145)	(366)
Offices	343	269	250	(19)	324	325	322	(3)
Office Cleaning	169	132	115	(17)	176	177	154	(23)
Revenues Administration	765	483	528	45	649	668	737	69
Portfolio Total	4,414	3,910	3,488	(422)	4,740	4,976	4,897	(79)

HOUSING PORTFOLIO

£000	2013/14	2014/15			2014/15			
	Outturn	April to December			Full Year			
		Current Budget	Actual to Date	Variance to Date	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Building Surveying	(85)	(43)	(34)	9	(69)	(67)	(64)	3
Day Centres	29	28	24	(4)	36	36	35	(1)
Energy Efficiency	43	35	29	(6)	47	47	43	(4)
Homelessness	169	159	122	(37)	211	212	235	23
Housing Grants	10	10	10	0	10	10	10	0
Land Charges	(90)	(49)	(68)	(19)	(65)	(65)	(81)	(16)
Lifeline	(139)	(124)	(124)	0	(132)	(132)	(139)	(7)
Portfolio Total	(63)	16	(41)	(57)	38	41	39	(2)

GENERAL FUND RESERVES

Reserve	Actual Balance 1st April 2014	Transfers in	Transfers out	Estimated Balance 31st March 2015
£'000				
<u>RINGFENCED RESERVES</u>				
Business Rates	4,423	475	(1,275)	3,623
DWP Reserve	0	175		175
Licensing Reserve	47		(20)	27
Working Balance	1,214			1,214
	5,684	650	(1,295)	5,039
<u>USABLE RESERVES</u>				
<u>Financial Management Reserves</u>				
Budget Equalisation	1,416	24	(1,440)	0
Budget Slippage	28		(28)	0
Change Management	923		(923)	0
Council Tax Freeze Grant	174	51	(225)	0
MTFS Reserve	0	1,000		1,000
Transformation Reserve	0	1,000		1,000
	2,541	2,075	(2,616)	2,000
<u>Contingency Reserves</u>				
Emergency Response	140		(100)	40
Local Government Resource Review	1,385	654	(2,039)	0
Municipal Mutual	51		(51)	0
New Homes Bonus - Contingency	790		(790)	0
	2,366	654	(2,980)	40
<u>Service Reserves</u>				
Access Reserve	0	200		200
Economic Development	220		(170)	50
Elections	67	28		95
Hardship Fund	100		(100)	0
Homelessness	101		(61)	40
Neighbourhood Front Runners	57		(57)	0
New Homes Bonus - Community Projects	15		(15)	0
Planning	935	65		1,000
Strategic Initiatives	0	2,047	(1,694)	353
Waste Depot Relocation Project	0	1,500		1,500
Waste Management	300		(70)	230
	1,795	3,840	(2,167)	3,468
TOTAL USABLE RESERVES	6,702	6,569	(7,763)	5,508
TOTAL RESERVES	12,386	7,219	(9,058)	10,547

Note: the above reserve figures include the 2014/15 surplus of £24,000

GENERAL FUND – RISK ANALYSIS

This is an update of the risk analysis reported to the Council at the time that the 2014/15 budget was set.

Risk item	Original Risk Level	Current Status	Current Risk Level
a) Localisation of Business Rates.	High	Higher level of Business Rates appeals than anticipated could exceed the current provision.	Medium
b) Waste & Recycling	High	Expenditure and income remain variable, mainly due to the interim arrangements on the recyclable contract.	High
c) Reforms to Housing & Council Tax Benefit.	High	No significant issues have arisen.	Medium
d) Section 106 agreements.	High	The anticipated risk of expenditure commitments exceeding available funds has not yet arisen.	Medium
e) Efficiency Savings.	Medium	No significant issues are anticipated.	Low
f) Car Parks Income.	Medium	The anticipated risk related to tariff changes during the year which would reduce income. No such changes have been planned.	Low
g) Fees & Charges income.	Medium	Income levels are holding up well with a significant surplus of planning fees and environmental health income in particular.	Low

Risk item	Original Risk Level	Current Status	Current Risk Level
h) Planning appeals.	Medium	At the present time no significant liabilities have arisen however the inherent risk remains.	Medium
i) Instability of banking industry.	Medium	Treasury management continues to be carried out prudently and there are no current concerns about the security of council funds. There is a low probability of issues arising but the sums involved remain significant so the overall risk level remains.	Medium
j) Local Plan	Low	No significant financial issues have arisen.	Low
k) External funding.	Low	No significant financial issues have arisen.	Low
l) Supplies & Services contracts.	Low	No significant issues have arisen. One area with potential for cost fluctuations is in Waste Management, where contract issues remain outstanding.	Medium
m) Capital financing costs.	Low	No significant financial issues have arisen.	Medium
n) Pay award.	N/A	Pay award now agreed at 2.2%	N/A

APPENDIX D

HOUSING REVENUE ACCOUNT

£000	2013/14	2014/15						
	Outturn	April to December			Full Year			
		Current Budget	Actual to Date	Variance to Date	Original Budget	Current Budget	Forecast Outturn	Forecast Variance
Housing Revenue Account Income								
Dwelling Rents	(13,703)	(10,792)	(10,984)	(192)	(14,390)	(14,390)	(14,400)	(10)
Garage Rents	(201)	(158)	(154)	4	(210)	(210)	(210)	0
Land Rents	(3)	(2)	(2)	0	(3)	(3)	(2)	1
Charges for Services & Facilities	(763)	(598)	(628)	(30)	(777)	(777)	(811)	(34)
Contributions towards Expenditure	(3)	0	(1)	(1)	0	0	0	0
Investment Income	(22)	0	0	0	(10)	(10)	(22)	(12)
Other Income	(9)	0	0	0	0	0	0	0
TOTAL INCOME	(14,704)	(11,550)	(11,769)	(219)	(15,390)	(15,390)	(15,445)	(55)
Housing Finance & Business Management								
Business & Performance Management	402	337	300	(37)	467	440	379	(61)
Rents, Rates & Other Property Charges	20	36	70	34	36	36	79	43
	422	373	370	(3)	503	476	458	(18)
Housing Maintenance & Repairs Service								
Common Service Flats	232	193	117	(76)	275	275	273	(2)
Estate Maintenance	168	106	123	17	141	141	141	0
Housing Repairs	2,178	1,455	1,715	260	1,935	1,946	2,375	429
Housing Sewerage	47	39	39	0	49	49	55	6
Newport Depot	22	10	47	37	12	12	53	41
Property Services	382	345	336	(9)	460	462	452	(10)
	3,029	2,148	2,377	229	2,872	2,885	3,349	464
Housing Management & Homelessness								
Housing Services	245	201	229	28	253	275	319	44
Sheltered Housing Services	544	459	384	(75)	612	614	563	(51)
	789	660	613	(47)	865	889	882	(7)
Total Service Expenditure	4,240	3,181	3,360	179	4,240	4,250	4,689	439
Other Costs								
Depreciation - Land & Buildings (<i>transfer to MRR</i>)	3,081	0	0	0	3,136	3,136	3,136	0
Depreciation - Other Assets (<i>transfer to MRR</i>)	104	0	0	0	125	125	125	0
Impairment - Other Assets	0	0	0	0	0	0	100	100
Bad Debt Provision	(32)	0	0	0	150	150	150	0
Supporting People	118	40	35	(5)	53	53	54	1
Recharge from General Fund	1,069	0	0	0	1,211	1,211	1,150	(61)
HRA Share of Corporate Core	245	0	0	0	253	253	253	0
Interest/Costs re HRA Loan	2,626	1,313	1,285	(28)	2,625	2,625	2,625	0
Pension Fund - Added Years	20	0	0	0	19	19	20	1
Pension Fund - Deficit	76	0	0	0	198	198	238	40
Pay Award	0	20	0	(20)	20	10	0	(10)
Right to Buy Admin Costs Allowance	(23)	0	0	0	0	0	0	0
Total Non-Service Expenditure	7,284	1,373	1,320	(53)	7,790	7,780	7,851	71
TOTAL EXPENDITURE	11,524	4,554	4,680	126	12,030	12,030	12,540	510
OPERATING (SURPLUS)/DEFICIT	(3,180)	(6,996)	(7,089)	(93)	(3,360)	(3,360)	(2,905)	455
Funding of Capital Programme from HRA								
Funding of Action Plan Capital Items	839	0	0	0	2,147	2,147	2,119	(28)
Funding of Capital from Revenue	2,023	0	0	0	1,097	1,097	1,146	49
	2,862	0	0	0	3,244	3,244	3,265	21
Transfers to/from (-) Reserves								
Capital Projects Reserve	0	0	0	0	(550)	(550)	(425)	125
Change Management Reserve	0	0	0	0	0	0	(200)	(200)
Sheltered Housing Reserve	0	0	0	0	798	798	0	(798)
Transformation Reserve	0	0	0	0	0	0	147	147
Working Balance	0	0	0	0	(132)	(132)	(150)	(18)
	0	0	0	0	116	116	(628)	(744)
Total Use of Reserves/Funding	2,862	0	0	0	3,360	3,360	2,637	(723)
(SURPLUS)/DEFICIT	(318)	(6,996)	(7,089)	(93)	0	0	(268)	(268)

CAPITAL PROGRAMME

£'000	Actuals	Original Budget 2014-15	Slippage from 2013-14	Budget adjustment as agreed by Cabinet	Current Budget 2014-15	Forecast Outturn	Forecast to Budget Variance
Community and Engagements							
Community Project Grants	47	110	26	0	136	136	0
Museum Storage Facility	292	300	0	0	300	300	0
S/W Motte & Bailey	68	325	30	0	355	150	(205)
Superfast Broadband	0	0	0	100	100	0	(100)
Total Community Partnerships and Engagement Excluding S106	407	735	56	100	891	586	(305)
Community Safety							
CCTV Stansted	16	0	42	0	42	42	0
CCTV Thaxted	0	35	0	0	35	35	0
Total Community Safety	16	35	42	0	77	77	0
Environmental Services							
Vehicle Replacement Programme	93	180	0	100	280	93	(187)
In-cab Technology - Vehicles	0	12	0	0	12	12	0
Household Bins	0	0	0	0	0	30	30
Kitchen Caddies	0	0	0	0	0	10	10
Garden Waste Bins	0	0	0	0	0	20	20
Trade Waste Bins	0	0	0	0	0	10	10
New Schemes							
Swan Meadow car park	72	0	0	130	130	135	5
Catons Lane car park	0	0	0	155	155	0	(155)
Flood prevention work	0	0	0	45	45	45	0
Total Environmental Services	165	192	0	430	622	355	(267)
Finance Admin							
IT Schemes							
Minor Items IT	0	20	0	0	20	20	0
Bring your own device	0	0	10	0	10	10	0
Citrix Upgrade	0	20	0	0	20	20	0
PSN CoCo Works	0	30	0	0	30	30	0
Mobile working - Housing	0	50	0	0	50	50	0
Mobile working - Planning & Env Health	1	45	0	0	45	45	0
Mailroom scanners	14	0	0	0	0	14	14
Video conferencing	2	0	0	0	0	0	0
UPS - Additional	0	0	0	0	0	50	50
UDC Asset work							
Council Offices Improvements	21	30	159	0	189	145	(44)
Hill St Conveniences	0	0	0	120	120	120	0
Stansted Conveniences - Grant	0	0	0	30	30	30	0
Total Finance Admin	38	195	169	150	514	534	20
Housing							
General Fund							
Disabled Facilities Grants	92	225	0	0	225	225	0
Empty Dwellings	0	50	0	0	50	30	(20)
Private Sector Renewal Grants	0	30	0	0	30	30	0
Day Centres Cyclical Improvements	13	10	0	0	10	10	0
Compulsory Purchase Order	0	0	0	0	0	0	0
Total GF Housing	105	315	0	0	315	295	(20)
HRA							
HRA Repairs	2,505	4,183	0	(215)	3,968	3,878	(90)
UPVC Fascia's and Guttering	139	500	0	0	500	500	0
Cash Incentive Scheme Grants	25	50	0	0	50	50	0
Additional Housing Vans	0	0	0	0	0	20	20
Business Plan Items							
Service Chg Planned Rep System - ICT Schemes	6	0	92	0	92	101	9
Energy Efficiency Schemes	264	300	0	306	606	300	(306)
Support unit for people with learning difficulties	0	0	100	0	100	0	(100)
New build Garden/Garage Sites	0	600	0	(305)	295	0	(295)
New build - Catons Lane	13	0	0	30	30	30	0
New build - Mead court/Canons Mead garage Site	1,634	2,537	1,204	0	3,741	2,414	(1,327)
Holloway Crescent - Final costs	24	0	0	0	0	30	30
Sheltered Hsg Alarms Equip	0	100	0	0	100	10	(90)
Sheltered Schemes							
Reynolds Court	76	0	0	205	205	205	0
Hatherley Court	19	0	0	60	60	60	0
Walden Place	11	0	0	10	10	10	0
Internet Café's in Sheltered Hsg	12	40	0	0	40	40	0
Total HRA	4,728	8,310	1,396	91	9,797	7,648	(2,149)
Total General Fund	731	1,472	267	680	2,419	1,847	(572)
CAPITAL PROGRAMME TOTAL	5,459	9,782	1,663	771	12,216	9,495	(2,721)

TREASURY MANAGEMENT

DEPOSITS MADE 1 APRIL 2014 TO 31 DECEMBER 2014

Deposit Date	Amount £m	Institution	Interest	Return Date
01-Apr-14	1.00	BoS / Lloyds	0.68%	18-Sep-14
02-Apr-14	1.00	Nationwide Building Society	0.54%	18-Sep-14
07-Apr-14	1.00	Leeds Building Society	0.40%	15-Jul-14
07-Apr-14	16.00	Debt Management Office (DMO)	0.25%	15-Apr-14
08-Apr-14	2.50	Debt Management Office (DMO)	0.25%	30-Apr-14
15-Apr-14	11.00	Debt Management Office (DMO)	0.25%	19-May-14
02-May-14	5.00	Debt Management Office (DMO)	0.25%	19-Jun-14
09-May-14	2.00	Debt Management Office (DMO)	0.25%	19-Jun-14
15-May-14	4.50	Debt Management Office (DMO)	0.25%	18-Jul-14
19-May-14	3.00	Debt Management Office (DMO)	0.25%	21-Jul-14
02-Jun-14	4.00	Debt Management Office (DMO)	0.25%	09-Jun-14
04-Jun-14	1.00	Debt Management Office (DMO)	0.25%	19-Jun-14
09-Jun-14	4.00	Debt Management Office (DMO)	0.25%	19-Aug-14
13-Jun-14	2.00	Debt Management Office (DMO)	0.25%	19-Aug-14
16-Jun-14	2.50	Debt Management Office (DMO)	0.25%	18-Sep-14
01-Jul-14	4.00	Debt Management Office (DMO)	0.25%	22-Sep-14
03-Jul-14	0.50	Debt Management Office (DMO)	0.25%	14-Jul-14
11-Jul-14	1.50	Debt Management Office (DMO)	0.25%	18-Jul-14
15-Jul-14	4.00	Debt Management Office (DMO)	0.25%	17-Oct-14
18-Jul-14	1.50	Debt Management Office (DMO)	0.25%	19-Aug-14
01-Aug-14	4.00	Debt Management Office (DMO)	0.25%	29-Sep-14
07-Aug-14	1.00	Debt Management Office (DMO)	0.25%	06-Oct-14
08-Aug-14	1.00	Debt Management Office (DMO)	0.25%	15-Aug-14
15-Aug-14	4.00	Debt Management Office (DMO)	0.25%	20-Oct-14
01-Sep-14	4.00	Debt Management Office (DMO)	0.25%	19-Nov-14
12-Sep-14	2.00	Debt Management Office (DMO)	0.25%	19-Nov-14
15-Sep-14	2.00	Debt Management Office (DMO)	0.25%	19-Nov-14
24-Sep-14	1.00	Birmingham City Council	0.45%	27-Feb-15
25-Sep-14	1.00	Nationwide Building Society	0.50%	29-Dec-14
29-Sep-14	2.00	Debt Management Office (DMO)	0.25%	30-Sep-14
30-Sep-14	1.00	Leeds Building Society (BS)	0.42%	07-Jan-15
30-Sep-14	1.00	BoS / Lloyds	0.70%	30-Mar-15
01-Oct-14	5.00	Debt Management Office (DMO)	0.25%	18-Dec-14
02-Oct-14	0.50	Debt Management Office (DMO)	0.25%	21-Nov-14
13-Oct-14	3.00	Debt Management Office (DMO)	0.25%	22-Dec-14
15-Oct-14	1.00	Debt Management Office (DMO)	0.25%	23-Oct-14
15-Oct-14	2.00	Debt Management Office (DMO)	0.25%	19-Jan-15
03-Nov-14	1.00	Vernon Building Society	0.50%	05-Feb-15
03-Nov-14	1.00	Treasury Bills (T-Bills)	0.39%	16-Feb-15
03-Nov-14	2.00	Debt Management Office (DMO)	0.25%	19-Jan-15
07-Nov-14	1.00	BoS / Lloyds	0.57%	19-Feb-15
07-Nov-14	1.00	Nationwide Building Society	0.52%	19-Feb-15
14-Nov-14	1.00	Conwy Borough County Council	0.35%	18-Feb-15
17-Nov-14	2.00	Midlothian Council	0.37%	19-Jan-15
17-Nov-14	1.00	Debt Management Office (DMO)	0.25%	27-Nov-14
01-Dec-14	3.00	Telford & Wrekin Council	0.41%	18-Feb-15
03-Dec-14	1.00	Local Authority - Birmingham City Council	0.45%	18-Mar-15
15-Dec-14	1.00	Debt Management Office (DMO)	0.25%	23-Feb-15
15-Dec-14	3.00	Debt Management Office (DMO)	0.25%	18-Mar-15
15-Dec-14	1.50	Debt Management Office (DMO)	0.25%	23-Mar-15
19-Dec-14	1.00	Darlington Building Society	0.50%	23-Mar-15
31-Dec-14	3.00	Debt Management Office (DMO)	0.25%	30-Mar-15
31-Dec-14	3.00	Debt Management Office (DMO)	0.25%	30-Mar-15
31-Dec-14	3.00	Debt Management Office (DMO)	0.25%	30-Mar-15
Total	137.00		Average 0.32%	

DEPOSITED BALANCES AS AT 31 DECEMBER 2014

Deposit Date	Amount £m	Institution	Interest	Return Date
24-Sep-14	1.00	Birmingham City Council	0.45%	27-Feb-15
30-Sep-14	1.00	Leeds Building Society	0.42%	07-Jan-15
30-Sep-14	1.00	BoS / Lloyds	0.70%	30-Mar-15
15-Oct-14	2.00	Debt Management Office (DMO)	0.25%	19-Jan-15
03-Nov-14	1.00	Vernon Building Society	0.50%	05-Feb-15
03-Nov-14	1.00	Treasury Bills (T-Bills)	0.39%	16-Feb-15
03-Nov-14	2.00	Debt Management Office (DMO)	0.25%	19-Jan-15
07-Nov-14	1.00	BoS / Lloyds	0.57%	19-Feb-15
07-Nov-14	1.00	Nationwide Building Society	0.52%	19-Feb-15
14-Nov-14	1.00	Conwy Borough County Council	0.35%	18-Feb-15
17-Nov-14	2.00	Midlothian Council	0.37%	19-Jan-15
01-Dec-14	3.00	Telford & Wrekin Council	0.41%	18-Feb-15
03-Dec-14	1.00	Birmingham City Council	0.45%	18-Mar-15
15-Dec-14	1.00	Debt Management Office (DMO)	0.25%	23-Feb-15
15-Dec-14	3.00	Debt Management Office (DMO)	0.25%	18-Mar-15
15-Dec-14	1.50	Debt Management Office (DMO)	0.25%	23-Mar-15
19-Dec-14	1.00	Darlington Building Society	0.50%	23-Mar-15
31-Dec-14	3.00	Debt Management Office (DMO)	0.25%	30-Mar-15
Total	27.50		Average 0.40%	

BALANCES WITH ON CALL DEPOSIT & CURRENT ACCOUNTS
AS AT 31 DECEMBER 2014

Institution	Amount £m	Interest
Barclays Deposit Account (FIBCA)	1.00	0.50%
Barclays Current Account *	1.05	1.50%
Money Market Fund - CCLA	0.50	0.36%
Total	2.55	0.79%

* The account pays interest up to value incurred for banking transactions

Total balances held at 31st December 2014 - £30.05m; average interest rate of 0.39%

Committee: Cabinet
Date: 17 February 2015
Title: Local Development Scheme
Portfolio Holder: Cllr Barker

Agenda Item

17

Summary

1. The Local Development Scheme (LDS) is the project plan for the Uttlesford Local Plan. The last revision to the LDS was approved by Cabinet in October 2014 to reflect a change in the timetable for the production of the Gypsy and Traveller Site Allocations DPD.
2. Following the closure of the Local Plan Examination and the conclusions of the Inspector a new LDS is needed to reflect the next steps in the work programme.
3. The LDS will be posted on the Council's website and forwarded to the Planning Inspectorate for information.

Recommendations

4. That Cabinet approve the new Local Development Scheme.

Financial Implications

5. Costs of the additional consultation will be met from existing budgets.

Background Papers

6. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

None

Impact

- 7.

Communication/Consultation	The revised LDS will be posted on the website and made available for inspection.
Community Safety	N/A
Equalities	The policy documents which will be prepared are subject to separate equalities impact assessments.
Health and Safety	N/A

Human Rights/Legal Implications	N/A
Sustainability	The policy documents which will be prepared are subject to separate Sustainability Appraisal.
Ward-specific impacts	All
Workforce/Workplace	Existing staff resources.

Situation

8. The LDS has been updated to reflect the revised timetable for the production of Uttlesford Local Plan. The key dates are as follows:
 - Jan – April 2016 Regulation 18 public consultation
 - May – June 2016 Regulation 19 Local Plan Pre-Submission Consultation
 - July / Aug 2016 Local Plan Submission
 - December 2016 – Hearing sessions
 - March 2017 Local Plan adoption

9. A major change in this LDS is the merging of the Local Plan with the Gypsy and Traveller Local Plan. The Council will no longer produce two separate Local Plans but instead produce one Plan which covers all of the issues including site allocations for Gypsy's and Travellers.

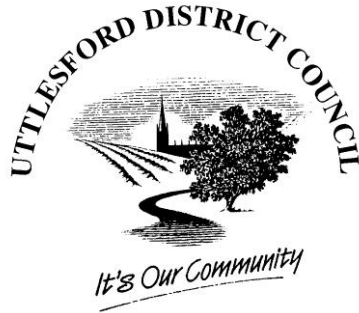
10. The revised LDS is attached which has been updated to take into account comments at the Planning Policy Working Group.

Risk Analysis

11.

Risk	Likelihood	Impact	Mitigating actions
The plan maybe found unsound because the plan has not been prepared in accordance with the LDS	1. The LDS will be monitored and updated as necessary.	3.If the plan is found unsound this will cause delay and uncertainty	Amend the LDS to make sure the programme for delivering the Local Plan is up to date and deliverable.

- 1 = Little or no risk or impact
2 = Some risk or impact – action may be necessary.
3 = Significant risk or impact – action required
4 = Near certainty of risk occurring, catastrophic effect or failure of project.



UTTLESFORD DISTRICT COUNCIL

LOCAL DEVELOPMENT SCHEME

FEBRUARY 2015

Presented to Uttlesford Planning Policy Working Group on 26 January 2015 and Cabinet on 17 February 2015

CONTENTS

Section

1. Introduction
 2. Terminology
 3. About the District
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 6. Profiles of Proposed Development Plan Documents
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 8. Other Documents
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 11. Risks
-
- Appendix 1 Proposed Programme of Replacement for the Policies in the Uttlesford Local Plan, Adopted January 2005
- Appendix 2 Table showing the production milestones for the Local Plan
- Appendix 3 Chart showing programme of Local Plan
- Appendix 4 Sources of Information for the Evidence Base

1. Introduction

The Uttlesford Local Plan was adopted in 2005. It still forms the basis for making planning decisions within the district alongside the National Planning Policy Framework published in March 2012 and the Planning Practice Guidance but it is becoming increasingly out of date and a replacement plan is being prepared.

This local development scheme is the project plan for producing the new Local Plan. It has three main functions:

- To provide information on the documents the Council intends to prepare together with timescales for preparation.
- To establish the Council's priorities and to allow the Council to programme the work needed to prepare the new plans.
- To set out the timetable for the review of documents.

The original LDS came into effect from 26 April 2005. At this time the Council was intending to produce a Local Development Framework made up of various documents including a Core Strategy and two separate development plan documents for site allocations and development management policies. There have been a series of LDSs produced since then. The last LDS was approved in October 2014.

One of the main changes in this LDS is combining the Local Plan with the Gypsy and Traveller Local Plan. The Council will no longer produce two separate Local Plans but instead produce one Plan which covers all of the issues including site allocations for Gypsy's and Travellers.

The new timetable is shown in Appendix 2 and 3. Normally the Council will review the local development scheme every year and update it when necessary.

The LDS is available on the Council's website at www.uttlesford.gov.uk. If you have any queries please contact the planning policy team on 01799 510637 or 01799 510454. E-mail mjones@uttlesford.gov.uk or snicholas@uttlesford.gov.uk

If you would like a copy of this document in large print, Braille or any alternative format please contact Uttlesford District Council, London Road, Saffron Walden, Essex CB11 4ER Tel: 01799 510510

2. Terminology

The terms and abbreviations, which are used in this document, are explained below.

AMR	Annual Monitoring Report	Authorities are required to monitor the progress of the local development scheme and the extent to which policies in the development plan documents are being achieved.
DPD	Development Plan Document	These documents are the statutory documents with development plan status. For Uttlesford this will include the Local Plan and the Gypsy and Traveller Site Allocations. The community will be involved in preparing them and they will be tested at an Examination by the Planning Inspectorate.
LDS	Local Development Scheme	The LDS sets out the programme for preparing the Local Plan
NP	Neighbourhood Plans	Neighbourhood plans will be prepared by local communities. They must be in conformity with the Local Plan.
NPPF	National Planning Policy Framework	Government statement of national planning policy.
SCI	Statement of Community Involvement	This document explains how and when stakeholders and the community can become involved in the preparation of the Local Plan and the ways that this will be achieved.
SA	Sustainability Appraisal	Assessment of the potential impacts of the policies and proposals in the LDF on economic, social and environmental issues.
SEA	Strategic Environment Assessment	Assessment of the potential impacts of the policies and proposals contained within the LDF on the environment
EIA	Equalities Impact Assessment	Assessment of the Plan to make sure that the policies within it are free from discrimination in terms of a direct or indirect impact on any particular group.
SPD	Supplementary Planning Document	SPDs are intended to support the policies and proposals in DPDs but they do not have the same status as DPDs and they are not subject to examination.

3. About the District

Uttlesford is a rural area in northwest Essex and is geographically the second largest district in the County. It has a population of 79,443 (Source: 2011 Census). Approx 40% of the residents live in one of the three main centres of population, Great Dunmow (8,830), Saffron Walden (15,500), and Stansted Mountfitchet (6,460). The remainder live in the numerous villages and hamlets within the District. There are a large number of listed buildings and significant areas of attractive rural landscape and ancient woodland including Hatfield Forest. In the south of the district is Britain's third largest airport, Stansted. The Council is committed to preserving the rural nature of the area and the quality of life for its residents.

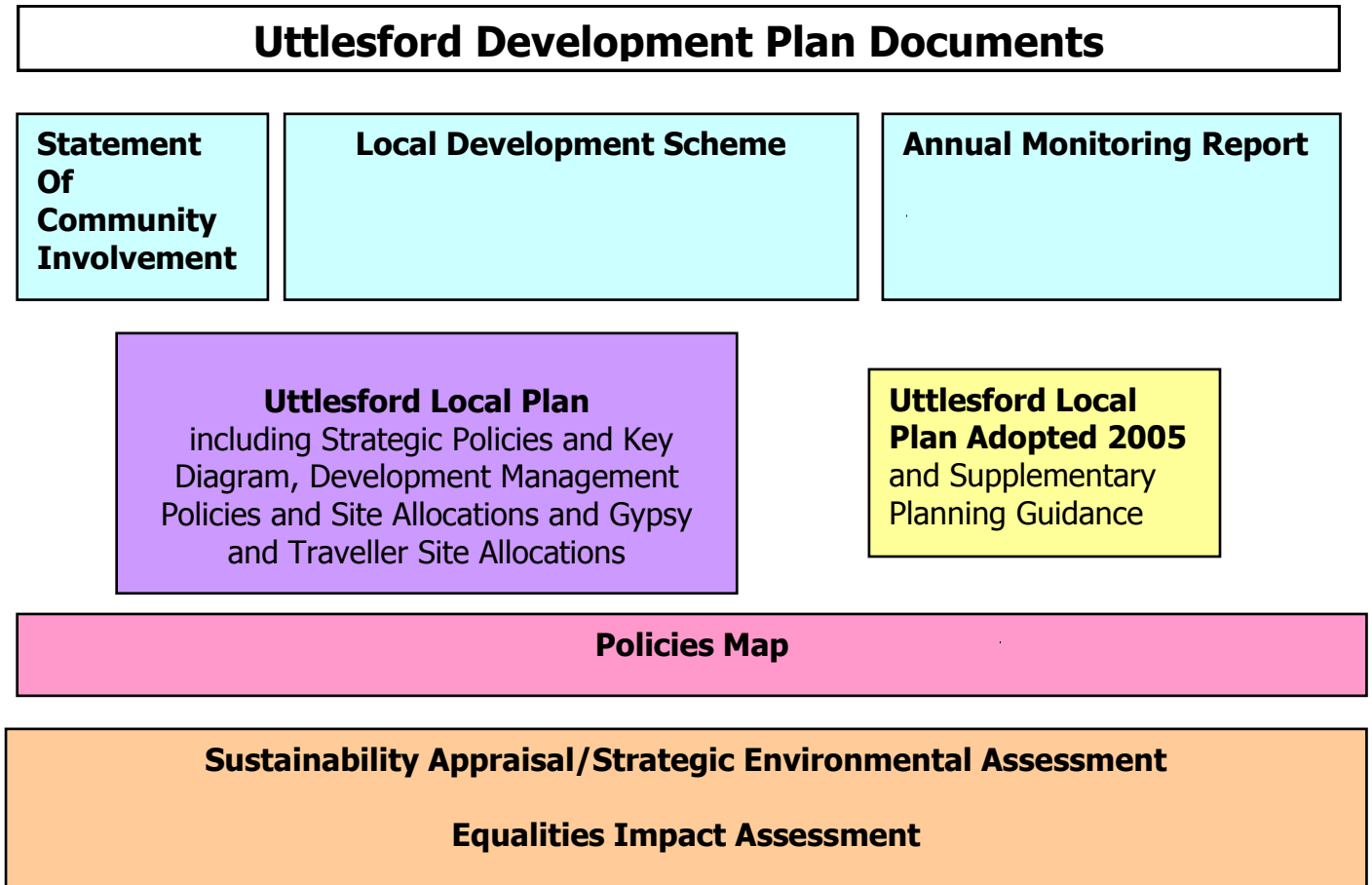
4. Saved Policies

Planning policy for Uttlesford is currently made up of the National Planning Policy Framework (NPPF), the 2005 Uttlesford Local Plan prepared by the District Council and the Minerals Plan and Waste Plan prepared by Essex County Council.

The Uttlesford Local Plan was adopted on 20 January 2005 and the policies in it were originally "saved" for 3 years. In July 2007 the Council applied to the Secretary of State to extend the time period for the saved policies. All the policies in the Uttlesford Local Plan, except Takeley Local policies 1 and 2 – Land west of Hawthorn Close and Land off St Valery have been saved. Appendix 1 lists all the policies in the Uttlesford Local Plan and shows what will happen to each policy when the new Local Plan is adopted. The policies in the Local Plan have been independently reviewed to check their consistency with the National Planning Policy Framework. The assessment is available on the Council's website.

5. Uttlesford Development Plan Documents

As well as the Local Plan other documents are being produced which together will provide the framework for planning decisions in Uttlesford to be made. The diagram below shows the links between the documents.



- **The Uttlesford Local Plan 2005**

The Uttlesford Local Plan sets out the planning policies for the District until the policies are replaced by policies in the new Local Plan. Supplementary advice which has been adopted by the Council in support of some of the policies in the local plan will also remain relevant, until the policies are replaced.

- **Statement of Community Involvement**

The SCI lets people who may be interested in the plan know when and how they can get involved in the preparation of the Local Plan. Minimum requirements for public consultation are set out in regulations. The SCI shows how these requirements are met and adds other measures, which the Council feels would be suitable. It identifies the groups to be involved and the techniques and resources required for effective involvement. The

SCI was one of the first documents to be prepared and was first adopted in July 2006 following a written representations examination by an independent Inspector. The SCI was revised in March 2013 and following a 6 week period of consultation was adopted by the Council on 4 September 2013. It is available on the Council's website.

- **Annual Monitoring Reports**

The District Council needs to monitor how effective its policies are. This is done through a series of monitoring reports which are published each year. The purpose of the monitoring reports are to:

- Check how the Council is performing against the timescales set out in the LDS
- Check how the Council is performing in relation to the targets in the Uttlesford Local Plan.
- Give information on the extent to which the policies in the Local Plan are being achieved.
- Examine whether the Local Plan needs reviewing before the scheduled main review date.

In the light of the monitoring the Council will consider what changes, if any, need to be made to the policies. This will be reflected in an updated LDS. An AMR will be produced each year looking at the period from 1 April to 31 March. The reports are posted on the Council website.

- **Strategic Environmental Assessment (SEA) / Sustainability Appraisal (SA)**

SEA/SA is a process that will make sure that social, economic and environmental considerations are fully taken into account at every stage of preparation for each Development Plan Document produced. All plans and policy documents need to undergo SEA/SA. The Council has commissioned consultants to develop a sustainability framework in consultation with relevant bodies. For each document various options developed through consultation will then be tested against the framework to identify preferred options. Further consultation will allow people to comment on the preferred options and the sustainability report. Changes made as a result of the public consultation will be appraised before both the Local Plan and the sustainability report are submitted for examination by an independent Inspector.

- **Equality Impact Assessment**

As well as the SA/SEA the Council has to carry out an Equalities Impact Assessment (EIA) for all plans and policies it produces. An EIA will be done as part of the production of each development plan document to make sure that plan and the policies it contains are free from discrimination and promote equality of opportunity. The EIA is one of the documents which the Council has to send to the Inspectorate for the examination.

- **Local Plan**

This will be subject to independent examination by a Planning Inspector. The Inspector needs to be satisfied that the document meets the various procedural requirements and is sound. The Inspector will recommend changes that are required to overcome any aspects relating to the soundness of the plan that they have identified and which can be corrected within the scope of the regulations – if major changes are required the Inspector is likely to find the plan unsound. The Council cannot adopt a plan which is found unsound. The Local Plan should address issues set out in the Uttlesford Sustainable Community Strategy.

The local plan will contain:

- The Council's vision, objectives and the spatial strategy for the future development of the district.
- Strategic Policies – policies which provide the overarching framework for planning decisions within the district
- Site Allocations Policies – covering detailed aspects of site delivery
- Development Management Policies – detailed policies against which planning applications will be considered.
- Gypsy and Traveller site allocations policies – specific policies covering the sites needed to deliver the required pitches and include e.g. access, design principles, landscaping.
- Policies Map and Key Diagram - The policies map will show all the policies and proposals and identify areas of protection on an Ordnance Survey base. The key diagram will illustrate the proposals.

- **Non-Development Plan Documents**

- **Supplementary Planning Guidance (SPG) and Supplementary Planning Documents (SPD)**

This currently only applies to SPGs and SPDs which have been prepared to support the saved policies in the Uttlesford Local Plan but as the Local Plan and other DPDs are adopted more SPDs may be produced to support the policies in them. These documents are a material consideration for development management purposes but they are not subject to independent examination. The Council will make them available for public consultation before they are adopted in accordance with the regulations and the SCI.

▪ **Council Approved Guidance**

- The Council will approve Parish Plans and Village Design Statements where they have been prepared in accordance with the protocol and guidance prepared by the Essex Rural Community Council, Village Design Statement Group and the Essex Planning Officers Association. These will then be used for development management purposes.
- The Council’s Conservation Area Appraisals and associated management plans will be approved as Council approved guidance.

6. Profiles of Proposed Local Plan

The following profiles set out the details of the Local Plan. The overall programme is also shown in the table at Appendix 2 and the chart at Appendix 3. The Council is required to consult with organisations, residents and businesses as part of the preparation of the plan. A two stage consultation process where the issues are identified and options are considered before more detailed “preferred” options are presented for further consultation seems a logical approach and the key stages below reflect this.

Uttlesford Local Plan
Expected Adoption Date: 2017
<ul style="list-style-type: none"> • <i>It will set out the Council’s vision, objectives and spatial strategy for the district.</i> • <i>It will contain the primary policies needed to achieve the above.</i> • <i>It will identify the key strategic sites and infrastructure.</i> • <i>It will set out the broad strategy for meeting the locally generated housing targets and the role of rural settlements.</i> • <i>It will be accompanied by a key diagram.</i> • <i>Development Management policies will make sure that all development within the District meets certain criteria and helps to achieve the vision.</i> • <i>Site Allocations set out the specific policies for sites where development is proposed.</i> • <i>It will set out specific policies relating to a number of Gypsy and Traveller sites where development is proposed.</i> • <i>The sites will be shown on the policies map.</i>
Coverage: District-Wide
Conformity: Must be in conformity with the National Planning Policy Framework and Planning Policy for Travellers sites.
Key Stages:
<ul style="list-style-type: none"> • Dec 2014 – Jan 2015

<p>Consultation on Gypsy and Traveller Issues and Options</p> <ul style="list-style-type: none"> • Jan 2015 – June 2015 Completion and publication of Strategic Housing Market Assessment • April 2015 – June 2015 Call for Sites • September – November 2015 Consultation on results of call for site and different distribution strategies • February – March 2016 Regulation 18 public consultation on preferred options including Gypsy and Traveller site allocations- • May 2016 – June 2016 Regulation 19 Local Plan Pre-submission consultation • August 2016 Local Plan Submission • December 2016 Start of hearing sessions for the public examination • March 2017 Adoption
<p>Production and Management: The Planning Policy Team will prepare the Local Plan. The process will be guided by the Uttlesford Planning Policy Working Group. Approval of key stages will be by the Cabinet and Full Council will adopt the Local Plan.</p>
<p>Review: The Local Plan will be subject to annual monitoring and review.</p>

7. Supplementary Planning Guidance and Supplementary Planning Documents

The Council has adopted supplementary planning guidance (SPG) and master plans to support the saved policies in the Uttlesford Local Plan 2005 as listed in the table below. The SPG will remain in force until the development is complete or the saved policies are replaced. The Council will then review the SPG and replace with updated supplementary planning documents (SPDs) as necessary.

Policy No	Title of Supplementary Planning Guidance
GEN2	Essex Design Guide
GEN8	Essex County Council, Parking Standards – Design and Good Practice
Takeley /Little Canfield Local Policy 3 – Priors Green	The Island Sites
Chesterford Park	Master Plan for Chesterford Park –

Local Policy 1	Employment Scheme
GD5	Master Plan for Woodlands Park – Residential Development
GD6	Master Plan for Great Dunmow Business Park – Employment Scheme
Oakwood Park Local Policy 1	Master Plan for Oakwood Park – Residential Development
SM4/BIR1	Master Plan for Rochford Nurseries – Residential Development
Takeley/Little Canfield Local Policy 3 – Priors Green	Master Plan for Priors Green – Residential Development

The Council has produced four SPD's to support policies in the Uttlesford Local Plan 2005. These are:

- Accessible Homes and Playspace (including lifetime homes)
- Home extensions
- Replacement dwellings,
- Energy efficiency.

Supplementary Documents on Home Extensions and Accessible Homes and Playspace were adopted in November 2005 and the SPD on Replacement Dwellings was adopted in September 2006. The Energy Efficiency SPD was adopted in October 2007. The Council has also adopted the Urban Place Supplement to the Essex Design Guide. This was prepared by the County Council and adopted by the District Council in March 2007. In January 2010 the Council approved the Essex County Council's "Parking Standards, Design and Good Practice" September 2009 document for use as District Council planning guidance, superseding Appendix 1 of the 2005 Adopted Uttlesford Local Plan (ULP). Further changes were approved in February 2013.

The Council has carried out appraisals and developed management plans for the Conservation Areas in Arkesden, Ashdon, Bentfield Green, Clavering, Elmdon, Felsted, Great Canfield, Great Chesterford, Great Dunmow, Great Easton, Great Hallingbury, Great Sampford, Hadstock, Hatfield Broad Oak, Hazel End, Hempstead, Henham, High Easter, High Roding, Littlebury, Little Dunmow, Manuden, Newport, Radwinter, Saffron Walden, Stansted Mountfitchet, Stebbing, Thaxted, Wendens Ambo and Widdington. Following consultation with the local community the Council has approved these appraisals and the associated management plans as non-statutory guidance. Draft Conservation Area Appraisals are available for Audley. Appraisals for Quendon and Rickling are in preparation.

The Council has also approved the following Parish Plans and Village Design Statements as non-statutory guidance to use when considering planning applications and to help inform preparation of the LDF.

Arkesden	Parish Plan	2009
Ashdon	Parish Plan	2007
Birchanger	Parish Plan	2006
Chrishall	Parish Plan	2007
Felsted	Parish Plan	2014
Great Canfield	Village Design Statement	2010
Great Dunmow	Town Design Statement	2009
Hadstock	Parish Plan	2007
Little Bardfield	Village Design Statement	2009
Littlebury	Parish Plan	2009
Newport	Village Plan	2010
Radwinter	Parish Plan	2007-2012
Stansted	Parish Plan	2011
Thaxted	Village Design Statement	2010
Wendens Ambo	Parish Plan	2012
White Roding	Parish Plan	2009
Widdington	Village Design Statement	2009

All the council approved guidance is available on the Council's website.

The Civil Parishes of Felsted, Great Dunmow and Saffron Walden have been designated as Neighbourhood Plan Areas.

8. Other Documents

The local authority is required to produce a sustainable community strategy (SCS) following consultation with the local community and key local partners through the Local Strategic Partnership – the LSP for Uttlesford is known as Uttlesford Futures. The SCS sets out the strategic vision for a place and provides the vehicle for considering and deciding how to address difficult cross cutting issues such as the economic future of an area, social exclusion and climate change. The key spatial planning objectives for the area should reflect the SCS priorities.

The Local Plan for Uttlesford will also reflect the aims set out in the following documents. The wider policy aims will be included in the strategic policies and the more detailed policies will be reflected in the development management policies and the site allocations as appropriate.

- The Sustainable Community Strategy 2008
- Housing Strategy (2015-2018 in preparation)
- Natural Resources Management – Policy Statement and Improvement Strategy 2010
- Economic Development Strategy 2014-2016
- Community Safety Partnership Strategic Assessment Report 2013
- Comprehensive Equality Policy 2009 and the Single Equality Duty 2015-2018
- Joint Municipal Waste Management Strategy for Essex 2007-2032

9. The Evidence Base

The Council will prepare and keep up to date information on all aspects of the social, economic and environmental characteristics of the District as set out in the table at Appendix 4. Much of the information that will be needed is available within the Council as part of annual monitoring e.g. housing supply, or is available from other organisations and/or websites e.g. population data. The studies are reviewed as necessary to make sure they remain relevant and up to date.

The evidence base is being compiled using in house resources as well as consultants. There has been joint working with Essex County Council and adjoining local authorities.

10. Staff Resources and Management

A member working group has been set up to steer and monitor the programme for the Local Plan work – this is known as the Uttlesford Planning Policy Working Group (previously known as the Local Plan Working Group). The group is open for all members to attend. The meetings are open to the public and the papers and the minutes are available on the Council's website.

The policy team is working to prepare the Local Plan, drawing in other staff from within the Council where appropriate. The Council is also working together with other Local Authorities, statutory consultees, the Planning Inspectorate and other organisations like the Planning Advice Service (PAS) where necessary.

The policy team using other internal or external resources as appropriate will undertake monitoring and produce annual monitoring reports.

11. Risks

- **Funding**

Budget constraints will continue to limit funding available for commissioning additional study work or securing additional staff resources although sufficient resources are available to deliver the work programme.

- **Programme**

The programme for the Local Plan preparation is challenging. In the past it has been difficult to predict with certainty the length of time it will take to produce the plan.

Through Duty to Co-operate engagement the Council will keep up to date with the progress of other Essex and Hertfordshire Districts, sharing experiences and adjusting the timetable where necessary.

- **Evidence Base**

Staff time and resources are required to assemble the evidence base. The relatively long lead in time for the preparation of the Local Plan should allow enough time for the work to be completed. Budgetary provision has been made for the appointment of outside consultants for specialised tasks e.g. the water cycle study, other studies have and will be carried out internally e.g. the strategic housing land availability assessment. Some joint commissioning of work has been done to help reduce costs and other opportunities for this will be investigated.

- **Staff Resources**

The team which will be working on the production of the Local Plan is relatively small with 4 permanent staff. There is the opportunity to use other staff within the planning service and/or within the Council to help with some aspects of the work and there is also an option to employ agency staff to cover peaks in workload as necessary.

PROPOSED PROGRAMME OF REPLACEMENT FOR THE POLICIES IN THE UTTLESFORD LOCAL PLAN - ADOPTED
FEBRUARY 2005

(NOTE: This is a list of saved policies in the existing local plan it is not a full list of the policies that will be included in the new Local Plan, new policies will be added as necessary)

Existing Policy		Replaced/Deleted/ Merged	Which document will the new/merged Policy be in?	Date of Adoption of DPD
Policy Ref	Description			
S1	Development limits for the main urban areas	General development locations and strategic sites will be identified in the Strategic Policies. Site specific policies will be included in the Site Allocations section. Development Limits will be defined on the Policies Map	Local Plan	2017
			Local Plan	2017
			Local Plan	2017
S2	Development limits/policy areas for Oakwood Park, Little Dunmow and Priors Green, Takeley/Little Canfield		Local Plan	2017
S3	Other development limits			
S4	Stansted Airport Boundary	Replaced	Local Plan	2017
S5	Chesterford Park Boundary	Merged Chesterford Park Local Policy 1	Local Plan	2017
S6	Metropolitan Green Belt	Replaced	Local Plan	2017
S7	The Countryside	Replaced	Local Plan	2017
S8	The Countryside Protection Zone	Replaced	Local Plan	2017
GEN1	Access	Replaced	Local Plan	2017

GEN2	Design	Replaced	Local Plan	2017
GEN3	Flood Protection	Replaced	Local Plan	2017
GEN4	Good Neighbourliness	Replaced	Local Plan	2017
GEN5	Light Pollution	Replaced	Local Plan	2017
GEN6	Infrastructure provision to support development	Replaced	Local Plan	2017
GEN7	Nature Conservation	Replaced	Local Plan	2017
GEN8	Vehicle Parking Standards	Replaced	Local Plan	2017
E1	Distribution of Employment Land	Merged Gt Chesterford Local Policy 2, SW4, SW5. Strategic Policies will identify general development locations Site specific policies will be included in the Site Allocations section	Local Plan	2017
E2	Safeguarding employment land	Merged Elsenham Local Policy 1, Great Chesterford Local Policy 1, GD7, Takeley Local Policy 5, SW6, Thaxted Local Policy 3	Local Plan	2017
E3	Access to Workplaces	Replaced	Local Plan	2017
E4	Farm Diversification: Alternative uses of Farmland	Replaced	Local Plan	2017
E5	Re-use of rural buildings	Replaced	Local Plan	2017
ENV1	Design of Development within Conservation Areas	Replaced	Local Plan	2017
ENV2	Development Affecting Listed Buildings	Replaced	Local Plan	2017

ENV3	Open Space and Trees	Replaced	Local Plan	2017
ENV4	Ancient Monuments and Sites of Archaeological Importance	Replaced	Local Plan	2017
ENV5	Protection of Agricultural Land	Replaced	Local Plan	2017
ENV6	Change of Use of Agricultural Land to Domestic Garden	Replaced	Local Plan	2017
ENV7	The Protection of the Natural Environment – Designated Sites	Replaced	Local Plan	2017
ENV8	Other Landscape elements of importance for nature conservation	Replaced	Local Plan	2017
ENV9	Historic Landscapes	Replaced	Local Plan	2017
ENV10	Noise sensitive development and disturbance from Aircraft	Replaced	Local Plan	2017
ENV11	Noise Generators	Replaced	Local Plan	2017
ENV12	Protection of Water Resources	Replaced	Local Plan	2017
ENV13	Exposure to poor air quality	Replaced	Local Plan	2017
ENV14	Contaminated Land	Replaced	Local Plan	2017
ENV15	Renewable Energy	Replaced	Local Plan	2017
H1	Housing Development	Merged with GD4, SW2 and SM2	Local Plan	2017
H2	Reserve Housing Provision	Merged with SW3	Local Plan	2017
H3	New Houses within development limits	Replaced	Local Plan	2017
H4	Backland Development	Replaced	Local Plan	2017
H5	Subdivision of dwellings	Replaced	Local Plan	2017
H6	Conversion of rural buildings to residential use	Replaced	Local Plan	2017
H7	Replacement Dwellings	Replaced	Local Plan	2017
H8	Home Extensions	Replaced	Local Plan	2017
H9	Affordable Housing	Replaced	Local Plan	2017

H10	Housing Mix	Replaced	Local Plan	2017
H11	Affordable Housing on Exception Sites	Replaced	Local Plan	2017
H12	Agricultural workers' dwellings	Replaced	Local Plan	2017
H13	Removal of Agricultural Occupancy Conditions	Replaced	Local Plan	2017
LC1	Loss of sports fields and recreational facilities	Replaced	Local Plan	2017
LC2	Access to Leisure and Cultural Facilities	Replaced	Local Plan	2017
LC3	Community Facilities	Replaced	Local Plan	2017
LC4	Provision of Outdoor Sport and Recreational Facilities beyond development limits	Replaced	Local Plan	2017
LC5	Hotel and Bed and Breakfast Accommodation	Replaced	Local Plan	2017
LC6	Land west of Little Walden Road Saffron Walden	Merge SW 7	Local Plan	2017
RS1	Access to retailing and services	Replaced	Local Plan	2017
RS2	Town and Local Centres	Replaced	Local Plan	2017
RS3	Retention of Retail and other services in Rural Areas	Replaced	Local Plan	2017
T1	Transport Improvements	Deleted		2017
T2	Roadside services and the new A120	Replaced	Local Plan	2017
T3	Car Parking associated with development at Stansted Airport	Replaced	Local Plan	2017
T4	Telecommunications Equipment	Replaced	Local Plan	2017
	Chesterford Park Local Policy 1	Merged S5 and E2	Local Plan	2017
	Elsenham Local Policy 1	Merged E2	Local Plan	2017
	Great Chesterford Local Policy 1	Merged E2	Local Plan	2017
	Great Chesterford Local Policy 2	Merged E1	Local Plan	2017

GD1	Town Centre	Replaced	Local Plan	2017
GD2	Land Rear of 37 to 95 High Street	Development Complete - Deleted		
GD3	White Street Car Park Extension	Development Complete -Deleted		
GD4	Residential Development within Great Dunmow's Built up Area	Merged H1	Local Plan	2017
GD5	Woodlands Park	Replaced	Local Plan	2017
GD6	Great Dunmow Business Park	Replaced	Local Plan	2017
GD7	Safeguarding of Existing Employment Areas	Merged E2	Local Plan	2017
GD8	Civic Amenity Site and Depot	Replaced	Local Plan	2017
	Oakwood Park Local Policy 1	Replaced	Local Plan	2017
SW1	Town Centre	Replaced	Local Plan	2017
SW2	Residential Development within Saffron Walden's Built up Area	Merged H1	Local Plan	2017
SW3	Land south of Ashdon Road	Merged H2	Local Plan	2017
SW4	Land adjoining the Saffron Business Centre	Merged E1	Local Plan	2017
SW5	Thaxted Road Employment Site	Merged E1	Local Plan	2017
SW6	Safeguarding of Existing Employment Areas	Merged E2	Local Plan	2017
SW7	Land at Little Walden Road	Merged LC6	Local Plan	2017
AIR1	Development in the terminal support area	Replaced	Local Plan	2017
AIR2	Cargo Handling/Aircraft Maintenance Area	Replaced	Local Plan	2017
AIR3	Development in the Southern Ancillary Area	Replaced	Local Plan	2017
AIR4	Development in the Northern Ancillary Area	Replaced	Local Plan	2017
AIR5	The Long Term Car Park	Replaced	Local Plan	2017
AIR6	Strategic Landscape Areas	Replaced	Local Plan	2017
AIR7	Public Safety Zones	Replaced	Local Plan	2017
SM1	Local Centres	Replaced	Local Plan	2017

SM2	Residential Development within Stansted's Built up Area	Merged H1	Local Plan	2017
SM3	Site on Corner of Lower Street and Church Road	Deleted		
SM4/B IR1	Rochford Nurseries	Replaced	Local Plan	2017
SM5	Parsonage Farm	Replaced	Local Plan	2017
	Start Hill Local Policy 1	Replaced	Local Plan	2017
	Takeley Local Policy 1 – Land west of Hawthorn Close	Deleted		
	Takeley Local Policy 2 – Land off St Valery	Deleted		
	Takeley/Little Canfield Local Policy 3 – Priors Green	Replaced	Local Plan	2017
	Takeley Local Policy 4 – The Mobile Home Park	Replaced	Local Plan	2017
	Takeley Local Policy 5 – Safeguarding of Existing Employment Area in Parsonage Road	Merged E2	Local Plan	2017
	Thaxted Local Policy 1 – Local Centre	Replaced	Local Plan	2017
	Thaxted Local Policy 2 – Land adjacent to Sampford Road	Currently under construction – likely to be completed - delete		
	Thaxted Local Policy 3 – Safeguarding of Employment Areas	Merged E2	Local Plan	2017

APPENDIX 2 – Production Milestones for the Local Plan

Doc Name	Subject	Doc Type	Conformity	Production Milestones						Review
				Public Participation in Plan Preparation		Regulation 19 Consultation – Local Plan Pre-submission	Sub-mission to Sec of State	Hearing Sessions	Adoption	
				Evidence Gathering and Stakeholder Involvement	Regulation 18 Public Consultation					
Uttlesford Local Plan	Sets out the Vision for development of Uttlesford District together with the key policies to achieve that vision. Includes a key diagram to illustrate the spatial strategy. Development Management Policies – criteria based policies against which planning applications will be considered Site Allocations – policies relating to specific sites where development is proposed. Gypsy and Traveller site allocations – policies relating to specific sites where development is proposed.	Local Plan	General conformity with the National Planning Policy Framework and National Planning Policy for Traveller Sites.	<p>Jan 2015 (review existing evidence base and update where necessary)</p> <p>April – June 2015 Call for Sites</p> <p>Sept – November 2015 consultation on results of call for sites and different distribution strategies</p>	Feb - March 2016	May – June 2016	July – Aug 2016	Dec 2016	March 2017	AMR

Sources of Information for the Evidence Base

Social	Sources of Available Data	Updating
Housing Needs	Strategic Housing Market Assessment (SHMA) working in partnership with Broxbourn, Brentwood, East Herts, Epping Forest and Harlow. Final report 2009 – Opinion Research Services and Savills Update Report 2012 (Opinion Research Services, March 2013)	
	Affordable Housing, Viability Assessment, 2010 – Levvel Updated March 2012	
	Strategic Housing Land Availability Assessment (SHLAA). 2012 – UDC	Updated Annually
	Essex Gypsy and Traveller and Travelling Showpeople Accommodation Assessment July 2014	
	Gypsy, Traveller and Travelling Showpeople Sites, Site Assessment Study October 2014	
	Demographic Study Edge Analytics – Essex Planning Officers Association Phases 1 - 6	Quarter 1 2015
Housing Supply	Housing Land Supply, April 2014 - UDC	Updated Annually
	Housing Trajectory and 5 Year Land Supply, 2014 – UDC	Updated Annually
Population Age Structure Ethnicity	2011 Census	
	Neighbourhood Statistics	
	Baseline Information Profile Nov 2010 - Essex County Council	
Leisure Facilities/playing fields	Green Space Strategy Audit 2006 - UDC	
	Open Space, Sport and Recreation Study The Landscape Partnership	

	2012	
School Capacity	Commissioning School Places 2012- 2017 - Essex County Council	Updated Annually
Health Facilities	West Essex Clinical Commissioning Group	
Crime (Rates and Fear of Crime)	Home Office http://www.homeoffice.gov.uk/crime/	
	Essex Police	
	Baseline Information Profile Nov 2010 - Essex County Council	
	Essex County Council Tracker Survey 2009	
Economy	Sources of Available Data	Action/Updating
Economic Activity Industry or Employment Occupation Groups Commuting	2011 Census	
	Employment Land Study Final Report March 2006 PACEC	
	Employment Land Review, April 2011, UDC	
	Non- residential land monitoring data Essex County Council. Employment Land Monitoring Report - UDC	Updated annually
	Employer and Business Survey – CN Research 2009	
Retail	Retail Study, Final Report December 2005 Hepher Dixon	
	Retail Study, Final Report 2012 and Supplement March 2013 Savills	
	Uttlesford Retail Capacity Study Update April 2014 Savills	
	Non- residential land monitoring data, Essex County Council	Updated Annually
Office/Industrial Accommodation Survey	Non-residential land monitoring data, Essex County Council	Updated Annually
Development Opportunity Sites	Economic Assessment – Carter Jonas 2012	
	Urban Design Assessment – Places Services, Essex County Council)	

Environment	Sources of Available Data	Action/Updating
Conservation Areas Tree Preservation Orders Listed Buildings Ancient Monuments and Archaeological Sites Sites of Special Scientific Interest and National Nature Reserves County Wildlife Sites Ancient Woodlands Special Verges Historic Landscapes and Parklands Open spaces Noise Contours Groundwater Protection Zones Poor Air Quality Zones Flood Zones	UDC GIS	Ongoing updates (UDC).
	Conservation Area Appraisals and Management Plans for Arkesden Ashdon Clavering Elmdon Felsted Great Canfield Great Chesterford Great Dunmow Great Easton Great Hallingbury Great Sampford Hadstock Hatfield Broad Oak Hazel End Hempstead Henham High Easter High Roding Littlebury Little Dunmow Manuden Newport Radwinter Saffron Walden Stansted Mountfitchet Stebbing Thaxted Wendens Ambo Widdington	Draft plans for Audley End Quendon & Rickling
	Historic Settlement Character Assessment for selected settlements: Saffron Walden Great Dunmow Great Chesterford Henham Newport Stansted Mountfitchet UDC 2007 Thaxted –UDC 2009	
	Village Templates (Market Towns and Key Villages) UDC 2011	
	Uttlesford District Historic Environment Characterisation Project – Essex County Council 2009	
Landscape Character Assessment	Essex County Council – county level information	

	Landscape Character Assessment. Final Report September 2006 Chris Blandford Associates	
Biodiversity	Phase 1 Habitat Survey 1990 Local Wildlife Sites Review October 2007 Essex Ecology Services Ltd Appropriate Assessment UDC 2007 and updated in 2013	
Flood Risk	Strategic Flood Risk Assessment, Final Report March 2008 JBA Consulting	
Rural Lanes	Uttlesford Protected Lanes Assessment March 2012 Essex County Council	
Agricultural Land Classification	Department for Environment, Food and Rural Affairs (DEFRA)	Input data to GIS (UDC)
Water Quality Water Use	Environment Agency	
	Water Companies	
	Water Cycle Study, Scoping and Outline Strategy 2010 – Hyder Consulting.	
	Water Cycle Study, Stage 2 November 2012 – Hyder Consulting.	
Air Quality	Assessment of Uttlesford District's Local Plan on Air Quality in Saffron Walden 2013 - Jacobs	
Green Belt	Green Belt Boundary Scoping Report – UDC 2011	
Renewable Energy	Renewable Energy Study of the District 2008 - Altechnica	
Communication and Transport	Sources of Available Data	Action/Updating
Public Transport - Bus	http://www.essex.gov.uk/Travel-Highways/Public-Transport/Pages/Public-transport.aspx	

	ECC Local Transport Plan 2011 (LTP 3)	Transport strategy published. Implementation plans to follow.
Public Transport –Rail	Network Rail London and South East Route Utilisation Strategy (RUS) 2011. Informs the development of High Level Output Specifications from 2019, and sets out the strategy for the London and SE rail network to 2031.	
	Network Rail Anglia Route Business Plan for Control Period 5 2014-2019. Sets out the relevant outputs, activity and expenditure at route level to achieve the specified national outputs.	Annual Updates
Capacity of Road Network	Essex Traffic Monitoring Report	Produced Annually
	Essex County Council Local Transport Plan (LTP 3) 2011-2026	LTP 3 to 2026 currently in preparation
	Comparative Transport Analysis 2010 - ECC	
	Transport Analysis of Draft Local Plan - Local Plan Highway Impact Assessment, Essex Highways October 2013	

Committee: Cabinet

Agenda Item

Date: 17 February 2015

18

Title: Lower Street Car Park, Stansted
Mountfitchet

Author: Cllr Susan Barker, Cabinet Member for
Environmental Services

Item for decision

Summary

When planning permission was granted for the health centre, retail and residential development adjoining the Lower Street car park no provision was made for an electricity substation on the application plans. UK Power Networks has approached the council requesting that land for the necessary substation be transferred to the utility provider. It also needs wayleaves for the power cables across the car park to the substation and access rights.

Recommendations

1. The transfer be approved subject to the council being compensated for the value of the site and the wayleaves.
2. The Director of Public Services be authorised to deal with any further detailed asset issues arising in relation to 1) the implementation of the development and 2) the development agreement between Hilton Developments and council which deals with the extension of the council's car park, in consultation with the relevant portfolio holders.

Financial Implications

3. Provided alternative capacity is available in the car park as extended, there would be no loss of revenue from car parking charges. Parking in the two spaces lost to provide an access route to the substation would be displaced to elsewhere in the car park.

Background Papers

4. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

None

Impact

- 5.

Communication/Consultation	Stansted Parish Council has been informed
----------------------------	---

Community Safety	
Equalities	
Health and Safety	
Human Rights/Legal Implications	No legal implications
Sustainability	
Ward-specific impacts	Stansted North
Workforce/Workplace	

Situation

6. The council has been requested to transfer a small parcel of land in the car park adjoining the railway land to UK Power Networks and to grant wayleaves for related underground power cables. The land is 4m by 4 m and adjoins the existing car park spaces. Clear access to the sub station would however need to be maintained at all times. The value of the land and wayleaves is being assessed.
7. The issue of rights over the unadopted road and accessway between Lower Street and the car park can be overcome to the satisfaction of the acquiring parties.

Risk Analysis

8.

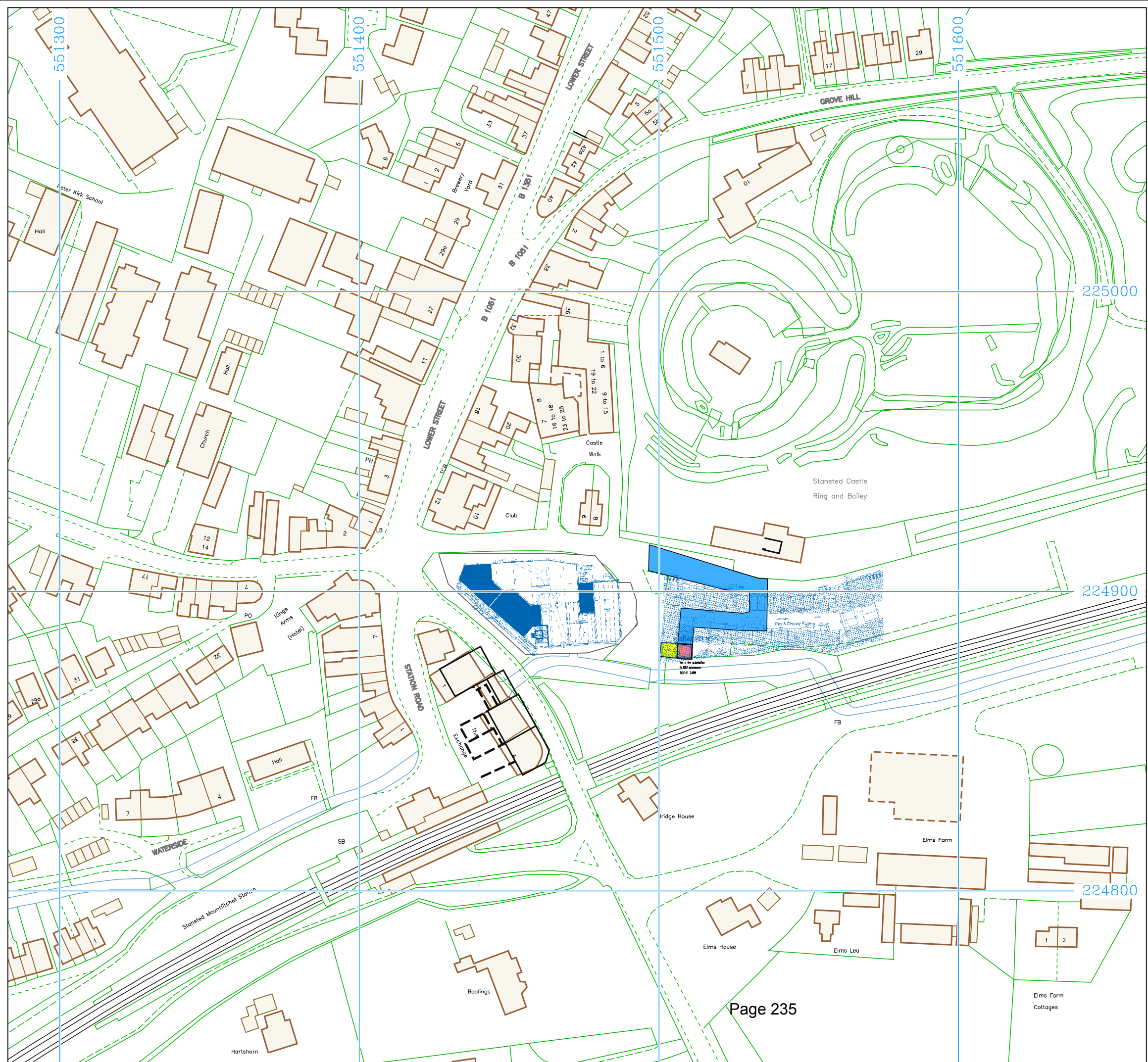
Risk	Likelihood	Impact	Mitigating actions
Slippage in project implementation affecting the opening date for a new health centre and additional public parking capacity to serve Stansted and the surrounding area	2 A number of matters have come to light in the implementation of this relatively complex project and more may emerge	1 The scale and nature of the issues are resolvable	Flexible arrangements enabling prompt resolution of current and further issues

1 = Little or no risk or impact

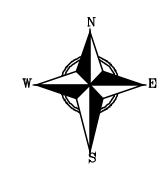
2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project



LEGAL



Legend	
Land to be ACQUIRED	
Land to be RETAINED	
Land for DISPOSAL	
ACCESS for PLANT & PERSONNEL	
CABLE RIGHTS ONLY.....	
ACCESS & CABLE RIGHTS.....	
ACCESS & EQUIPMENT RIGHTS	
Proposed	
OVERHEAD LINE – HV	
OVERHEAD LINE – LV	
TOWER	
H-POLE	
POLE(S)	
STAY(S)	
STRUT(S)	

401675734/Substation/Issue A
 Stansted Mountfitchet, Chapel Hill
 Plotted On: 28/01/2015 Map Centre : TL 5147 2491
 Scale : 1:1250 (When plotted at A3) Drawn by : Charles Clayden

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Committee: Cabinet

Agenda Item

Date: 17th February 2015

19

**Title: Transfer of UDC land to Great Dunmow
Town Council**

Portfolio Holder: Cllr. Robert Chambers

Key decision: No

Summary

1. This report seeks Members consideration of the transfer of UDC land at Woodlands Park, Great Dunmow, for nil value to Great Dunmow Town Council together with a payment of £46,935 for the maintenance of the land.

Recommendations

2. That the land is transferred to Great Dunmow Town Council, together with a payment of £46,935, subject to no objections being received following the public notice of the proposed disposal of the land.

Financial Implications

3. The land has been valued by the Council's registered valuers Wilks Head and Eve at an open market value of £250,000. A sum of £46,935 for the maintenance of the land has been previously paid to UDC as part of a S106 agreement with the Wickford Development Company Ltd.

Background Papers

4. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

Valuation report prepared by Wilks Head & Eve dated 12th January 2015.

Impact

- 5.

Communication/Consultation	Notice of the proposed disposal of public open space at the site at Woodlands Park in accordance with the requirements of Section 123(1) and (2A) of the Local Government Act 1972.
Community Safety	None
Equalities	None

Health and Safety	None
Human Rights/Legal Implications	The Council is required by the Local Government Act 1972 to obtain best consideration reasonably obtainable unless the Secretary of State consents or it falls within the General Disposal Consent 2003.
Sustainability	None
Ward-specific impacts	Great Dunmow
Workforce/Workplace	None

Situation

6. One of the strategic objectives in the council's asset management strategy is to devolve the responsibility for owning and maintaining assets to local people where appropriate. Although a substantial area of land, its function is that of a local amenity for nearby residents. The land was obtained as a requirement under a s106 agreement to provide open space. The transfer of the land to the local council and the retention of the land as open space promotes the environmental well-being of the area.
7. The land forms part of an open space provision associated with the Woodlands Park residential development. The land consists of a single parcel (appendix 1) located in the north eastern part of the development and comprises of balancing ponds, open grassland and landscape planting. This parcel has a site area of approximately 5.02ha.
8. £46,935 has been previously paid to UDC by the developer as part of a S106 agreement for the management and maintenance of the open space.
9. The Great Dunmow Town Council has agreed in principle to take the land and maintain it as public open space subject to the payment of £46,935 for the maintenance of these areas.
10. As the Council is not receiving any consideration for the land being transferred, despite it being valued at £250,000, the Council needs to be sure that the disposal of land will help it to secure the promotion or improvement of the economic, social or environmental well-being and the value of the land is less than £2million.

Risk Analysis

- 9.

Committee: Cabinet

Agenda Item

Date: 15 January 2015

20

Title: Uttlesford Cycle Strategy consultation

Portfolio Holder: Cllr Walters

Summary

1. The cycle strategy has been developed by Essex Highways after being commissioned by Uttlesford District Council. The Strategy has been signed off by Essex County Council. The strategy should be adopted and published and brought into use.

Recommendations

- A) That the Cabinet adopt and publish the Uttlesford Cycle Strategy.
- B) That it should be used as a Material Planning Consideration when assessing planning applications.

Financial Implications

2. None

Background Papers

None

Impact

- 3.

Communication/Consultation	The document will be available on the Councils website.
Community Safety	N/A
Equalities	N/A
Health and Safety	N/A
Human Rights/Legal Implications	N/A
Sustainability	N/A
Ward-specific impacts	All

Workforce/Workplace	N/A
---------------------	-----

Situation

4. The Uttlesford Cycle Strategy sets out how Uttlesford District Council and Essex County Council will approach the issue of cycling within, around and out of the district. The cycle strategy assessed the current cycling provision and usage within the district and benchmarks this against other similar areas.
5. The strategy assesses the current situation and makes a number of suggestions for improvements and issues to take into account when considering new development. The proposals are in a variety of forms. Some are large projects which need to be tackled with partners over a number of years, some can be addressed as individual projects and some will involve discussions with developers and landowners.

Risk Analysis

6.

Risk	Likelihood	Impact	Mitigating actions
That the Uttlesford Cycle Strategy will be undeliverable.	1. The projects have a range of costs associated with them. They will be delivered over a variety of periods and some will require partnership working.	2. The Strategy sets out goals to aim at with its partners and will aim to be delivered over a number of years.	Ensure that evidence is used in formulating the document.

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.

Uttlesford Cycling Strategy

October 2014



Document Control Sheet

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2	Final	N Guthrie W Young	31/10/14	S Hannon	31/10/14		

Distribution

Organisation	Contact	Number of Copies
Uttlesford District Council	Andrew Taylor	1
Essex County Council	David Sprunt	1

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Executive Summary

Essex Highways was commissioned by Uttlesford District Council via Essex County Council to produce a new Cycling Strategy for the District.

The aims of the Strategy are to:

- Identify potential ways to increase cycling in the District
- Help allocate funding to new cycle schemes
- Increase the use of sustainable transport in the District
- Facilitate economic growth and development

Key Observations

The District has low levels of utility cycling due to its largely rural nature; the largest settlements are also relatively hilly. Uttlesford consequently has the highest levels of car ownership in Essex. Recreational cycling is however popular, with the attractive countryside and relatively dense network of lightly trafficked lanes, byways and bridleways.

A significant amount of new housing development is planned in the District and to accommodate this, it is essential that cycling infrastructure is incorporated into these new developments and provided on key routes from these new developments. This Strategy therefore focuses on the three main urban areas where this development is due to take place which are also the three main towns in Uttlesford, Saffron Walden, Great Dunmow and Stansted Mountfitchet/Elsenham.

To ensure the effective delivery of the Uttlesford Cycling Strategy it is imperative that there is ownership for driving the Strategy forward, liaising with stakeholders, identifying / securing funding and ensuring that increasing cycling levels in Uttlesford remains high on the agenda. To achieve this it is also key to have strong local political support for cycling.

Cycling should also be incorporated into other areas of the Council's activities as much as possible, whether that be other highway improvements, large schemes or where other activities are already taking place such as health awareness campaigns.

A coordinated approach should be taken whereby development planning and highway scheme delivery in Uttlesford is linked with infrastructure provision, complemented by supportive measures that promote cycling as part of wider publication of the local sustainable transport network.

New on and off road routes have been identified to create cycle routes in the main Uttlesford towns and other key locations, whether through high quality signing along quiet on-road routes, convenient cut-throughs or new segregated off-road cycle tracks. A full list of recommended schemes can be found in **Appendix A**.

These schemes should be taken forward on an individual basis when funding or development opportunities arise. However two schemes should be prioritised:

1. Wenden Road scheme and Audley End cycle parking
2. Flitch Way route

In addition to these schemes it is fundamental that all new developments provide significant, appropriate and high standard cycle infrastructure as part of their layouts. They should also contribute to creating cycle routes to external attractors such as high streets and schools where appropriate.

The recommendations of this Strategy are as follows:

- 1/ Cycle infrastructure is both embedded within new developments and funds sought to provide a network to connect these developments to nearby town centres and other key local destinations.
- 2/ Funding is committed specifically by the LHP to improve the cycle infrastructure in the District and sustained over a number of years.
- 3/ New high quality cycling infrastructure is provided, as prioritised in this Strategy
- 4/ Cycle parking improvements are made at key destinations, especially rail stations.
- 5/ Promotion of cycling in Uttlesford is prioritised, starting with the production and distribution of a cycle map.
- 6/ Ensure cycle events and activities are better promoted, ideally by Uttlesford District Council's Sports and Activities department.
- 7/ Strong local political support is provided both by committing funding and committing to positively raising the profile of cycling in Uttlesford.

1 Introduction

1.1 Background

Cycling is a sustainable mode of travel that has a number of benefits both for the individual who cycles and the community he or she cycles in. Essex County and Uttlesford District Councils recognise these benefits and have jointly developed this Cycling Strategy for Uttlesford District to examine and set out how to increase cycling levels across the District.

1.2 Aims of the Strategy

The aims of the Strategy are to:

- Identify potential ways to increase cycling in the District
- Help allocate funding to new cycle schemes
- Increase the use of sustainable transport in the District
- Facilitate economic growth and development

1.3 Benefits and barriers to cycling

Increasing levels of cycling can vastly improve the quality of life in towns and cities and is beneficial to people's health, can cut traffic congestion and improve air quality.

There are a number of factors which determine the popularity of cycling in any given area. These include the suitability of the highway network (including, but not restricted to, dedicated cycling infrastructure), the typical length of journeys made by residents (in particular the journey to work), the relative ease, speed and cost with which journeys can be made by motorised modes (either public or private) and geographical factors. With a particular emphasis on topography, which is known to have a profound impact on the demand for cycling as a mode of transport. A 1996 DfT Cycling Factsheet commented, 'Although it is obvious that it is easier to cycle in flat areas, the extent of the differences is surprising, and has policy implications.'

Transport for London's 'Delivering the benefits of cycling in Outer London' (2010) identified the following key barriers to cycling which they separated into physical or attitudinal barriers:

- Physical barriers
 1. High traffic speeds
 2. Severance (e.g. major roads and lack of permeability)
 3. Lack of cycle parking / facilities at key locations
- Attitudinal barriers
 1. Fear of traffic & feelings of vulnerability
 2. Convenience of the car

3. Not sure if cycling is for them
4. Cycling incompatible with busy, complicated lifestyles

These barriers to cycling are considered to be just as applicable in Uttlesford District as to Outer London and this Strategy focuses on identifying how these barriers can be addressed to bring about an increase in cycling levels across the District.

1.4 Uttlesford District

Uttlesford is a District in Essex with a population of around 80,000. The largest settlements are Saffron Walden (population approximately 15,500), Great Dunmow (8,800) and Stansted Mountfitchet (6,400). Stansted Airport is a large trip attractor in the area, and employs around 11,000 people. The District is crossed by two major roads, the A120 in the east-west direction, and the M11 in the north-south direction (as shown in Figure 1). The West Anglia Main Line runs north-south through the District and provides connections to London (Liverpool Street station), Cambridge and Stansted Airport. There are five stations located within Uttlesford at Stansted Mountfitchet, Stansted Airport, Elsenham, Newport, Audley End, and Great Chesterford.

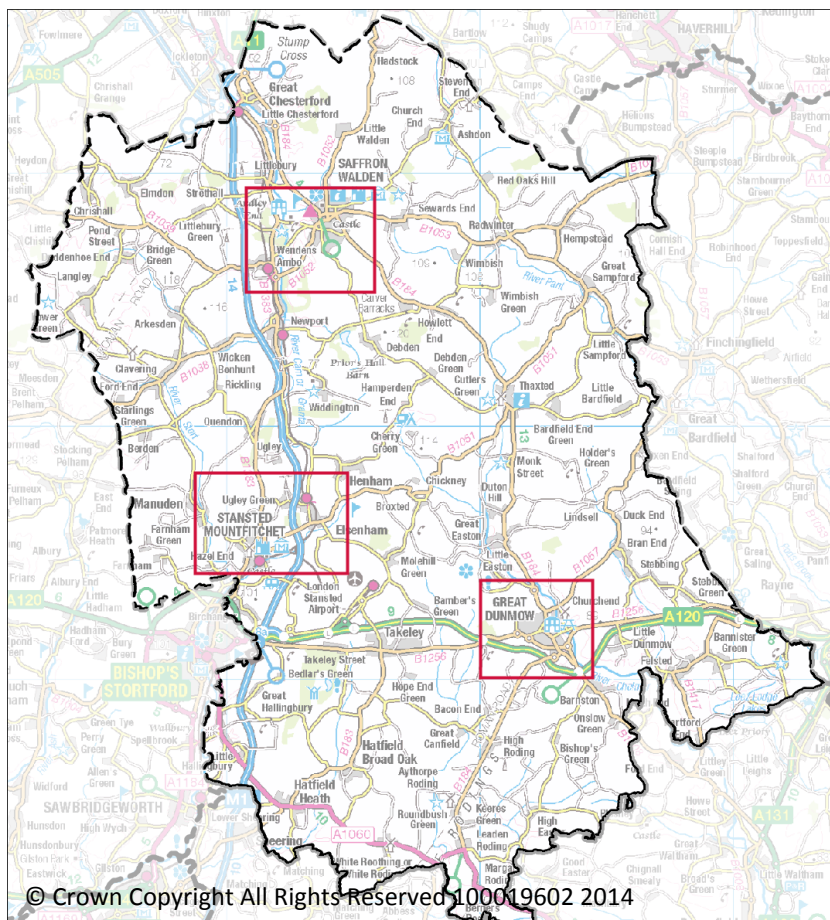


Figure 1: Cycle Strategy Study Areas

1.5 Cycling levels in Uttlesford

The District has low levels of utility (a means of transport not for recreation) cycling due to its largely rural nature, the largest settlements are also relatively hilly and there is no 'cycling culture' evident. As a result, key local destinations such as workplaces and large trip attractors do not provide for cycling and cyclists. There is very little dedicated cycling infrastructure and though existing road layouts are not considered particularly hazardous for cycling, there is very little to attract people to cycle. Further to this, residents have a range of travel options to reach their destinations and Uttlesford has the highest levels of car ownership in Essex. However, there is much that can be done to encourage and facilitate far higher cycling levels.

The District was visited by stage 3 of the Tour de France during the summer of 2014 which was widely embraced, particularly in Saffron Walden. There is also a history of recreational and sports cycling in Uttlesford that can be built upon to encourage physical activity and stimulate local tourism.

Lessons can be learned from London where utility cycling has made enormous advances over the past 10-15 years in both infrastructure provision and the promotion of cycling and a whole new range of infrastructure options could be introduced in Uttlesford towns.

There is a significant amount of new development planned in the District with 9,700 houses to be built before 2031. The majority of these fall within the 3 urban areas of Saffron Walden (1,460 households), Great Dunmow (2,951) and Stansted Mountfitchet/Elsenham (2,604).

This Strategy therefore focuses on these 3 main urban areas which are highlighted in Figure 1.

2 Background

This subject has become a hot topic in recent years with various organisations and Government departments developing new policies to set the case for increasing levels of cycling.

2.1 Local, Regional and National Context

2.1.1 National level

Cycling is experiencing high levels of political support in many parts of the country and the Department for Transport (DfT) has recently released its Draft Cycling Delivery Plan in response to the All Parliamentary Cycling Group's Get Britain Cycling report.

The latter included the need for vision, safer cycling and called for the transformation of our towns, streets and communities and to changing the way we think about cycling.

The report sets out a case for dramatically increasing in the number and diversity of people who cycle. A long-term ambition of increasing cycle use from less than 2% of journeys in 2011, to 10% of all journeys in 2025, and 25% by 2050.

British Cycling's 2014 vision for how the country can become a true cycling nation is equally relevant on a local level, with the recommendations below of particular note:

- Meaningful and consistent levels of investment – a commitment from the Local Highway Panel (LHP) to spend a certain amount on cycling over a number of years
- Consistent political leadership for cycling – local political support for improving the environment for cycling and embracing the benefits cycling brings such as improved public health, reduced congestion, air quality, etc
- Reducing speed limits in residential areas.

2.1.2 Regional level

The vision of the Essex Transport Strategy is *'for a transport system that supports sustainable economic growth and helps deliver the best quality of life for the residents of Essex.'* One of the key outcomes to *'Provide sustainable access and travel choice for Essex residents to help create sustainable communities.'* To achieve these aims it is key to improve the take up of sustainable modes such as cycling.

2.1.3 Local level - Uttlesford Cycle Network Plan (April 1999)

The Uttlesford Cycle Network Plan, was published in 1999 during the National Cycling Strategy era and serves as a useful starting point in the development of this Strategy.

The Plan has three main objectives:

1. A safe, convenient cycle network
2. Cycle parking at destination points

3. Links between urban cycle network and rural facilities (such as the Essex Cycle Route and Sustrans routes).

The Plan outlines that the County policy is to encourage cycling for short car-replacement trips.

The Plan examines 1991 Census data highlights that in Saffron Walden, nearly half of the residents worked within 5km of where they lived, but only 21 people cycled to work and in Great Dunmow, less than a third of the population lived within 5km of their place of work and no one was recorded as cycling to work.

The Plan contains a section focussing on urban cycle networks and it is noted that most of the proposed routes are in, or close to, Saffron Walden. The Plan also outlines a desire to join outlying villages to main towns and to create village-to-village links. A section on secure cycle parking focuses on trip-end facilities and Audley End station.

The opportunities provided by the District's 250km network of bridleways and byways are highlighted. A leaflet 'Wild tracks – cycle rides from Saffron Walden' was published by the town council and is still available from Tourist Information Centres. It contains eight routes using bridleways, byways and public roads. The Essex Cycle route is referenced – it was a 400km leisure route passing through the Uttlesford settlements of Hatfield Broad Oak, Saffron Walden and Thaxted.

The Flich Way is also mentioned, and described as 15 miles of countryside along an old railway. Other recommended routes included Audley End to Saffron Walden (the District's main priority), a route from Audley End to Hinxton via Ickleton, and the Essex Cycle Route.

Little progress was made towards implementing the recommended schemes, primarily due to a lack of allocated budget though many of the aspirations and proposals in the Plan remain relevant and have been included within this Strategy.

2.2 Cycling in Uttlesford

2.2.1 Census data

As part of the 10 year national census, respondents are asked to state their main mode of travel to work by distance. The 2011 Census results for Essex are provided in Figure 2 below.

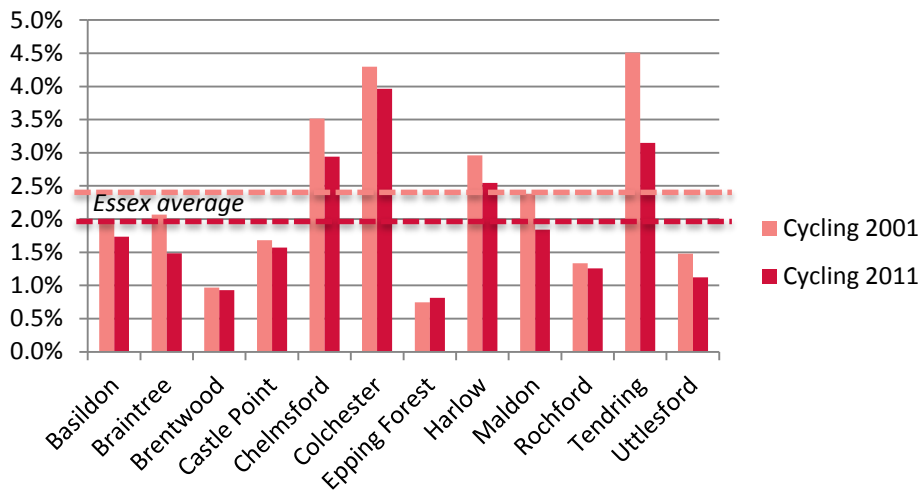


Figure 2: Census Cycling to Work by District

As shown above, based on the 2011 Census data Uttlesford has the third lowest levels of cycling in Essex with just over 1% of journeys to work being made by bike. It is to be noted that this data is unlikely to capture those cycling part of their journey to work, e.g. to the station.

Recorded cycling to work levels have marginally fallen in the majority of Essex Districts between 2001 and 2011 Census. This slight decline has been widely observed across many shire counties England and Wales.

The 2011 Census data also reveals that Uttlesford has the highest level of car ownership in Essex with an average 1.68 cars or vans per household.

2.2.2 Sport England Active People Survey

Sport England carry out an Active People Survey annually, which involves interviewing 500 people from every District in England about their propensity to do physical activity. The figure below shows propensity to cycle at least once per month for any purpose from 2012 Sport England data.

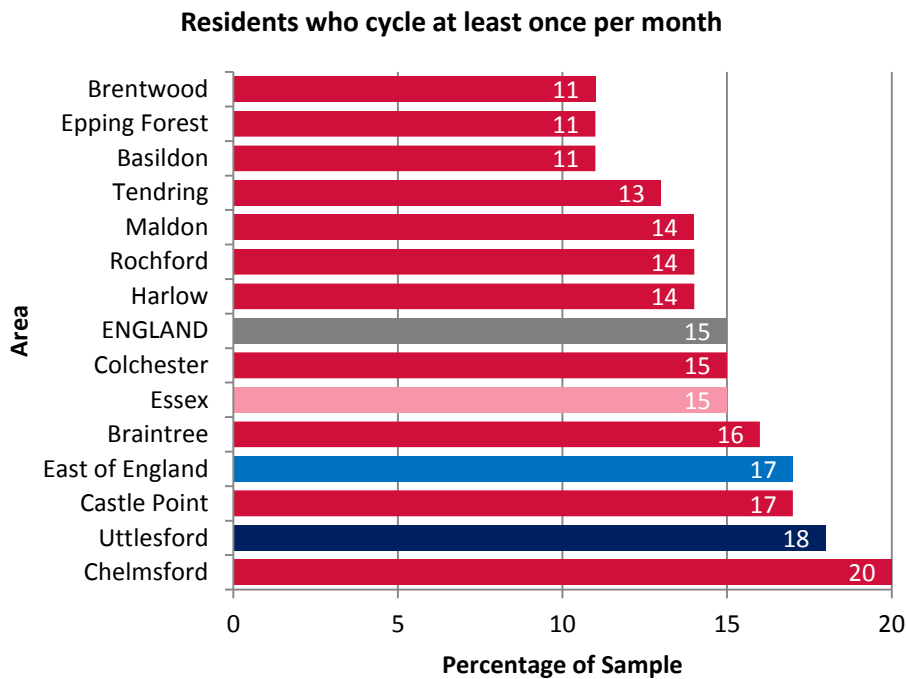


Figure 3: Sport England Propensity to Cycle Data

The results in the figure above show that across Essex Uttlesford has one of the highest levels of residents cycling at least once a month in the county (also above the regional and national figure).

The contrast between this and the cycle-to-work data could perhaps be explained by the popularity of recreational cycling in the District with its attractive countryside and relatively dense network of lightly trafficked lanes.

2.2.3 DfT Traffic Counts

The Department for Transport collects vehicular flow data at various locations on the A-road network around the country. These counts record all vehicles using the carriageway, including cyclists. There are however few classified A-Roads in the District where cycling is permitted.

Of the seven count locations shown in Figure 4 below, the only site with a noteworthy number of cyclists is on the A1250 Dunmow Road on the outskirts of Bishop’s Stortford with 68 cyclists recorded in 2012 over 12 hours.

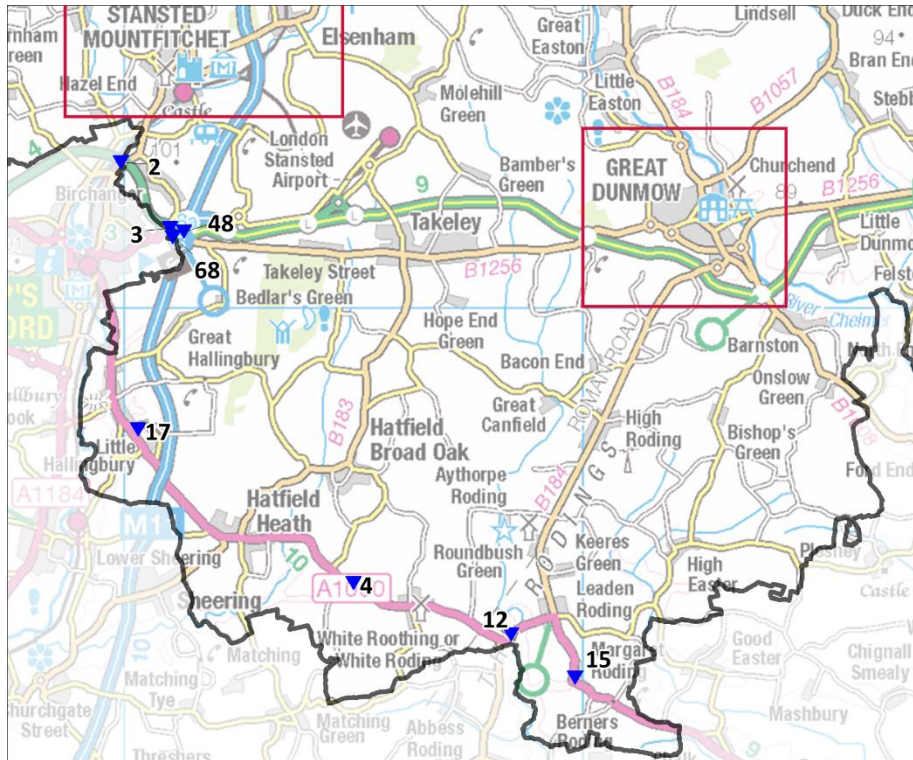


Figure 4: 2012 DfT Count Sites with 12hr Cycle Flows

2.2.4 Cycle accident data

As noted in Chapter 1, fear of personal injury is often cited as a barrier to cycling but whilst this is an important issue, it is useful to use statistics rather than just perception to direct improvements to highway infrastructure to improve the cycling environment. The location of cycling personal injury collisions also serves to identify where cyclists are travelling in higher numbers which can be useful when deciding where to prioritise new infrastructure.

Figure 5 shows the location of personal injury collisions (PICs) in Uttlesford between 2009 and 2013.

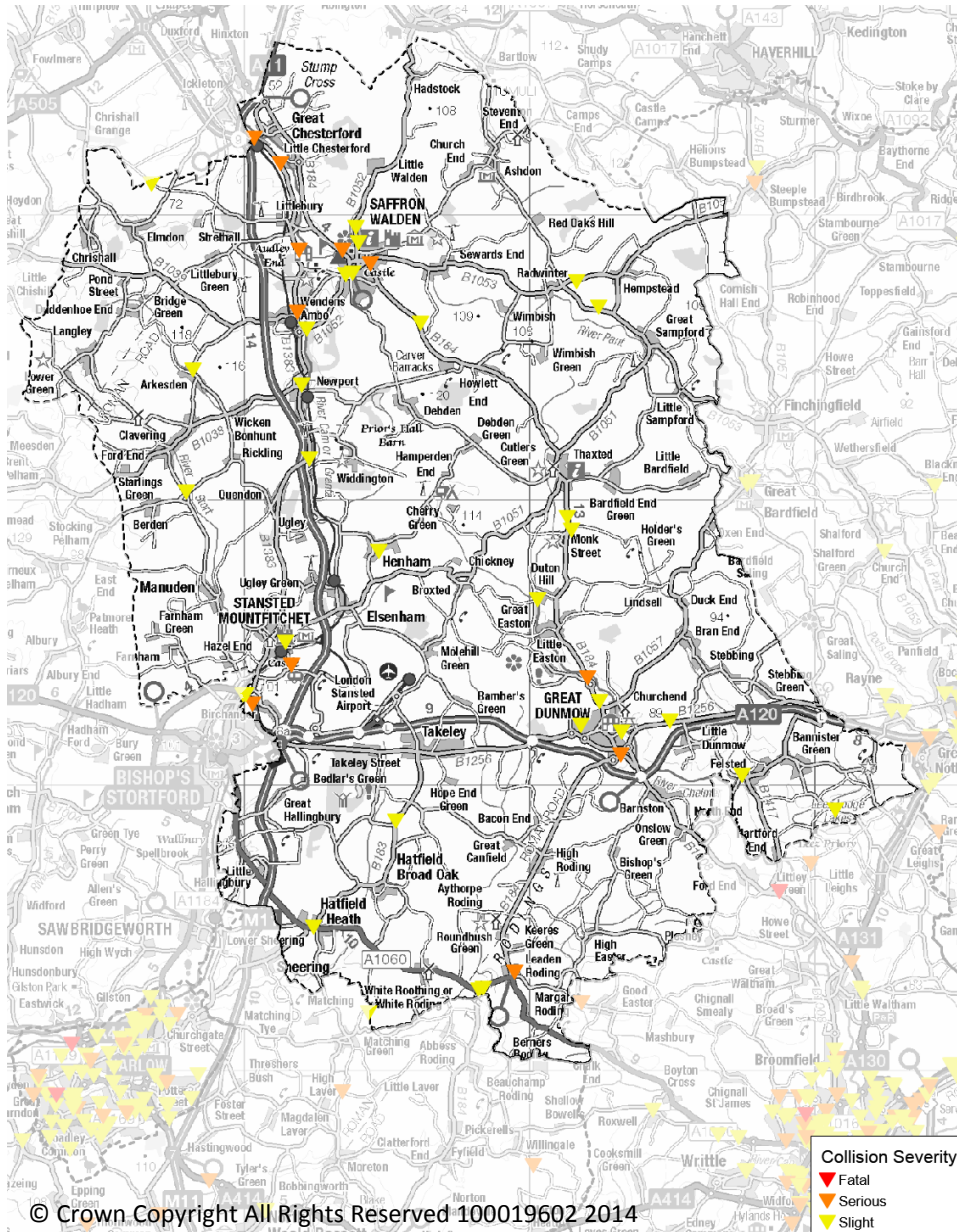


Figure 5: Personal Injury Collisions in Uttlesford

During this period there have been no fatalities involving cyclists in the District, nor are there any significant accident clusters. In fact Uttlesford has the lowest recorded level of collisions involving cyclists in Essex with only 41 serious or slight incidents occurring over 5 years.

This compares favourably with data included in the Uttlesford Cycle Network Plan (1999) which identified 160 slight, 40 serious and 3 fatal collisions involving cyclists in the 10 year period up to February 1996.

2.2.5 The topography of Uttlesford

There are a number of factors which determine the popularity of cycling in any given area. Of the geographical factors, by far the most significant is topography, as identified in many research studies and policy statements. These include research carried out by

Dr John Parkin who concluded; ‘hilliness was found to be, by far, the most significant determiner of the proportion that cycled to work in a District’, and a DfT cycling factsheet; ‘although it is obvious that it is easier to cycle in flat areas, the extent of the difference is surprising, and has policy implications’.

Uttlesford is a relatively hilly part of the County. There are few particularly long or steep hills but many of the roads undulate between the 50m and 100m contours. This amount of hilliness can be attractive to recreational and sports cycling for the physical challenge and views that it provides, but does tend to act as a barrier to cycling among those with other travel options available to them. A hilliness assessment has been carried out for the three largest settlements in the District, and the figures are shown in the table below with a number of other towns and cities in the Country, to put them in context.

Town/city	Hilliness (contours per kilometre)	Level of cycling to work
Oxford	0.66	14.9%
Cambridge	0.82	25.9%
York	0.90	12.0%
Colchester	1.15	4.3%
Harlow	1.29	2.8
Stansted Mountfitchet	1.61	0.9%
Brentwood	1.86	2%
Street	2.05	6.8%
Great Dunmow	2.05	0.7%
Saffron Walden	2.13	1.3%
Brighton	2.34	2.7%

The table above shows that the Uttlesford towns vary in their hilliness with Stansted Mountfitchet the least hilly and Saffron Walden the hilliest. They are all considerably hillier than places like Oxford and York which have thriving levels of cycling. However, places of similar, or greater, hilliness elsewhere such as Brighton and Street have much higher levels of cycling than the Uttlesford towns suggesting that their topography should not be a barrier to a significantly wider uptake of the mode.

3 Saffron Walden

3.1 Introduction

Saffron Walden is the administrative centre of Uttlesford and has a population of approximately 15,500. The town benefits from a healthy tourist industry due to its historic character and the Tourist Information Centre receives over 100,000 visitors each year. In addition to the town centre, key local destinations include the hospital, two major supermarkets as well as the 17th century Audley End House and estate, which is a popular tourist attraction. As noted in the previous Cycle Plan approximately half of residents live within 5km (or a 20minute cycle ride at a n average speed) of their place of work but very few cycle to work.

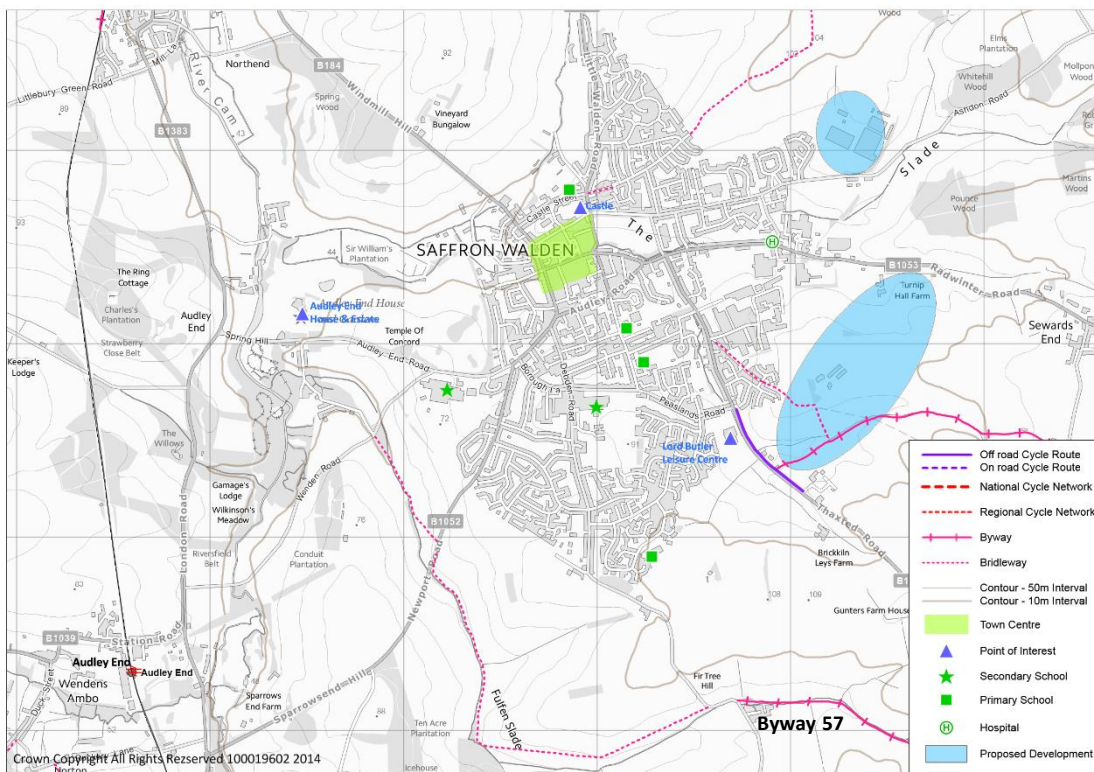


Figure 6: Saffron Walden Existing Infrastructure

The built-up part of the town covers an area of approximately 2.5mi² with most housing within 1 mile of the town centre (as shown above in Figure 6). The town centre has a medieval street pattern with makes the road network quite constrained in places but which also provides quite a pleasant environment for cycling in the centre. On the other hand, the significant one way system creates a barrier to cycling due to its diversionary nature.

Despite Saffron Walden’s rural nature, the town centre lies within an Air Quality Management Area with Nitrogen dioxide levels monitored.

The town lies between the 40m and 110m contours, and the road network has a contours-per-kilometre rating of 2.13 making it one of the hillier towns in Uttlesford / Essex.

The nearest railway station is Audley End, a distance of 2.5 miles (or a 15 minute cycle ride at an average speed) from Saffron Walden. It is served by frequent trains to London, Cambridge and Stansted Airport on the West Anglia Main Line.

The town was visited by the Tour de France during the summer of 2014 with the event being widely embraced by the local community and thousands of spectators attending on the day. Consequently there is significant local support for improving the cycle environment in Saffron Walden with an active local campaign group.

3.2 Existing Situation

There are very few existing cycling facilities in Saffron Walden; the only significant facility is a section of urban bridleway (see Figure 6) on Thaxted Road between Peaslands Road and the junction for the Granite Park Recycling Centre. The northernmost section of the route, below right, is marked out as shared-use footway for cycles and pedestrians rather than bridleway.



Saffron Walden has a relatively constrained town centre and the roads in the immediate vicinity of the High Street offer a pleasant environment for both walking and cycling due to the narrow road layout and slow speeds. The extensive one way system however does present a barrier to cyclists by forcing large detours for some journeys.

The lack of dedicated space for cycling in the town centre means cyclists are often affected by traffic queuing as much as other road users. There are several opportunities to open the area up to cycle traffic by allowing cyclists to use cut-throughs (if geometry and pedestrian flows allow) e.g. below left, and to provide two-way contraflow cycling on some of the many one-way streets (e.g. below right).



Further out from the High Street there are also a number of footways which could be converted and upgraded to make very useful cut-throughs by bike such as between Gibson Way and Abbey Gardens (below left), Audley End Road to Abbey Lane (below right) and Gibson Way to UDC Offices. The coordination of these improvements could significantly improve the permeability for cyclists in the centre of Saffron Walden.



The main radial routes serving the town centre are of mixed suitability for cycle traffic with limited scope in some areas for large scale infrastructure changes. Some roads are narrow and have relatively steep gradients (Debden Road below left). Others are wider and have gentle gradients but high levels of on street parking (Radwinter Road, below right).



Further out there are a number of bridleways and byways on the edge of the town which could form useful (and largely traffic-free) cycling facilities. Improving the access to Audley End House and Estate would also be beneficial though any works would need the support of the land owner. There is a bridleway and a byway which joins the B184 on Thaxted Road along which recreational cycling should be promoted and upgraded as part of the new housing developments in this vicinity.

3.3 Cycle parking

There are a number of publicly accessible cycle-parking facilities dotted around the town but most are the outdated, non-user-friendly ‘Grippa’ type (below left) and are not weather protected. There are a small number of Sheffield stands such as in Market Street (below right). A programme of refreshing the cycle parking in the town has already commenced where older style parking has been removed and more added at more suitable locations.



The Tesco store on Radwinter Road has a number of covered Sheffield stands (below left) as does Waitrose in the town centre. Saffron Walden Community Hospital also has a few uncovered butterfly-type stands (below right).



The town’s sports centre, Lord Butler Leisure Centre is located on Peaslands Road, just off Thaxted Road. There are also a number of ‘Grippa’ cycle stands of which half have some weather protection. Only one was being used on the survey day. There is some

cycle parking at the various neighbourhood shopping centres, most of the stands observed were either poorly installed or vandalised.

Relatively little cycle parking was evident in the residential areas that were included on the site visit. There was some (below) by the flats in Hop Fields which is in the estate immediately to the west of Thaxted Road but these were by far the exception. The four weather-protected Sheffield stands were close to half-capacity during the daytime on a weekday. Assuming some of the residents use a bike to cycle to work (or to the station), the stands are probably at close to full capacity overnight.



As noted in Chapter 1, a lack of secure cycle parking can be a particular barrier to increasing cycling level and accordingly, it is essential that all new developments include provision for cycle parking, particularly with flats as per Essex County Council's parking standards. Of equal importance is retro-fitting existing high density residential properties with cycle parking.

3.4 Access to Audley End Station

The closest railway station is Audley End, a distance of two and a half miles from the centre of Saffron Walden (or a 15 minute cycle at an average speed), analysis of the 2011 Census shows 7% of journeys to work made by train to both London and Cambridge. The shortest and quietest route is via Wenden Road which is largely unlit and has a national speed limit. This route would probably feel too hazardous and intimidating to cycle along for most people travelling to and from the station, particularly outside the summer months when many commuter trips will take place during hours of darkness. This route has understandably been the focus of a local transport campaign by Access Walden and the design of a route along Wenden Road is well underway. It is essential that this is fully funded and implemented as a matter of priority.

However, many of those using Audley End station already do cycle to the station judging by the number of parked bikes shown below. This suggests numbers would be much higher if a more attractive route was provided between the town and the station. On the day of the site visit (a weekday in July) 70 bikes were counted in stands which had a total capacity of 88. There is a mixture of double deck stands and covered facilities.



It is therefore essential to ensure any improvement to the Wenden Road route is also backed up with a considerable increase in cycle parking at Audley End station.

3.5 Access to the surrounding area

Improved access to villages within a cyclable distance to Saffron Walden would also be beneficial and help to reduce the dependence on car travel in rural areas. Adding cycling infrastructure to rural areas can be expensive however and must be balanced with the likely level of use.

3.5.1 Great Chesterford

In 2014 Essex Highways were commissioned by the Local Highway Panel to examine the feasibility of providing an off road cycle route between Great Chesterford and Saffron Walden. This scheme was accepted as feasible despite its likely £1.2 million cost, as other benefits such as improved access to Cambridgeshire and Audley End House could also be realised. The scheme could also be relatively easily broken into more manageable and deliverable sections.

It is therefore appropriate that other significant villages within the influence of Saffron Walden are examined.

3.5.2 Thaxted and Carver Barracks

Analysis of the 2011 Census found that 11% of journey to work trips are made by those living in the Wimbish Area due to the existence of Carver Barracks. Due to the rural and isolated nature of the location however there is an identified local need to connect the barracks to Saffron Walden and build on these high cycling levels for other journeys.

Byway 57 (see Figure 6) runs between Thaxted Road and Debden Road which is currently in a good condition for cycling, and could also be used for part of the journey between Carver Barracks and Saffron Walden. If agreement can be made with the Ministry of Defence, there is potential to create a link to this from the northern side of Carver Barracks which would provide an off road route from the Barracks most of the way to Saffron Walden. Further work may be required to ensure the Byway is suitable all year round however, as such facilities can suffer from use by off road vehicles.

An extension of this route to Thaxted has also been examined. Given the lack of suitable Bridleways and byways a footway/cycleway would need to be provided along the B184 Thaxted Rd which would cost several million pounds to implement. Given the likely usage due to a crow fly distance of 4 miles and over undulating terrain it would be uneconomical to prioritise this scheme at this time.

3.5.3 Newport

Improving the Byway along Whitechurch Lane would provide an opportunity to create a useful north south connection between Newport and Wendens Ambo, which would in turn link to the Wenden Road scheme and an onward connection to Saffron Walden

3.6 New Development

An additional 1,460 houses are planned for Saffron Walden up to 2031. These are primarily located on the south east side of the town between Thaxted Road and Radwinter Road with a new radial road built through the sites. Financial contributions from new development are being secured towards the provision of the Wenden Road cycleway.

A re-organisation of the traffic priorities within Saffron Walden is also planned costing an estimated £1m, it is essential that these measures maximise opportunities for increasing the priority and benefits of cycling. Solutions such as cycling contraflow facilities should be built into any schemes from the start.

There are a number of opportunities to provide useful cycle infrastructure as well, both making use of the existing bridleway and byway network, providing a useful, direct and high quality cycle network as part of the layout of the developments.

In addition, routes outside the sites should be improved and promoted such as to the town centre and to Audley End station.

3.7 Cycling Potential

For large towns and cities, most of the demand for cycling comes from utility trips within the built-up area, particularly for the journey to work, the main journey purpose for cycling, nationally. Due to the size of the settlement, many transport destinations are within the built-up area and recreational cycling is a relatively unimportant journey type. However, in smaller towns and villages, such as those in Uttlesford, people often have to travel outside the settlement where they live for everyday journeys such as commuting, shopping, trips to leisure destinations, and visiting friends and relatives.

It is useful, therefore, to divide utility journeys between those which can be contained within the settlement, and those which require travel to another place a few miles away. Investment in new or improved cycle-friendly infrastructure could be justified if such

destinations are within a cyclable distance, typically up to about 5 miles and attract a large number of trips (e.g. a railway station or a large employer).

Finally, in an attractive and largely rural district like Uttlesford, it is worth assessing the potential for sports and recreational cycling, and considering measures which might stimulate this journey type. This can benefit the local economy by bringing in tourism revenue, improve the health and fitness of local residents, and may, in some circumstances, lead to people subsequently taking up utility cycling although this behavioural link is not firmly established. The table below breaks down the potential for these trips in Saffron Walden:

Type	Rating	Detail
Internal utility trips	Low - Medium	Size of town means considerable demand for internal trips but topography will keep demand relatively low. If one-way streets and some of the footpaths could be opened up to cycling, it would become a more advantageous mode.
External utility trips	High	An ideal cycling distance to a local major railway station (serving London, Cambridge, Bishops Stortford and Stansted Airport)
Sports and recreation trips	Medium - High	Established tourist town; a history of sports cycling; proximity to attractive countryside; can be reached in a day from London; byways and bridleways leading from the town into the surrounding rural area.

Example of the three cycle trip categories for Saffron Walden are shown on the map below.

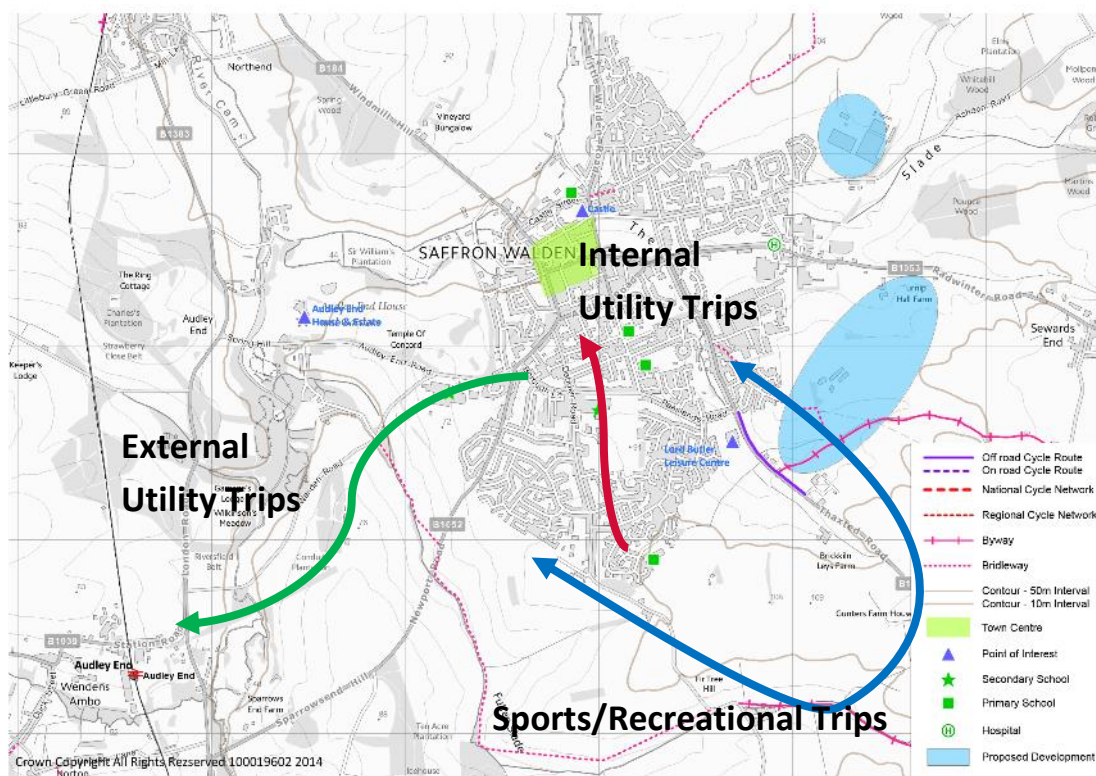


Figure 7: Examples of different cycle trip categories

3.8 Recommended priorities for investment

3.8.1 Route to Audley End station

A high quality, cycle route to Audley End station is an essential component of this strategy, probably the most important element of expenditure to improve the cycle network in Saffron Walden. A pressure group, Access Walden was formed in 2011 and has been specifically campaigning for a cycle route between Audley End station and Saffron Walden. A preferred solution of creating a contraflow cycle route along Wenden Road has been agreed, initial feasibility and design work has been carried out and the scheme is now at public consultation.

3.8.2 Additional parking at Audley End station

Add significant additional cycle parking (more than 100 additional spaces) due to Wenden Rd scheme increasing demand along with additional housing in Saffron Walden. The station has potential for future cycle hub should demand grow beyond this.

3.8.3 Town centre permeability

The priority in the town centre, given the space constraints and the large number of one-way streets, is to maximise permeability for cycling. This should be done through:

- a) opening up cut-throughs and footpaths to cycling where they meet certain criteria which relate to minimising the potential for pedestrian and cyclist conflict, and

b) providing two-way cycling on one-way streets which has been made much easier to implement since recent changes to traffic sign legislation.

3.8.4 Step change in town-wide public cycle parking provision

A co-ordinated approach to upgrade and increase the town's cycle parking provision is needed. All the existing aging Grippa stands should be replaced with facilities such as Sheffield stands, M stands, and cycle hoops. In addition longer-stay cycle parking should also be provided which is weather protected and suitable for commuter use.

3.8.5 Infrastructure in new developments

The new developments to the south east of the town must include cycle network provision and utilise the existing bridleway and byway network, as well as providing a new cycle way alongside the proposed bypass.

New housing should also provide for residential cycle parking where garages are not included, this is particularly important for flats and terraced housing.

3.8.6 Route to Great Chesterford and Audley End House

A feasibility study was carried out for a cycle route between Great Chesterford and Saffron Walden in the spring of 2014. The main aim was to connect Great Chesterford with the nearby village of Littlebury as well as Saffron Walden. Option 1 (London Road via Littlebury) was recommended.

A route to Great Chesterford will be useful intrinsically for linking the local settlements. Additionally, the village is on the Cambridgeshire border and provides a link to a high quality cycle route from Cambridge. A continuation to Saffron Walden would provide a high-quality, long-distance route all the way from Cambridge. Carver Barracks

3.8.7 Carver Barracks

The existing Byway 57 could be utilised in this instance to provide a safe off road route from the barracks along most of the route. This would require an access to be provided to the base through the northern boundary.

3.8.8 Newport

Improve and promote use of the Byway/Bridleway 41 along Whitechurch Lane to create a useful north south connection between Newport and Wendens Ambo.

A map showing recommendations is included below:

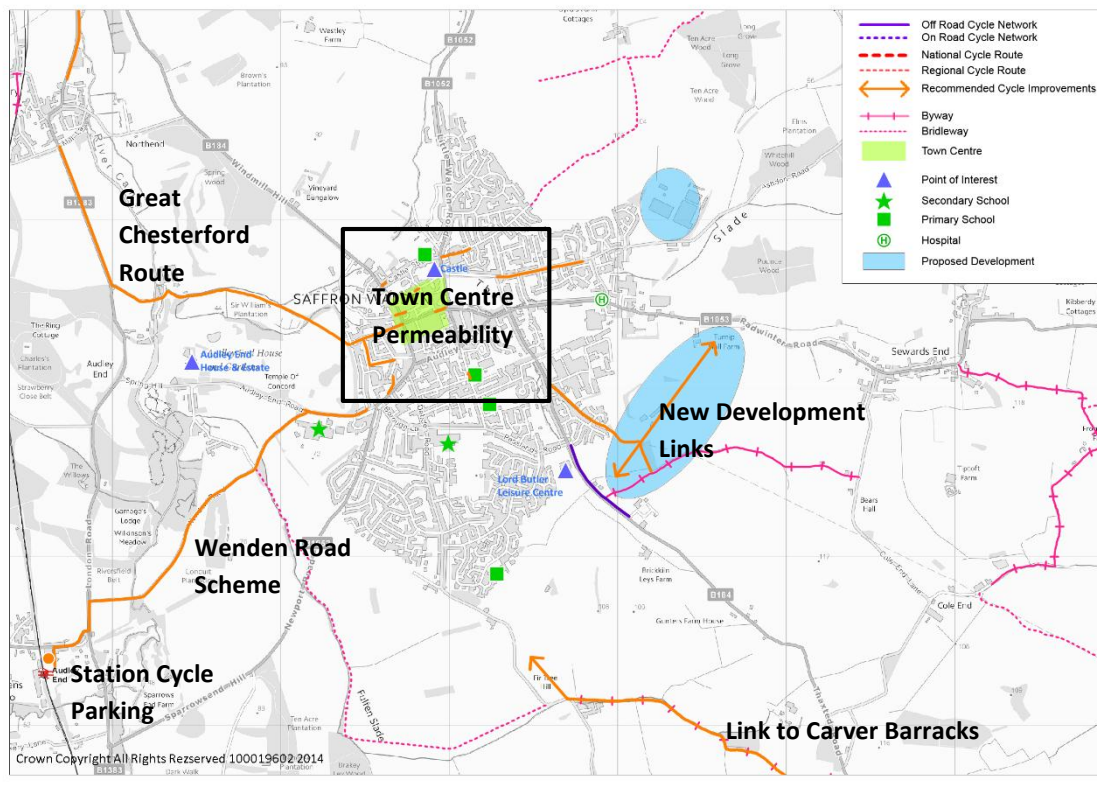


Figure 8: Saffron Walden Potential Schemes

3.8.9 Cycle Saffron Walden

Co-ordinated campaign linking all activities and new facilities with creation of a cycle map once more network has been established. Use digital and conventional media to create a perception of step-change in conditions for cycling. Residents must *feel* that cycling for local journeys has become easier, safer and more enjoyable. In marketing, remember that ‘perception is reality’.

4 Great Dunmow

4.1 Introduction

Great Dunmow is the second largest settlement in Uttlesford with a population of approximately 8,830 and is situated on the A120 4 miles east of Stansted Airport which is a major employment area (employing 11% of the population).

Famous for the Dunmow Flitch Trials, the town also has a healthy local tourist industry. The town has one high school, leisure centre and a supermarket just outside of the town centre.

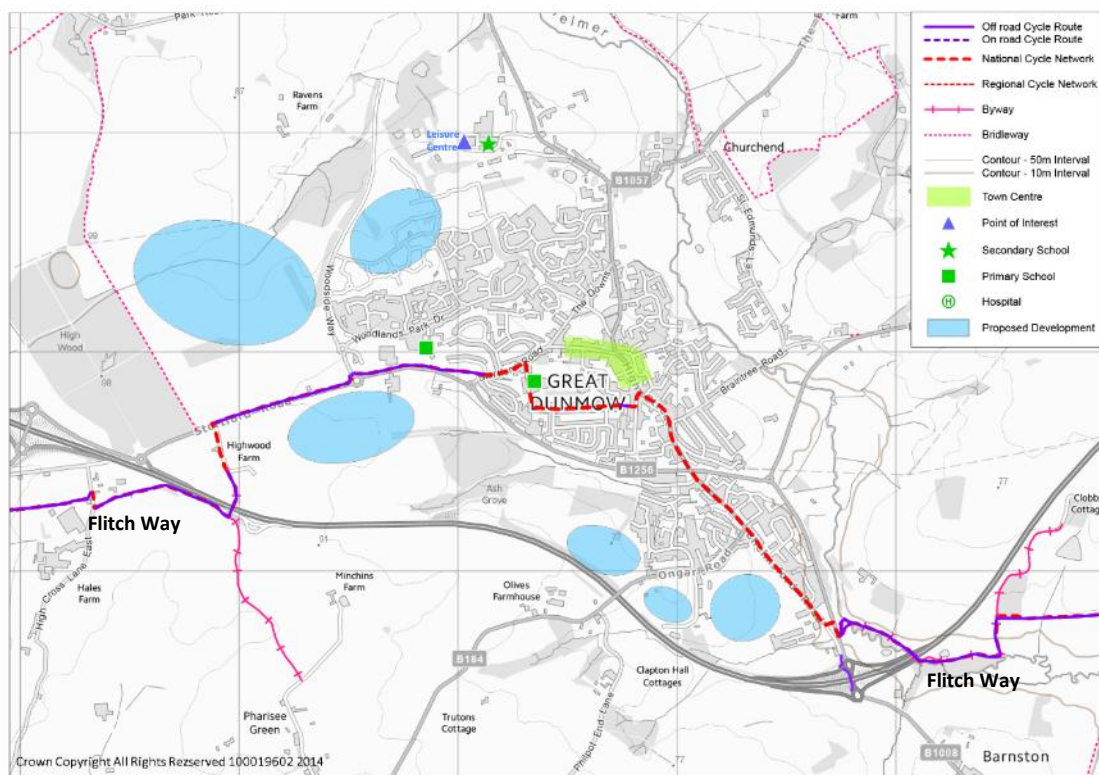


Figure 9: Great Dunmow Existing Infrastructure

The built-up part of the town covers an area of approximately 2mi². Most of the built-up area is within 0.7mi of the town centre as shown in the figure above. The town lies between the 50m and 95m contours, and the road network has contours per kilometre rating of 2.05 making it a relatively hilly settlement.

Great Dunmow does not have a rail station, the nearest railway stations are Braintree (10 miles) and Stansted Airport (6 miles). Braintree has hourly services to London Liverpool Street taking just over an hour. Stansted Airport has four trains an hour to London Liverpool Street taking just under 50 minutes.

4.2 Existing Situation

Like Saffron Walden, there is an absence of existing dedicated cycle facilities in Great Dunmow itself, a survey of the secondary school found only 2% of pupils and staff cycling and a town centre user survey undertaken by UDC in June 2013 identified no cyclists.

However Great Dunmow is in the centre of a popular leisure route in the Flitch Way shown on Figure 9. The route is an east/west route following the former Bishop's Stortford to Braintree railway line that is signed through the town centre as NCN16 (below). The route provides navigational assistance along a series of roads and cut-throughs but is mostly a circuitous on road route through the town. There are also a number of highly trafficked uncontrolled crossings which make the route unattractive.

The issue of a gap in this route is one of long standing community action and lobbying by residents, led by the Flitch Way Connection Group.



A number of developments in the south of Great Dunmow are due to incorporate a new alignment into their layout thus enabling the Flitch Way to route on a much improved alignment to the South of Dunmow.

Essex Highways Public Rights of Way department are also in the progress of converting the existing footpath between Ongar Road and Buttleys Lane, though an all-weather surface is not proposed to be provided along this section. There are further opportunities to provide a cycle route along the old track bed to the south of Stortford Road in this area.

The only other dedicated cycling infrastructure is at the junction of the A120 and the B1008 to the south of the town.



There are a number of footpaths and footbridges that would make useful cycle routes if they could be upgraded to a standard required. The photo below left shows the footbridge crossing of the B1256 to the west of the current Flich Way crossing (linking in to the New Street area). The photo below right shows a footpath next to Manse Gardens which would probably be wide enough for shared use. Note the weather-protected residential cycle parking to the left of the lower path.



The carriageway widths in the town centre are generous and there is therefore potential to free up dedicated space for walking and cycling.

The junctions in the town centre such as shown below left are now over-engineered with generous dimensions and open geometry (below left) as the High Street used to be the main east-west road through the town but has subsequently been bypassed three times. A number of signalised pedestrian crossings exist of which there is an aspiration to convert to zebra crossings, narrowing junctions and provide priority to pedestrians and slow traffic speeds should also be considered. This would also significantly benefit cyclists and create a far less traffic dominated environment.

There are some traffic restrictions in the town centre. There is a one-way system (below right) which serves White Street and the Co-op supermarket. There is an opportunity to provide contra-flow cycling here.



There is also a short section of priority one-way working on North Street (below left) and a non-motor vehicles restriction on Star Lane which could easily be promoted as a cycle route (below right).



Woodlands Park is the largest modern residential estate in Great Dunmow with new housing still to be added. It lies on the north-western side around 20m above, and 1 km from, the town centre. There are several footpaths and green spaces within the area but no infrastructure provided for cycling. Most of these (such as Woodland Walk below) would be wide enough for shared use with some minor alterations such as making barriers easier to negotiate.



There is a lack of walking and cycling connectivity to areas outside of estate particularly in the direction of the town centre and high use of the Public Footpaths that link into

Downs Crescent was noted. Cycle facilities should be retrofitted to this estate as a matter of priority, specifically creating an east west route.

The closest village to Great Dunmow is Barnston which is on the B1008 approximately 1km south east of the A120 junction. There is a narrow (down to 0.8m in places) footway along the length of the B1008 between the A120 and Barnston, which could be widened and converted to a rural cycleway and provide a link to the village and link to the existing short section of cycleway at the junction with the A120.

4.3 Cycle Parking

There is very little public cycle parking in Great Dunmow. There are some Sheffield stands by the library and sports centre but no other formal provision was seen in the main shopping streets, and bikes were seen left outside shops (e.g. below left).

The leisure centre is located on the edge of the town in Parsonage Downs and has 10 uncovered Sheffield stands occupied by 4 bikes during our site visit.

The main town-centre car park is off White Street. There are three exposed Sheffield stands adjacent to the car park next to the library (below right).



The largest retail outlet is the Tesco superstore on the south west side of the town. Despite the size of the shop and the car park, there did not appear to be any cycle parking.

There was very little visible cycle parking in the residential areas other than a covered facility in Manse Gardens (below). This does not have good theft protection but would suffice for lower value bikes, and was attracting some use.



4.4 New Development

There are a large number of development proposals for the Great Dunmow area with 2,951 households planned up to 2031, with sites located to the south and western side of the town.

The developments to the south provide a key opportunity to improve the Flich Way and resolve the issue of a gap in the route. Access to the town centre should also be provided as well as permeability between different site allocations to create a wider cycle network.

For the western sites the two main probable requirements for cycling infrastructure will be into the town centre and out to Stansted Airport. They will also require crossing facilities over Woodside Way.

4.5 Cycling Potential

The table below breaks down the potential for these trips in Great Dunmow:

Type	Rating	Detail
Internal utility trips	Medium	Though a hilly settlement, many of the residential areas fall within a 20m height difference of the town centre which is sufficiently small not to discourage too many people from making short trips by bike. With close to 10,000 residents, it is sufficiently large for there to be a number of local trip destinations within the town itself.
External utility trips	Low	Town is a considerable distance from the closest significant utility trip attractors of Braintree (10 miles) and Stansted Airport (6 miles). Stansted Airport also has the nearest station. The airport could attract utility cycle trips (for workers, and possibly for ongoing travel to London) but only if the journey by bike was sufficiently beneficial e.g. would there be big savings to be made on car parking or bus fares for airport employees if they cycled?

Sports and recreation trips	High	An attractive market town, surrounded by rolling countryside, and sufficiently close to London to attract day trips. There is also the attraction of the Flitch Way which diverts from its dismantled railway-track alignment to come through the town centre.
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4.6 Recommended priorities for investment

4.6.1 Flitch Way

The gap in the Flitch Way needs to be resolved, with further opportunities provided by developments taken to create a high quality all weather leisure route. The crossing of the B1256 at Hoblongs Junction also needs to be provided. To the east of this area, the footbridge over the River Chelmer should also be replaced to allow cyclists full access across this pinch point.

4.6.2 Woodlands Park Access

The footpath from Woodlands Park through to The Downs should be upgraded to a surfaced cycle route, combined with a signed on road route provide using Star Lane this would create a radial to the town centre.

The status of the paths through The Woodlands Park estate is currently unclear. There are ‘strictly no motorcycles’ signs which suggest that cycling is allowed but it is clearly not actively encouraged. This route should also be upgraded signed to provide a spinal route through the estate and beyond to future developments.

4.6.3 High Street Re-prioritisation

Change the streetscape with wider footways, attractive cycle racks, priority crossings, reallocation of carriageway space with regular crossings, level surface (or low kerbs), fewer signs and signals.

4.6.4 Linking New Developments

Cycle routes from new developments to Dunmow High Street should be provided as a matter of course, sites should also connect to each other to provide a wider useable network. This includes:

- The Flitch Way (as detailed above)
- A route following the Woodside Way western bypass
- Use of the former railway alignment to the south of Stortford Road
- Other cycle links provided through and between developments on an individual basis

4.6.5 Chelmer Valley Leisure Route

A leisure link could be provided along Chelmer Valley through Town Council owned parkland between Church End and the B1256, this would provide the core to a leisure network on the eastern side of Dunmow which could be added to as needed.

As part of this, the footpath from Windmill Close to Mill Lane should also be upgraded to a cycle route. This will enable residents in the St Edmunds Lane area to reach the town centre via a quiet, traffic-free route rather than following Braintree Road.

4.6.6 Cycle parking provision

A co-ordinated approach to increase the town’s public cycle-parking stock is required. A wider distribution of stands for short-stay parking is needed in the main shopping streets. These could be Sheffield stands, M stands or the cycle hoop designs which make use of existing street furniture and have minimal impact on the urban realm.

Cycle parking at larger destinations such as the main town-centre car park, health centres and leisure centres should be expanded, and the existence of free cycle parking should also be promoted.

4.6.7 Link to Barnston

Convert and widen the footway along Chelmsford Road to encourage local cycle trips from Barnston to Great Dunmow.

The map below shows the recommended schemes in Great Dunmow:

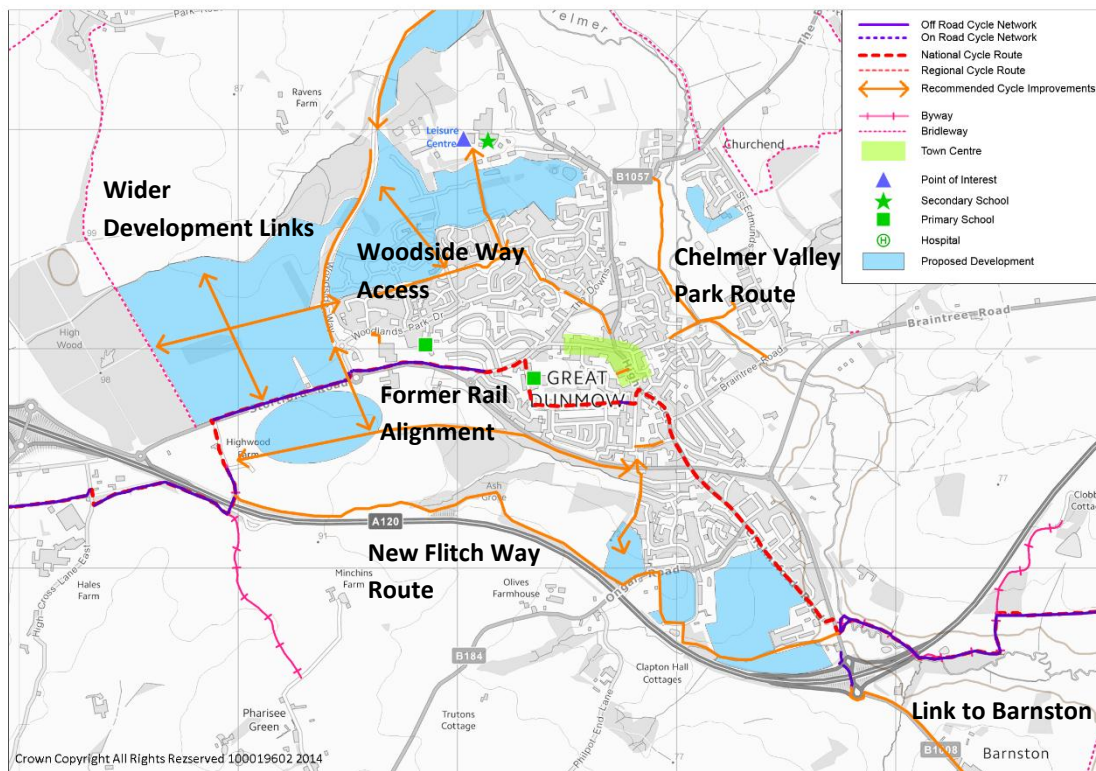


Figure 10: Great Dunmow Potential Schemes

5 Stansted Mountfitchet and Elsenham

5.1 Introduction

Stansted Mountfitchet is a village with a population of 6,460 situated 1.3 miles north of Bishop’s Stortford and 2 miles north west of Stansted Airport. The town has one High School which is situated on its southern edge.

Elsenham is a smaller linear village 1.5 miles to the north east of Stansted Mountfitchet, it has a population of 3,680 and though covering a relatively small area it is expected to grow significantly in the future.

The area has a moderate level of out commuting by rail at around 11% and over a third of residents are employed in nearby Bishop’s Stortford or Stansted Airport which are both within a cycle-able distance.

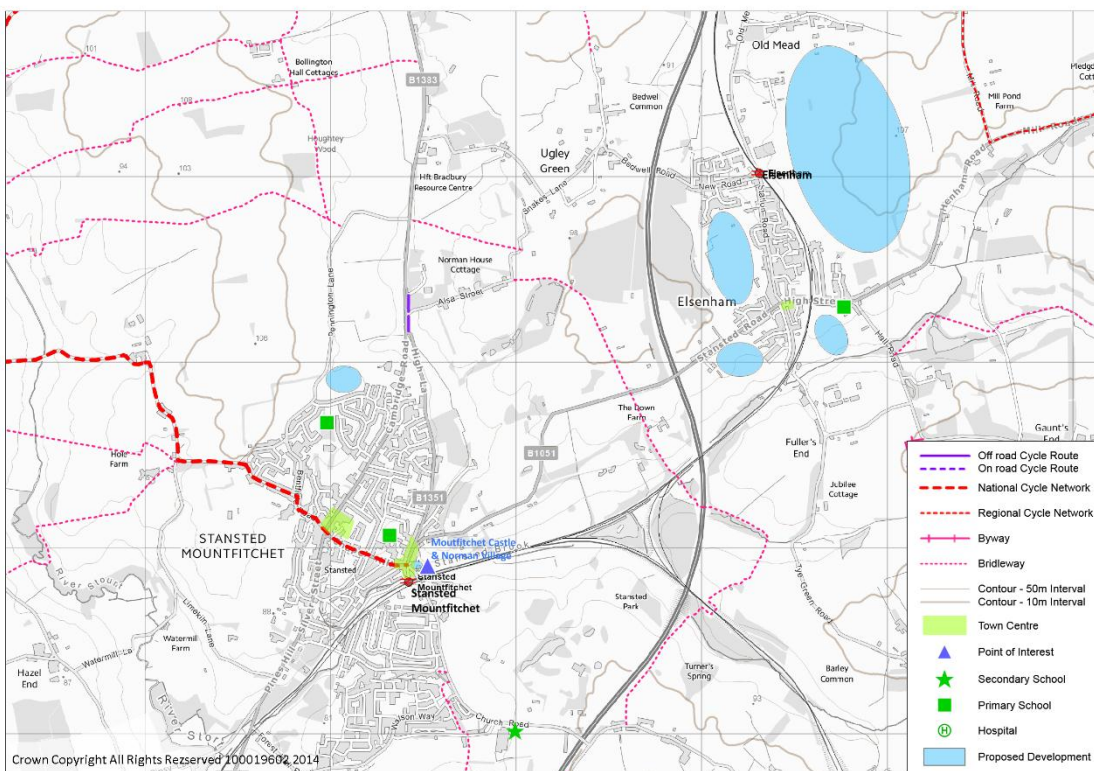


Figure 11: Stansted Mountfitchet & Elsenham Current Infrastructure

The built-up part of the town covers an area of approximately half a square mile, with most of this within a crow-fly distance of 0.6mi of the railway station. The station is served by trains to London, Bishops Stortford, Cambridge and Stansted Airport.

Stansted Mountfitchet lies between the 65m and 100m contours road network and has a contours-per-kilometre rating of 1.61 putting it towards the middle of the towns in our hilliness league table.

Elsenham is largely flat and lies between the contours of 85m and 100m. It also has its own station with similar services to Stansted Mountfitchet except for a lack of services to Stansted Airport.

5.2 Existing Situation

There are currently very few cycling facilities in Stansted Mountfitchet except for a bridleway/cycleway through Forest Hall Park (below left) and a short section of shared cycleway on the B1383 Cambridge Rd to the north of the Village. National Cycle Route 11 branch of the signed National (Regional) Cycle Network routes into Stansted Mountfitchet from the north west and terminates at the rail station, though it has no dedicated cycle infrastructure.



The main junctions (below) in the town centre (Lower Street) do not have cycle or pedestrian-friendly layouts due to wide carriageways, open geometry and a lack of pedestrian islands. There is scope to create a friendlier pedestrian and cycling environment here without reducing road capacity.



There is no safe cycle route between Stansted Mountfitchet and Elsenham at present. The B1051 is the shortest route but is at a national speed limit for most of the route. It leads from the town centre towards Elsenham and has a section of signal controlled, one-way shuttle running (below left). Whilst this is likely to be intimidating for cyclists

being followed by motor vehicles, there is potential to create a rural cycle route by converting the existing footway which runs between the two villages. Given the low pedestrian flows, this should be adequate and would mostly only require vegetation clearance to create an acceptable width along with route signs.

Sunnyside (below right) is an example of a quiet, traffic-calmed street providing a useful link with gentle topography but the speed humps are not cycle friendly with no bypass or sinusoidal profile. This is not adopted highway however.



The large residential area to the south of the station, now extending as far as the Forest Hall Park estate, has a number of footpaths, footbridges and cut-throughs (below) but none currently allow, or formally encourage, cycling.



Church Road connects the Forest Hall Park estate with the station. It is partly traffic calmed (below left) but not in a cycle friendly way as no bypasses were provided.

The junction of Silver Street and Chapel Hill, below right, could cause difficulties for cyclists especially when making the right turn from major to minor arm.



Elsenham currently has no cycle network infrastructure, though some is planned to be provided along Stansted Road by upcoming housing developments.

5.3 Cycle Parking

There appears to be very few public cycle stands in either Stansted Mountfitchet or Elsenham. During the site visit, others were observed at the Crafton Green car park which serves a health clinic and library at the top end of the village, and the local leisure centre. The Crafton Green car park had three uncovered ‘Grippa’ style stands (below left). None of which was occupied. The Mountfitchet Romeera Leisure Centre (below right) has very basic cycle parking with ‘butterfly’ style racks for five bikes (none were using it on the day of site visit).

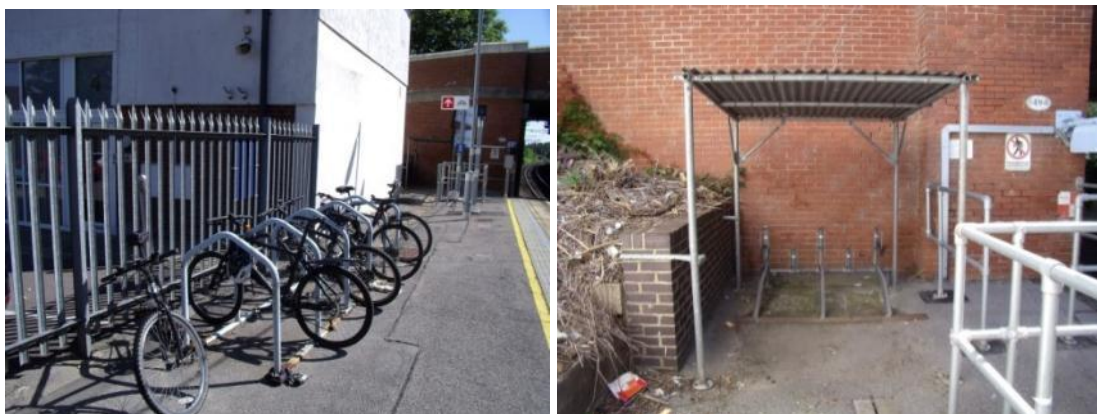


There are a small number of shops at the junction of High Street and Station Road in Elsenham but with no cycle parking.

5.4 Railway Stations

Both villages have their own railway stations on the London Liverpool Street to Cambridge line. Stansted Mountfitchet’s is immediately to the south of the branch line to the airport – Elsenham’s is immediately to the north. Stansted Mountfitchet has a slightly more frequent service to London (as some of the Stansted Airport services stop there). Both stations have some cycle parking provision (below). Stansted has five

uncovered Sheffield stands and five covered butterfly racks on the northbound platform. Five bikes were parked on the day of the site visit (a weekday in July) and all were in the Sheffield stands despite the lack of weather protection, Butterfly stands are typically less attractive to use than Sheffield stands, it would be worthwhile removing these and replacing them with a modern two tier rack as at Audley End.



Elsenham station has cycle parking on both platforms and whilst generally underused at present, additional high quality capacity should be brought online as Elsenham’s population increases. On the London-bound side there are four Sheffield stands which are well protected (below left), none were observed in use. On the Cambridge-bound side there are four Grippas in a weather-protected enclosure (below right), two were being used.



5.5 New Development

Stansted Mountfitchet and Elsenham are to gain additional houses in the period to 2031 with most in Elsenham (2,607). The largest site is to the north east of Elsenham station, between Henham Road and the railway line. The other two are to the west of Station Road, and to the southeast of the Hall Road / High Street junction. A site containing 400 houses is also planned for the north of Stansted Mountfitchet.

These would all be within a few minute’s cycle ride of Elsenham station, making cycling an obvious mode choice as long as commuters can store their bikes in an accessible and

convenient location both at home and at the station, highlighting the importance of residential cycle parking.

5.6 Potential for cycling

The table below breaks down the potential for these trips in Stansted Mountfitchet and Elsenham:

Type	Rating	Detail
Internal utility trips	Medium	The main demand is likely to be for trips to both stations. The settlements are small with relatively few services and employment so demand for other internal cycle trips is likely to be low.
External utility trips	Medium - High	The distance and topography to Stansted Airport (approximately 5km) makes cycle commuting an easy option if trip-end facilities and the route are sufficiently cycle friendly. Bishops Stortford is also within a similar distance.
Sports and recreation trips	Low - Medium	It is not a well-known tourist destination, unlike Saffron Walden, and may have a negative association as an attractive area due to its proximity to Stansted Airport. However, there are a number of cycle club huts nearby so it is clearly considered to be a worthwhile destination for London based cycle-club members.

5.7 Recommended priorities for investment

5.7.1 Access to Stansted Mountfitchet station

South – Forrest Hall Park and High School

The chicanes in Church Road could easily be made cycle-friendly by providing dropped kerbs and allowing cyclists to keep to the near side. The speed humps in Sunnyside could be made cycle-friendly by a flattened 1m section on the nearside, allowing cyclists to avoid the vertical deflection.

The footpath linking Water Lane to West Road to the south west of the station could also provide an attractive cycle route to the station as an alternative to Church Road for people living in the Forest Hall Park area.

The Forest Hall Park estate has several footpaths and bridleways which follow their own alignment providing useful traffic-free cut-throughs. Amendments of the surfacing and converting and signing them could provide substantial useful cycle network on this side of the town. A substantive section 106 fund also exists which could be used to fund these improvements

North – Gilbey Crescent

A route to the north could be provided with a combination of signed on road routes through Brewery Lane and St Johns Road and supplemented with suitable cycle infrastructure on busy roads such as Cambridge Road and to a lesser extent Lower Street. This should be funded and provided in conjunction with the housing development to the north of Rainsford Road.

5.7.2 Stansted Mountfitchet to Elsenham

Shared-use footways are increasingly seen as a poor quality facility in an urban cycle network. However, they can still be useful in rural areas where pedestrian flows are low, side road junctions are few and far between, and the adjacent carriageway has a 40mph or greater speed limit. The footway between Elsenham and Stansted Mountfitchet is such a facility, subject to feasibility study.

5.7.3 Infrastructure in new developments

The new developments to the west and south of Dunmow must include cycle network provision and enhance the network to key destinations such as the town centre, school and leisure centre.

New housing should also provide space for residential cycle parking where garages are not included, this is particularly important for flats and terraced housing.

5.7.4 Junction Improvements

Junctions which appear most in need of cycle and pedestrian measures include:

- Chapel Hill and Church Road
- Lower Street and Grove Hill
- Chapel Hill and Cambridge Road

5.7.5 Stansted Mountfitchet to Bishop's Stortford

Footpath following Stansted Brook between Stoney Common and Stansted Road could provide both an attractive radial approach from the south west and could also form part of a longer cycle route to Bishops Stortford.

5.7.6 Cycle Parking

There is relatively little existing cycle parking in Stansted Mountfitchet. There is no single town centre but the main streets with shops and services are on Cambridge Road, Lower Street and Chapel Hill. Short-stay cycle parking should be dotted along these streets outside shops and other outlets (cafes, pubs etc.) in a little-and-often formation to minimise walking distances between the stand and the destination.

Figure 12 below shows the infrastructure proposals for this area.

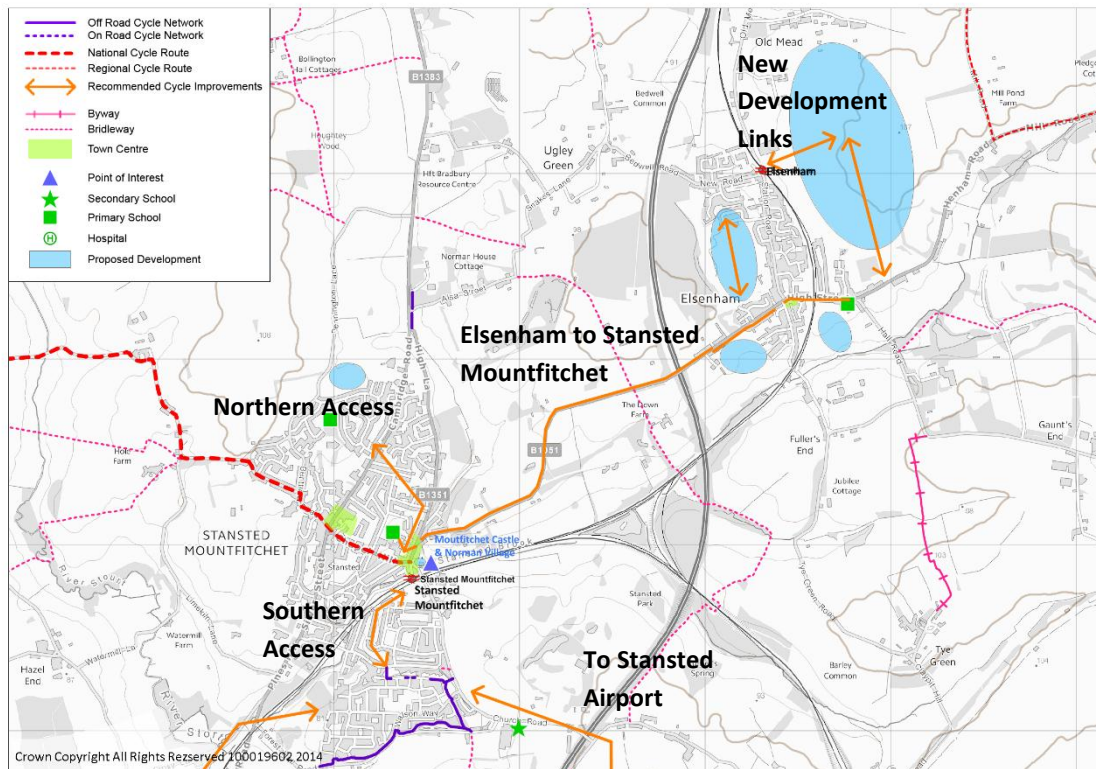


Figure 12: Stansted Mountfitchet & Elsenham Potential Schemes

6 Other Areas

Whilst this strategy is mainly focused on the three largest settlements within the District, there are other locations or routes which have potential to attract much higher levels of utility cycling than they currently do and these are covered in this section.

6.1 Access to Stansted Airport

Stansted Airport employs around 11,000 people and is one of the largest areas of employment in Essex. A survey by the Surface Access Strategy in 2009 found just 0.4% of airport employees cycle to work which would account for around just 50 people. The 2014 Sustainable Access Plan notes that the cycling mode share had dropped to 0.1% by 2013, and set a new target of 0.5% by 2019.

The airport should be able to support considerably higher levels of cycle commuting than the current amount. It is crucial to understand what the main deterrents currently are to cycle commuting – whether it is non-cycle-friendly infrastructure and hazardous traffic conditions, lack of trip end facilities, or cheap, easy and quick motorised mode options (free parking/staff bus etc.) or the distance that employees commute - perhaps most are beyond a realistic cycling distance of 6 miles.

There is some cycle network on the airport as shown in the figure below but this does not provide continuous routes to the nearby settlements of Bishop’s Stortford, Takeley, Stansted Mountfitchet and Elsenham which are all within a 15 to 30 minute cycle ride.

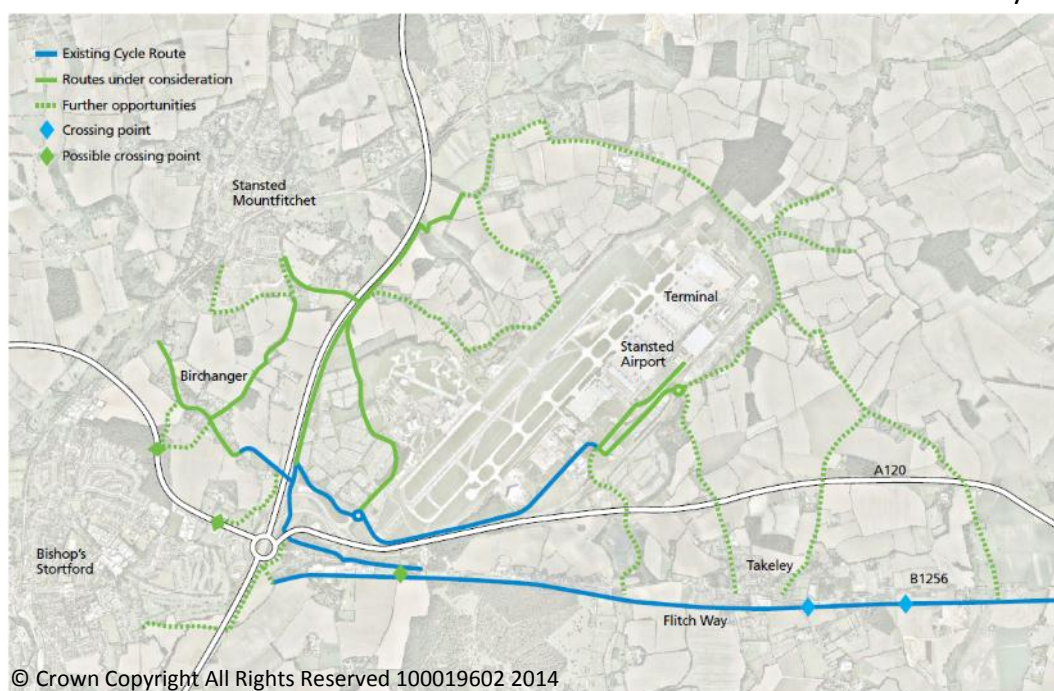


Figure 13: Existing Cycle Infrastructure at Stansted Airport

The existing bridleway, cycleway link between Stansted Airport and Birchanger village has been signed by Sustrans, but it may be some time till the route is completed all the way to the terminal building on the airport side.

The route connects to the Round Coppice roundabout (below left). Cyclists can use a shared footway with uncontrolled crossings to make their way round the roundabout (below right).



The cycle route stays on the footway along Long Border Road (below left). At the first side-road junction leading into the airport, the route switches to an on-road facility (below right) with the use of narrow cycle lanes which appear to be well below the recommended minimum width of 1.5m. These cycle lanes are unlikely to provide an appealing environment for cycling. The route extends almost as far as the Bassingbourn Road signalised crossroads then terminates before reaching the terminal and other employment areas.



The route is also largely of an inadequate standard with steep gradients, poor unbound surfacing that has been eroded and a general lack of maintenance. This means the route is seldom used at present.

These issues are not too difficult to remedy and have the potential to provide a very useful facility. However plans to continue the link from Birchanger to Bishop's Stortford and cross the A120 have so far failed to come to fruition for various reasons, specifically construction cost and land ownership.

6.1.1 2014 Surface Access Strategy Update

Stansted Airport (as part of the M.A.G group) published a Sustainable Development Plan in 2014 which included a section on cycling. The key points are summarised as follows:

- The airport aims to reduce car use by encouraging sustainable modes
- Cycle routes and facilities will be improved for staff living locally, and for recreational use
- The 2008 Walking and Cycling Strategy led to Flitch Way improvements, and ECC also obtained developer-funding for crossings on the B1256
- Hertfordshire County Council secured Community Infrastructure Funding to provide cycle links between Harlow, Bishop's Stortford and the Airport. This link's to Stansted's own 'on site cycle network' with the Duck End Cycleway connecting Duck End Bridge (over the M11) to Round Coppice Road, and the Long Border Road Cycleway.
- A new cycle/pedestrian route has been provided from Coopers End roundabout to the Terminal via the short-stay car park.
- 11 new cycle and motor-cycle parking shelters have been introduced throughout the airport and adjacent to the transport interchange
- The Airport joined the Cycle to Work scheme in 2007, and a large number of employees could buy new cycles at a discounted rate. They also have a 15% staff discount at retailer Halfords.

The Airport wish to continue to seek further improved, safe routes to key local settlements. Their priorities are:

1. To the west and north to Bishop's Stortford, Birchanger, Stansted MF, and Elsenham
2. Extension of the Sawbridgeworth to Bishop's Stortford link
3. Storage, shower and secure parking at key locations on site including the North side

6.1.2 Recommendations

It is essential that access to Stansted Airport by bike is improved and promoted and that:

- The route between the airport and Bishop's Stortford should be completed with a link across the A120 provided.
- An off-road facility linking the Coopers End roundabout to Takeley could also be easily provided by converting and improving the existing footway.
- Signed quiet road routes, complemented with dedicated infrastructure from Elsenham and Stansted Mountfitchet should also be provided, and should link to the employment areas to the west of the runway and beyond.

Produce and widely disseminate (paper and electronic) a cycle map with journey time isochrones map as part of the employee travel plan.

6.2 Bishops Stortford

Bishops Stortford lies immediately to the west of the Uttlesford district boundary but has no cycle infrastructure links across the border into Essex. It is a medium sized market town with a population of 38,000 and could easily attract and generate cycle trips into and from Uttlesford. Despite its proximity to the district, cycle trips between the two are currently difficult to make due to a shortage of attractive and conveniently located crossing points on the A120 in particular and the M11 to a lesser extent.

Sustrans have put a considerable time and effort into looking at improving the local cycle infrastructure in the vicinity of Stansted Airport, the Flitch Way and with Bishops Stortford. Their main findings and recommendations are summarised below.

The lack of a formal crossing of the A120 between Bishop's Stortford and Stansted Airport is a significant barrier for both pedestrians and cyclists. The DfT traffic count available on Dunmow Road recorded the only significant number of cyclists of any of the counts on A Roads in Uttlesford, with 92 observed over 12 hours.

The only existing crossing facility is an uncontrolled crossing of five lanes to the east of the Dunmow Rd/A120 roundabout which is inadequate. An observation carried out by Birchanger Parish Council found that cyclists dismounted and walked (or ran) across the junction rather than cycle around it, which is clearly not acceptable.

The highway environment in the vicinity of M11 Junction 8 is also not designed for cyclists. The Highways Agency have carried out site visits with Sustrans and the CTC to assess this issue. They concluded that the current alignment constraints at the junction make it difficult to provide any suitable facilities. Cyclists from the B1256 Dunmow Road were observed to ride along the existing footway on the northern side of the junction using a narrow footway section at the northern over-bridge.

There have also been suggestions that cycle trips, mostly commuter trips, at this junction have dropped compared to previous numbers due to the perceived risks from exposure to motorised traffic.

The Highways Agency has been given a remit to retrofit cycle infrastructure to its network where appropriate. Provision for non-motorised users should be made at this location when any future junction improvements occur.

The Essex Highways Public Rights of Way department have recently improved the surface of Footpath 10 between Great Hallingbury and the Flitch Way. There is potential to further improve provision and create alternative walking and cycling routes that connect the Flitch Way to the town avoiding Junction 8.

Sustrans' chosen solution is to implement a route which connect Great Hallingbury with Hockerill via Jenkins Farm and could make use of the alignments of existing Footpaths

in the area and the ‘accommodation bridge’ which is immediately to the south of J8. If the land owners were found to be supportive of this, the scheme should be prioritised accordingly.

6.2.1 Recommendations

There are three potential key cycle-trip desire lines between the town and Uttlesford that should be improved:

- from the Fritch Way which would mainly serve recreational cyclists wishing to start or end their Fritch Way ride in Bishops Stortford,
- to Stansted Mountfitchet - for residents to access the jobs, shops and services in Bishops Stortford, and
- to Stansted Airport across the A120 for commuter trips for airport employees living in Bishops Stortford.

The main demand for cycle trips between Bishops Stortford and Uttlesford is shown below.

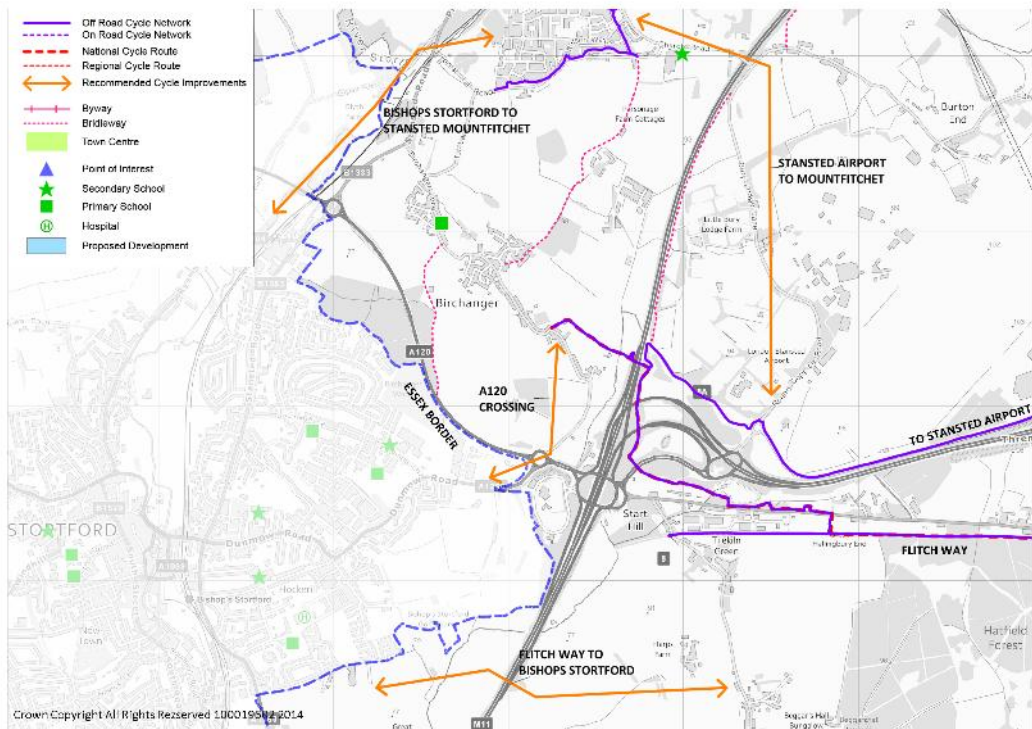


Figure 14: Access Improvements to Stansted Airport & Bishops Stortford

7 Cross-District Measures

A number of potential improvement measures are equally relevant across all areas of Uttlesford.

7.1.1 Local cycle network signed with journey times

Following recent alterations to traffic signs regulations, cycle routes can now be signed with journey times rather than distances. This is a very important development as, to most people who do not currently cycle, the journey times that a bike offers for short trips of up to 3 miles are surprisingly quick and highlighting this via signage can be a key factor in behaviour change.



7.1.2 Residential cycle parking

Residential cycle parking is arguably the single most important cycling facility as without a place to park a bike at home, no amount of new infrastructure will lead to an increase in cycling. Residential cycle parking is most needed in areas with high density housing. It can be retrofitted to on-street locations if needed with innovative products such as the 'Lambeth Bikehangar' (see below right). Visitor residential cycle parking can also be very effective as the 'visiting friends and relatives' journey purpose often lends itself to cycling. This can be achieved in several ways. One is the use of a car bike port which can be introduced on a trial period for several months to gauge demand (see below left).



Other approaches include the subsidised provision and installation of Sheffield stands on people's properties which has been successfully implemented by Oxfordshire County Council. The areas of Stansted Mountfitchet with high density housing could be identified with dwellings where occupants cannot easily store a bike such as terraced houses without garages and flats without communal cycle parking offered cycle parking.

7.1.3 Recreational Cycling

Cycling for recreation, although not directly related to local transport, is still an important policy area. It can help with the health and fitness of local residents, it can bring in tourism revenue from further afield, and it can sometimes lead to more utility cycling. Uttlesford has an impressive number of byways, bridleways and quiet country lanes which have the potential to be connected, improved and promoted as recreational routes. Some would only be suited to people on mountain bikes but many, including the country lanes, could attract a wide range of sports/recreational cyclist. Visit Essex already provide a number of recreational cycle ride maps which could be built on to include the Public Rights of Way network as well as other useful detail.

It is recommended that a district-wide recreational cycling map is produced and published. This map will highlight all the features and facilities which are particularly useful to sports and recreational cyclists. This would be made available as a printed map and with an electronic version made available online. A smart phone 'app' could also be created which would represent a new concept for a local authority.

7.1.4 Supportive Measures

Supportive measures are those that relate to cycling activities beyond the physical provision of cycle route and cycle parking infrastructure. Examples of supportive measures include travel awareness campaigns (which include school, employer, station and residential travel plans), the provision of maps, cycle training, participation in Bike Week, etc. Supportive measures are an integral part of any Strategy to increase cycling as the provision of new cycling infrastructure alone rarely leads to significant increases in the amount of cycling that takes place as confirmed by the findings set out in Cycling England's DfT funded report 'Making a Cycling Town' (2010).

Cycle Training

Over the last three years Essex Highways has trained over 500 children in Bikeability in the District. Training a large number of adults, however remains an unfulfilled aspiration which needs further investment and prioritisation to both encourage more people to cycle and in some cases improve cyclists' behaviour.

Tour de France

During the summer of 2014 the District successfully hosted part of stage 3 of the Tour de France. This was extremely well attended (as shown on the front cover of this strategy), indicating hosting further cycle races such as the Tour of Britain or Tour Series would also be popular and help further raise the profile of cycling.

Led rides

Led rides can help those who are either new to cycling or are unconfident cyclists gain more experience, whilst learning the best routes to cycle locally. Trailnet currently manage a series of healthy led rides from Thorndon Country Park. Whilst these were originally set up with help from ECC, they are now self-sufficient but have a relatively low level of new participants. The rides would consequently benefit from further promotion to address this.

Cycle maps

Cycle maps can be a very powerful tool in alerting people to the journey options and times that cycling offers them. Research by TfL into the first round of 'London Cycling Guides' in the early 2000s found that even in the general absence of cycling infrastructure, the maps were popular and useful.

Most of the other significant towns in Essex have cycle maps which are freely provided and distributed but none exist for areas in Uttlesford, thus creating an Uttlesford cycle map is recommended, once the amount of cycle facilities have been increased or when a notable scheme, such as the Flich Way or Wenden Rd scheme have been completed. With the above features included it would still be very useful, and will encourage local residents to think about cycling and make more trips by bike. An example of a typical cycle map for an Essex town is shown in the figure below.

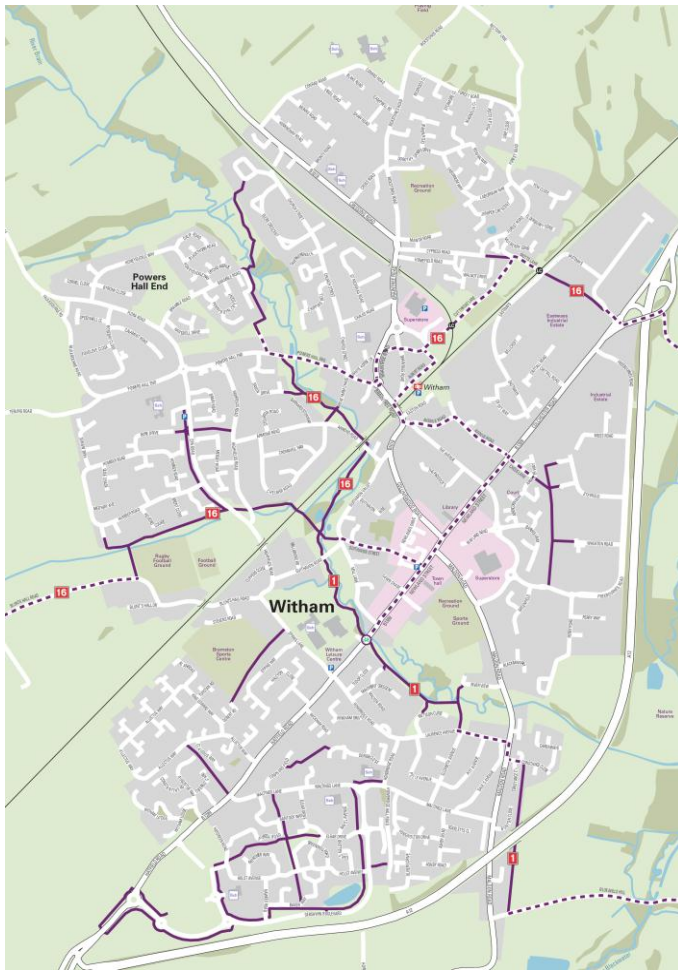


Figure 15: Witham Cycle Map

8 Funding

For this strategy to be successful, it is imperative that funding is provided and sustained over a number of years.

With ECC Local Highway Panels now the main source of capital funding for local highway schemes, this is now the most appropriate way for new cycle infrastructure to be funded. The Uttlesford LHP has approximately £472k per annum for all schemes. Cycle improvements should be considered with other significant LHP schemes and synergies sought wherever possible.

Planning contributions from new developments can either provide funding towards new or improved cycle infrastructure or if in the vicinity actually construct schemes as part of the development.

Sustrans - Station Travel Plans. Sustrans secured LSTF funding for the national Access to Stations project which runs from summer 2012 to March 2015. Participating stations need not be on the National Cycle Network.

Other sources of funding also become available from time to time such as from the DfT (e.g. Pinch Point), it is important that there are 'shovel ready' schemes available should such opportunities arise.

9 Recommendations

In order to remove barriers to cycling and provide suitable infrastructure, it is essential that all new developments in the District include, where suitable, cycling and walking links to key services and areas of employment. To this end, all potential developments associated with the Uttlesford Local Development Plan should contribute towards creating a wider cycle network, connecting key cycle corridors and desire lines.

A coordinated approach should be taken whereby development planning and highway scheme delivery in Uttlesford is linked with infrastructure provision, complemented by soft measures that promote cycling as part of wider publication of the local sustainable transport network.

9.1 New cycle network

New on and off road routes have been identified to create cycle routes in the main Uttlesford towns and other key locations, whether through high quality signing along quiet on-road routes, convenient cut-throughs or new segregated off-road cycle tracks. A full list of recommended schemes can be found in **Appendix A**.

These schemes should be taken forward on an individual basis when funding or development opportunities arise. However two schemes should be prioritised:

1. Wenden Road scheme and Audley End cycle parking
2. Flitch Way route

In addition to these schemes it is fundamental that all new developments provide significant, appropriate and high standard cycle infrastructure as part of their layouts. They should also contribute to creating cycle routes to external attractors such as high streets and schools where appropriate.

9.2 Strategy delivery

To ensure the effective delivery of the Uttlesford Cycle Strategy it is imperative that there is ownership of driving the strategy forward, liaising with stakeholders, identifying funding and ensuring that improving cycling in Uttlesford remains high on the agenda. To achieve this it is also key to have strong local political support for cycling, the benefits of this have been demonstrated clearly in London where the Mayor has instigated a real step change in the provision for cyclists.

Cycling should also be incorporated into other areas as much as possible, whether that be other highway improvements, large schemes or where other activities are already taking place such as health awareness campaigns.

The recommendations of this strategy are as follows:

- 1/ That cycle infrastructure is both embedded within the fabric of new development and funds sought to provide network elsewhere in the vicinity.
- 2/ That funding is committed specifically by the LHP to improve the cycle infrastructure in the District and sustained over a number of years.
- 3/ New high quality cycling infrastructure is provided as prioritised, and cycle parking improvements are made at key destinations, especially rail stations.
- 4/ The promotion of cycling in Uttlesford should be improved with a cycle maps created and distributed to key locations. Existing events and activities should also be better promoted ideally through Uttlesford District Council Sports and Activities department.
- 5/ That strong local political support is provided both by committing funding and positively raising the profile of cycling in Uttlesford.

Appendix A

Area	Scheme	DescriptionA
Saffron Walden	Route to Audley End station	Create a high quality cycle route to Audley End station by providing a contraflow cycle route along Wenden Road as agreed. Initial feasibility and design work has been carried out and the scheme is now at public consultation.
	Additional parking at Audley End station	Add significant additional cycle parking (more than 100 additional spaces). The station has potential for future cycle hub should demand grow beyond this.
	Town centre permeability	<p>The improve permeability and access for cyclists in the town centre, by:</p> <p>a) opening up cut-throughs and footpaths to cycling where they meet certain criteria which relate to minimising the potential for pedestrian and cyclist conflict, and</p> <p>b) providing two-way cycling on one-way streets which has been made much easier to implement since recent changes to traffic sign legislation.</p>
	Step change in town-wide public cycle parking provision	All the existing aging Grippa stands should be replaced with facilities such as Sheffield stands, M stands, and cycle hoops. In addition longer-stay cycle parking should also be provided which is weather protected and suitable for commuter use.
	Route to Great Chesterford and Audley End House	Create a safe route to Great Chesterford via Littlebury. See Option 1 from the Great Chesterford cycle route feasibility study.

	Carver Barracks	The existing Byway 57 could be utilised in this instance to provide a safe off road route from the barracks along most of the route. This would require an access to be provided to the base through the northern boundary.
	Newport	Improve and promote use of the Byway/Bridleway 41 along Whitechurch Lane to create a useful north south connection between Newport and Wendens Ambo.
Great Dunmow	Flitch Way	The gap in the Flitch Way needs to be resolved, with further opportunities provided by developments taken to create a high quality all weather leisure route. The crossing of the B1256 at Hoblongs Junction also needs to be provided. To the east of this area, the footbridge over the River Chelmer should also be replaced to allow cyclists full access across this pinch point.
	Woodlands Park Access	The footpath from Woodlands Park through to The Downs should be upgraded to a surfaced cycle route, combined with a signed on road route provide using Star Lane this would create a radial to the town centre. The path that runs through the centre of the development should also be widened and converted to a cycleway.
	High Street Re-Prioritisation	Change the streetscape with wider footways, attractive cycle racks, priority crossings, reallocation of carriageway space with regular crossings, level surface (or low kerbs), fewer signs and signals.
	Chelmer Valley Leisure Route	Provide a link along Chelmer Valley through Town Council owned parkland between Church End and the B1256, the footpath from Windmill Close to Mill Lane should also be improved and upgraded to a cycle route.

	Cycle parking provision	Increase the town’s public cycle-parking stock is though wider distribution of stands (or more subtle products) in the main shopping streets.
	Link to Barnston	Convert the footway along Chelmsford Road to encourage local cycle trips from Barnston to Great Dunmow.
Stansted Mountfitchet/Elsenham	Access to Stansted Mountfitchet station - South	<p>A route from the High School to the station should be signed and improved. Amendments to the surfacing of the existing paths in the Forest Hall Park estate and converting them to cycleways would provide substantial useful cycle network on this side of the town.</p> <p>The chicanes in Church Road should also be made cycle-friendly by providing dropped kerbs and allowing cyclists to keep to the near side.</p> <p>A substantive section 106 fund also exists which could be used to fund these improvements</p>
	Access to Stansted Mountfitchet station - North	A route to the north to Gilbey Crescent should be provided with a combination of signed on road routes through Brewery Lane and St Johns Road and supplemented with suitable cycle infrastructure on busy roads, such as Cambridge Road and to a lesser extent Lower Street.
	Stansted Mountfitchet to Elsenham	Convert and sign the existing footway
	Stansted Junction Improvements	<p>Carry out improvements to various junctions to create a more friendly pedestrian and cyclist environment through narrowing excess carriageway and reducing junction radii such as at:</p> <ul style="list-style-type: none"> • Chapel Hill and Church Road

		<ul style="list-style-type: none"> • Lower Street and Grove Hill • Chapel Hill and Cambridge Road
	Stansted Mountfitchet to Bishop’s Stortford	Footpath following Stansted Brook between Stoney Common and Stansted Road should be improved to provide both an attractive radial approach from the south west and could also form part of a longer cycle route to Bishops Stortford.
	Cycle Parking	Short-stay cycle parking should be dotted along these streets outside shops and other outlets (cafes, pubs etc.) in a little-and-often formation to minimise walking distances between the stand and the destination.
Other Areas	Access to Stansted Airport	<p>The route between the airport and Bishop’s Stortford should be completed with a link across the A120.</p> <p>An off-road facility linking the Coopers End roundabout to Takeley should be provided by converting and improving the existing footway.</p> <p>Signed quiet road routes, complemented with dedicated infrastructure from Elsenham and Stansted Mountfitchet should also be provided, and should link to the employment areas to the west of the runway and beyond.</p>
	Access to Bishop’s Stortford	<p>Create a link from the Flich Way to Bishops Stortford via Great Hallingbury using a combination of quiet roads and public rights of way.</p> <p>Improve the link to Stansted Airport by creating a formal crossing across the A120.</p> <p>Provide a link to Stansted Mountfitchet possibly using the River Stort towpath.</p>

Committee: Cabinet

Agenda Item

Date: 17 February 2015

21

Title: S106 Community Pot Stansted

Portfolio Holder: Cllr Barker

Key decision: No

Summary

1. The Council has approved the residential development of land at Rochford Nurseries/Forest Hall Road Stansted. As part of this approval a number of S106 legal agreements were entered into by the developers. These have provided, amongst other things, financial contributions which are intended to be used for "such leisure recreational and/or community facilities in the District of Uttlesford as arise out of or are reasonably related to the needs of persons occupying or to occupy the dwellings within the Development".

Recommendation

2. That a maximum of £52,290 be allocated to the Stansted skateboard redevelopment fund, subject to agreement with the developer(s) as required.
3. The allocation will be reduced to take account any grants also awarded by ECC or Viridor to whom applications for funding this project have been made by Stansted Mountfitchet Parish Council.

Financial Implications

4. The funding requested will be drawn from ring fenced funds available for this purpose. There are no other financial implications arising from this report.

Background Papers

5. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

None

Impact

- 6.

Communication/Consultation	The projects have been developed following community consultation.
Community Safety	None
Equalities	None

Health and Safety	None
Human Rights/Legal Implications	None
Sustainability	None
Ward-specific impacts	Improvements to Stansted South and Stansted North wards.
Workforce/Workplace	None

Situation

7. The Council holds substantial funds currently totalling some £796,025, out of which £542,070 is already committed, (leaving £253,955 available) which are provided by the developers to mitigate the impact of the new development and to provide the necessary leisure, recreation and community facilities within the local area to support the development.
8. The projects have been considered against a range of criteria devised by officers to enable a fair assessment to be made and to ensure that the funds are used to the best advantage of the community. The criteria are:
 - Demonstrable link to Forest Hall Park residents
 - Not provided for by other S106 contributions (i.e. highways, education)
 - Delivering a community benefit
 - Charity/not for profit
 - Capital rather than revenue funding
 - Provide a balanced investment for the overall fund
 - Contribution sought proportionate to use made/likely to be made by Rochford Development residents
 - Other funds held by organisation applying should be called upon first
 - Evidence of other funding sources being investigated
 - Evidence of community consultation/ engagement carried out

Total amount collected from developers	Funding of community schemes approved by Cabinet	Further allocation of funds as recommended in this report
£1,403,250	£1,149,295 Total	£50,290

9. The Council has received a request from Stansted Parish Council to allocate funds to the Stansted skateboard park rebuild project in Stansted.
10. The project cost is £174,208. Significant funds have already been raised or secured from grants but there is still a shortfall. Two bids to Viridor and ECC

are still outstanding. If these bids were successful then the amount required from the S106 pot would reduce. The request is that the balance required is provided from the community funds held.

11. The proposal is a key local youth facility which is within easy walking/cycling reach of Forest Hall Park. There are no other similar facilities within the area so its upgrade will be a direct benefit to residents of Forest Hall Park.

Conclusion

13. The proposal is considered to be acceptable and will help to provide a high class facility for all the residents of Stansted.

Risk Analysis

- 14.

Risk	Likelihood	Impact	Mitigating actions
Design and further investigation work on projects may reveal scheme is not feasible/viable.	2 Sites are constrained by limited area or distance to services.	3 Scope may need to be reviewed.	Project has been designed and feasibility work has been completed.

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.

Committee: Cabinet

Agenda Item

Date: 17 February 2015

22

Title: Farnham Parish Plan 2014 - 2024

Portfolio holder: Cllr Barker

Key decision: No

Summary

1. Farnham Parish Council has approved a Parish Plan and has sent it to the District Council. This report considers its findings and action plan.

Recommendations

2. That Cabinet adopt the Parish Plan as Council Approved Guidance in determining planning applications in the Parish and as background evidence in the preparation of the Local Plan.

Financial Implications

3. None

Background Papers

4. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

Farnham Parish Plan 2014 – 2024 (October 2014)

Impact

- 5.

Communication/Consultation	The plan has undergone significant community involvement in its preparation
Community Safety	The plan deals with community safety
Equalities	The plan consulted with every resident
Health and Safety	None
Human Rights/Legal Implications	None
Sustainability	The plan deals with sustainability of village

Ward-specific impacts	Stort Valley
Workforce/Workplace	None

Situation

6. The value of the Parish Plan is that it reflects a consensus of the community's views and means that the Parish Council can respond to planning consultations and other decision making process, reflecting the genuine views of the parish, making informed comments and recommendations, as well as improving the quality of life and the local environment.
7. The views of the residents were obtained through hand delivering questionnaires to every household and business in the parish. 67% of forms were completed and returned. After approval from the Parish Council, the full results and the draft action plan were presented at a special open meeting at the Annual Meeting of the Parish in March 2014.
8. Key points arising from the Parish Plan are:-
 - a. Housing Supply: Almost two-thirds of respondents to the questionnaire would like to see no change to the parish's housing stock over the next ten years, and nearly a quarter would like to see an increase of up to only ten houses. Those wishing to see more than twenty new houses built over the next ten years comprised just over 10% of respondents, split equally by respondents who would like to see more than twenty and thirty houses built, especially for local and young people. Among the minority of respondents who perceived a need for more housing, a clear preference was expressed that this should comprise individual houses within the existing developed area. That said, however, it was very clear that an overall majority of residents feel that no additional housing is needed or desirable.
 - b. Employment: Commercial premises in the parish are limited to a handful of barns at various farms. Farming and equestrian activities are the dominant commercial activity in the parish. 29% of households who responded said they worked from home part of the time. There was strong support for faster broadband. The Parish Plan has actioned the need to continue to lobby the county councils and potential, ISPs on the need to upgrade the connection to the local exchanges.
 - c. Transport and roads: Villagers are heavily dependent on cars with over 95% of households having at least one car. The once-weekly community bus is essential for those without cars. The Parish Plan lists a number of actions relating to highway safety.
 - d. The Environment: The tranquil setting of the village is valued by residents. The Parish Plan lists a number of actions relating to improving the appearance at entry points to the village, footpath

maintenance, dog fouling and publishing details about how to report airport noise issues.

- e. The School: Residents recently fought closure of the village school. However the plan notes that only 4 families responded to say that they currently send their children to the school. Most children attend schools in Bishop's Stortford.
- f. Crime: Residents considered that the village is a safe place to live. The Plan lists an action to request a greater police presence to deter illicit activity and improve road safety.
- g. Social and Community: Residents consider that the village has a strong community spirit. Focal points are the village Hall, church and school. The recreation ground has good facilities. 70% of respondents said they visited the pub at Hazel end is supported.
- h. Young People (aged 11-18): 95% of the young respondents liked growing up in Farnham. Advantages were living in the countryside yet close to Bishop's Stortford but the lack of public transport was a disadvantage. The Plan lists actions relating to the provision of additional clubs.

Risk Analysis

9.

Risk	Likelihood	Impact	Mitigating actions
That the Parish Plan is not taken into account as a material consideration	1. Little - Officers will be aware of the plan and will include reference to it in any relevant reports	2. Some - The views of the community are not taken into account, devaluing community-led planning	The Parish Plan is included in a check list of items to consider in preparation of Local Plan and when determining applications within Farnham Parish.

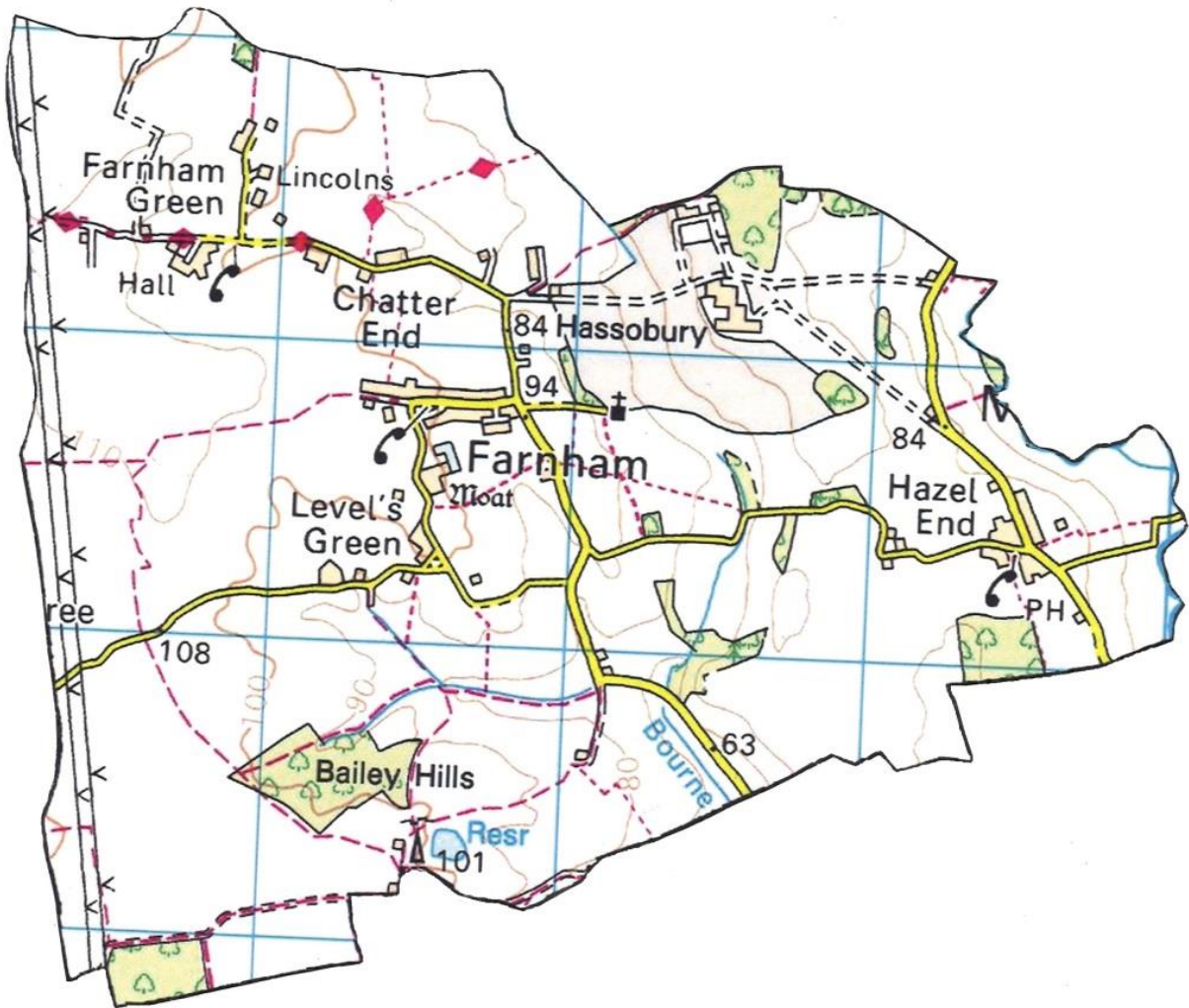
1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.

FARNHAM PARISH PLAN



2014 – 2024

October 2014

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The Parish of Farnham – an Introduction

Farnham is a small rural village in west Essex, close to the border with Hertfordshire. The nearest town, Bishop's Stortford, lies about two miles to the south, and Stansted Airport is situated roughly six miles to the east.

The Parish of Farnham comprises several smaller hamlets – Hazel End, Farnham Green, Chatter End and Levels Green – as well as the village of Farnham itself.

History

Although Farnham is thought to have been first inhabited in the Neolithic period, there is little evidence of settlement until the 1086 Domesday Survey which recorded four manors: Farnham (later known as Earlsbury), Hassobury, Walkfares (later known as Walkers) and an unknown manor that no longer survives.

The name 'Farnham' was anciently spelt *Ferneham* and was probably derived from the ferns that grew in large quantities there, and a clearing (or 'ham') made by dwellers. Evidence of a settlement here can be traced back as far as the Iron Age, before the Roman occupation of Britain.

There has been a church in Farnham for over a thousand years on the current site; the present Church of St Mary the Virgin was re-built in 1859. A Baptist chapel (now Mission Hall Cottage) was located in Chatter End from around 1896 to 1974.

Informal schooling in Farnham started in the first half of the nineteenth century, primarily through the church. The Church of England built a school on the present site in 1855; this was renovated and extended in 1959.



Farnham Today

Farnham retains many of its old dwellings, including the three listed manor houses. Hazel End has long been designated a conservation area on account of the concentration of ancient buildings in this part of the parish and their contribution to the high quality and diversity of the environment. The main house at Hassobury has been used in various guises since the Second World War and is now sub-divided into individual residences. The current housing stock is an eclectic mix of the older houses, farm cottages that have been extended, and developments since the 1930s by the private and public sectors.

The village no longer has any shops, and the post office at 38 Rectory Lane closed in 1989. One of the pubs, The Globe, closed in 1971, although the Three Horseshoes in Hazel End has remained and the Social Club at the Village Hall services the central part of the village.

The Church shares a rector with the neighbouring parishes of Stansted and Birchanger, providing services every Sunday, although attendance has diminished in line with national trends.



Farnham's People

The population of the Parish is currently around 380 people, living in some 190 households. The most populous area is around Rectory Lane, close to the school, church, village hall and recreation ground. The village's population is surprisingly stable, most residents having lived here for at least 6 years, and a sizeable proportion having spent more than 25 years in the village; indeed, some families have lived here for generations.

Once a village based very much on farming and local employment, Farnham is today largely a dormitory village with residents travelling to work mainly in Bishop's Stortford or London. Despite the continuing lack of high-speed broadband in the village, an increasing number of people are spending more time working from home. A significant proportion of villagers are retired.

Farnham's residents are almost unanimous in describing this as a very friendly village with a strong community spirit, evidenced by the many village activities and clubs. These are centred primarily on the three main hubs of the community: the primary school, the village hall and the church.

The village still has a small Church of England primary school with capacity for 56 children. A proposal put forward by the LEA in 2014 to move the entire school to nearby Stansted Mountfitchet was rejected after vocal opposition from within Farnham and from those families from elsewhere with children at the school; however, most of the children in the village attend schools, both primary and secondary, in Bishop's Stortford.

The Village Hall (with its licensed bar) is well-used for regular weekly activities and clubs, for a monthly village coffee morning, and for annual events such as the Harvest Supper and the Safari Supper, as well as quizzes and other events organised by the active social committee. The hall is also regularly hired out for private events.



What is a Parish Plan and what is it for?

Many villages draw up a Village Plan to help their Parish Council make decisions regarding areas such as housing, the environment, public services, roads and transport, and recreational amenities. Having a plan in place that reflects a consensus of the community's views is particularly valuable in terms of housing requirements as the Parish Council is often given only a short time by the District Council (which is ultimately responsible for planning) to respond to planning consultations; having a Village Plan in place means the Parish Council can respond in a timely way, reflecting the genuine views of the parish rather than what the Parish Council assumes those views to be.

The scope of the Village Plan is somewhat limited by the fact that the Parish Council itself has only limited responsibilities; however, the Parish Council does play a vital role in representing the interests of the local community to the District and County Councils and can influence the decision-making process by making informed comments and recommendations, as well as improving the quality of life and the local environment.

How Farnham's plan was drawn up

A voluntary committee of five people was formed after a request from the Parish Council to draw up a new Parish Plan. The last one was done 20 years ago.



We created a wide-ranging questionnaire covering all aspects of life in Farnham. So that we could explain the purpose and encourage residents to participate, the forms were hand-delivered to every household and business in the parish and then collected after completion some three weeks later. The overall response rate was encouragingly high, with 67% of forms completed and returned. The data from the questionnaire responses were then collated and analysed so that we could identify the action points that form the basis of the 2014–2024 plan. We continued to keep residents updated via the parish magazine.

After approval from the Parish Council, the full results and the draft action plan were presented at a special open meeting at the Annual Meeting of the Parish in March 2014; we also made sure that a copy of the results and plan was passed on to all the relevant organisations and interested parties. Generally speaking everyone seemed happy with our process, the results and our proposed Action Points.

The Parish Plan which this document comprises is the outcome of this process and will help guide policy and development for Farnham and its Council over the next ten years.

Note: in the discussion below all data, including percentages, relate to the number of questionnaires (117) that were completed and returned, not to the total number of households within the parish.

Absolute figures (for example, regarding number of households) reflect the status in October 2013.

THE ACTION PLAN 2014-2024

Housing and Development

The results from the questionnaire provide a clear statement from the parishioners of Farnham that they wish the parish to retain its rural character and a similar stock of housing to that which currently exists. At least 80% of respondents to the questionnaire would like to see the preservation of the countryside, agriculture and its commercial premises, views of the church and other recreational facilities and the settings of listed buildings.

Housing supply

Farnham's housing stock comprises 186 dwellings and provides a diverse range of homes in terms of sizes and price bands within the context of the regional market, including good provision for the elderly at Globe Crescent. The tenure split is weighted in favour of freehold ownership, although the rented proportion is relatively high and provided by both the private sector and the local authority.

The questionnaire results revealed that almost nobody who lives in Farnham is seeking other accommodation within the village, separate from their existing household. Nearly five percent of households had family members seeking accommodation outside Farnham.

Almost two-thirds of respondents to the questionnaire would like to see no change to the parish's housing stock over the next ten years, and nearly a quarter would like to see an increase of up to only ten houses. Those wishing to see more than twenty new houses built over the next ten years comprised just over 10% of respondents, split equally by respondents who would like to see more than twenty and thirty houses built, especially for local and young people.

Among the minority of respondents who perceived a need for more housing, a clear preference was expressed that this should comprise individual houses within the existing developed area. That said, however, it was very clear that an overall majority of residents feel that no additional housing is needed or desirable.



Agricultural and commercial stock

Farnham's provision of commercial premises is limited to a handful of barns at the various farms. Arable farming is the dominant commercial activity in Farnham, with three farming premises having diversified to provide equestrian facilities.

Home working is reasonably popular in the parish, with people in 29% of households that responded to the questionnaire working from home at least part of the time. The support for faster broadband from respondents was almost unanimous.

Because the expressed wish of a substantial majority of the community was for no significant change in the village's housing stock over the next ten years, there are no action points in this specific area. However, there is clear demand from most residents, and especially from those who work from home, for a faster broadband service, so the Parish Council will continue to work with the county councils to try and bring this about.

What is the issue?	What can we do?	When ?	Who?
Need for faster broadband	Continue to lobby the county councils and, potentially, ISPs on the need to upgrade the connections to the local exchanges	2-3 years	Parish Council, Herts County Council, Essex County Council, members of the community



Transport and Roads

Our isolated location, lack of amenities and minimal public transport mean that villagers are heavily dependent on cars. Over 95% of households have at least one car and over half have at least two. Nevertheless, for those without cars, and particularly for the elderly, the once-weekly community bus service is essential and often runs at capacity.

Regarding roads in the parish there were a number of concerns that attracted support. A lack of consideration by road users was a theme running through responses. This included speeding through the parish, driving while using a mobile phone and parking issues around the school and church. It is vital that these issues are addressed to prevent an incident happening in the parish.

There were concerns with the maintenance and upkeep of the highways. The state of the road surfaces and potholes was mentioned on numerous questionnaires. Safety issues around poorly maintained verges were also a concern, particularly around the Rye Street junction.

A reduction in speed limits around the parish, especially in Rectory Lane, gained significant support, along with a desire for the introduction of traffic calming measures. It is hoped that such measures will maintain the tranquillity and sense of safety that appeal to residents.

What are the issues?	What can we do?	When?	Who?
Speeding	Traffic calming measures and changes to maximum speed	1 year	Highways, Parish Council
Driving using a mobile	Notices reminding villagers about the law on using mobile phones, in village magazine and on notice boards	1 year	Police, Highways and Parish Council
Out of hours parking at the church	Investigate what, if anything can be done to restrict access to this area out of hours. Also have further discussions with Police around reporting incidents.	6 months	Church, Police and Parish Council
School parking	Speak to school about people disregarding the parking restrictions. Signs to display the restrictions clearly. Investigate other parking options.	6 months	School, Highways and Parish Council
Improvements to Rye Street junction	Speak to Herts Highways to ensure the junction is kept clear and possible improvements. Changes will inevitably be made once the new Bishop's Stortford North development happens, this will be some years off.	6 months	Herts Highways and Parish Council
Maintaining verges	Ensure people are aware of how to report issues	Rolling	Parish Council and Highways
Potholes and road maintenance	Ensure people are aware of how to report issues	Rolling	Highways and Parish Council

The Environment

Farnham is a beautiful village and its tranquil setting is the reason many people come to live in the village and remain here. A strong theme that emerged from the questionnaire and the open evening was the wish to keep the village as it is. A desire was also expressed at the open meeting to improve the appearance of areas on entry to the village to maintain a positive village image.



The use of local footpaths and bridleways is seen as very important to villagers, with over 60% using them regularly. Although most people were generally happy with the maintenance of the footpaths there were specific areas that required attention and there was some support for a small expansion of the footpath network.

One area of concern was dog fouling at various areas in the parish and there were a number of recommendations to help reduce this. The areas that require particular attention are on Church Walk and the Thrimley Lane – Chatter End footpath. There was a feeling that improved notices to remind owners of their responsibilities would be beneficial, together with an increase in the number of dog fouling bins all around the parish.

Responses regarding Stansted Airport were generally positive with most people seeing it as a benefit to the local area. There was some concern about noise from off-course planes and there was no demand for further expansion.

What are the issues?	What can we do?	When?	Who?
Improve appearance at entry points to the village (e.g. triangles in Rectory Lane, Saven End, Levels Green)	Volunteers to organise planting of bulbs etc and maintenance of planted areas	Ongoing	Parish Council, volunteers
Footpath/Bridleway maintenance	Monitor and report when maintenance is required	Ongoing	Parish Council
Dog Fouling	Dog fouling notices and bins around the parish	1 year	Parish Council
Stansted Noise	Ensure the details on how to report noise issues are published	3 Months	Parish Council

Local Government and Services



The School

This is a small rural Church of England school, which now operates in a federation with a similar primary school in the nearby village of Rickling. Farnham school is much valued by the wider community: over one-third of respondents had sent their children to the school in the past, the majority over 10 years ago. Only four families responded to say that they currently send their children to the school.

It was agreed that the school is an essential part of the community. There were almost equal numbers supporting, or not, the benefits of a small local school. However, its smallness is one of the attractions for families outside the village.

What is the issue?	What can we do?	When?	Who?
School parking	<p>Speak to school about people disregarding the parking restrictions</p> <p>Signs to display the restrictions clearly</p> <p>Investigate other parking options</p>	6 months	School, Highways and Parish Council

Crime

It is generally agreed that Farnham is a safe place to live. However, half of respondents would like to see a bigger police presence, particularly by the church during the evening to monitor use of the church car park and deter illicit activity. It was also felt that a greater police presence would help to improve road safety.

There is a Neighbourhood Watch scheme, but this needs to be better advertised.

What are the issues?	What can we do?	When?	Who?
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Illicit activities by the church	Request regular police patrols especially down to the church	1 year	Police, PCC
Neighbourhood Watch	Advertise in the magazine and by word of mouth	ASAP	Neighbourhood Watch team

The Parish Magazine

This general magazine serves the whole parish and is an essential communication forum for bodies such as the Church, the School, the Village Hall and all our social activities. The majority of households subscribe to the magazine.

The general articles and the village diary are the most widely read. There was a plea for some articles on the history and lives of local heroes.

There was very little interest in an on-line version, either from subscribers or from advertisers.

What is the issue?	What can we do?	When?	Who?
Keeping the information in the magazine up-to-date	Insert information concerning: The Oil Club Phone number for reporting off-course aircraft Information on Neighbourhood Watch	3 Months	Jo Wilson/Parish Council



Social and Community

Farnham retains a strong community spirit with almost all respondents stating that Farnham is a friendly village in which to live and that they feel part of the community. Responses highlighted the importance of the Village Hall, the Church and the School, and cited the Hall in particular as a major asset and focal point in the centre of the village.

The Recreation Ground has seen increased use recently and 95% agreed that, after the complete remake in 2013, the ground now has good facilities. Residents support a wide range of clubs and activities. They are happy with the range on offer and the village grapevine, magazine and posters make it easy to find out about them.

The cricket club at Hazel End still has one team that competes in the Herts & Essex League, although attendance at matches is low.

70% of respondents said they visit the Three Horseshoes Pub at Hazel End.



Young People (30 respondents aged 11–18)

93% of the young respondents think that Farnham is a good place in which to grow up. They highlighted living in the country and Farnham's close proximity to Bishop's Stortford as key factors. The fact that there is no daily public transport is what young people like least about living in the village. The majority of journeys in and out of the village are in relatives' cars.

Two-thirds of respondents would like to have sport/fitness training while one-third would like a youth / social club provided in the village. These suggestions were discussed by the adults at the meeting for the presentation of the questionnaire results in March 2014 and form the action points below.

What are the issues?	What can we do?	When?	Who?
Explore the possibility of starting a youth group or sports/fitness training for young people	<ol style="list-style-type: none"> 1. Article in Farnham Monthly News 2. Meeting in Hall of interested parties 3. Choose main contact to proceed with plans if viable 	Autumn 2014 onwards	Volunteers, Parish Council
Explore possibility of holding monthly Family Night at Social Club earlier, from 6–8pm	<ol style="list-style-type: none"> 1. Check hall availability, social club approval and numbers of families interested 2. Choose main contact to proceed with plans if viable 	Autumn 2014 onwards	Emma Smith, Village Hall Social Club, Parish Council



Committee: Cabinet

Agenda Item

Date: 9 February 2015

23

Title: Compliance with the Waste Regulations in relation to separate collections of dry recyclables

Portfolio Holder Cllr Barker

Item for decision

Summary

The Waste Regulations require that all waste collection authorities collect materials such as glass, metal, paper and plastics for recycling separately. However they may be collected on a different basis where it is not technically, economically or environmentally practicable to make separate collections. The council collects dry recyclables on a co-mingled basis, and this report invites the Panel to consider the attached assessment which concludes that the council's current system has been chosen because it is seen as more technically practicable, environmentally and economically beneficial than collecting the four materials separately.

Recommendations

The attached assessment be approved.

Financial Implications

1. The council's current budget and the budget proposals for 2015/16 are based on co-mingled collection arrangements for the collection of dry recyclables. The attached assessment considers the financial implications of switching to separate collections of materials. In summary, the assessment is that this would incur an increase in costs of over £1.8m a year, excluding further costs to the Essex tax payer from lower recycling rates than at present resulting in increased landfill.

Background Papers

2. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.

None

Impact

- 3.

Communication/Consultation	
Community Safety	
Equalities	
Health and Safety	
Human Rights/Legal Implications	The Council needs to show that it is acting in accordance with the Waste England and Wales Regulations 2011 with particular reference to Regulation 13.
Sustainability	Addressed in the assessment
Ward-specific impacts	
Workforce/Workplace	

Situation

4. The council's collection system is designed to deliver an economic solution that minimises waste arisings, and maximises the capture rate of dry materials for recycling. It features separate collections of food and garden waste.
5. The council's chosen system recycles considerably more than a system that collects materials separately. By reference to benchmarking with other comparable authorities, the council is collecting 2,870 tonnes a year more than it would with fortnightly collections of recyclables in separate streams, and 2,154 tonnes more than it would if it introduced weekly recyclables collections.
6. The high tonnage of recyclables collected under the current system has an economic benefit in terms of recycling credits (up to an additional £174,180 a year based on £60.69 per tonne) and additional payments in terms of the overall recycling/ composting rate. ECC as the disposal authority also benefits by an estimated £85,000 a year over and above the payments to UDC.
7. If recycle was collected as separate streams, and there were still fortnightly collections, the council would require an arrangement whereby those rounds continued to collect food waste. Where kerb side sort is used along with food waste collections, vehicle capacity constraints result in much lower productivity, and collections costs would increase starkly. If as is likely, weekly collections of dry recyclables would be required to meet the council's commitments under the Inter Authority Agreement to achieve tonnages the costs would be even starker.
8. The Waste Strategy Panel considered the assessment at its meeting on 9 February and is recommending to Cabinet that the attached assessment be approved.

Risk Analysis

9.

Risk	Likelihood	Impact	Mitigating actions
Challenge in the courts to the council's current system of collecting dry recyclables	2 The Government's interpretation of the EU Waste Framework Directive into the England and Wales Regulations was subject of a judicial review. The application was dismissed and no challenges to the regulations are outstanding.	3 Depends on the outcome of any court action. Moving from a co-mingled system to separate collections would be at a significant cost to the council that would have implications for all its services	Approve the TEEP assessment

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.



INTRODUCTION

Uttlesford DC (UDC) collects its dry recyclables in-house. The collected materials become the property of Bywaters; and are subsequently transported and treated through a contract between UDC and Bywaters, under the terms of which Bywaters provides transfer facilities through sub-contract arrangements and also provides transport to its MRF and treatment of the materials for recycling.

In setting up these arrangements, UDC was fully cognisant of the requirements of the EU Waste Framework Directive (WFD) 2008 and the Waste England and Wales Regulations 2011 which flow from it. The Regulations (which were the subject of a judicial review) include Regulation 13 regarding the collection of glass, metal, paper and plastic for recycling.

UDC was therefore aware that the requirement of Regulation 13 is that these materials (i.e. glass, metal, paper and plastic for recycling) should be collected separately: but may be collected on a different basis in certain circumstances which are where it can be shown that it is not technically, economically or environmentally practicable (TEEP).

Accordingly, as part of the design of its recycling systems, options for collecting recyclables were considered and tested using TEEP criteria: although no official guidance as to how this was to be done was available at the time.

In late April 2014 WRAP published the Waste Regulations Route Map. WYG was asked by UDC to assess its chosen methodology on the basis of this Route Map.

THE SYSTEM DESIGN AND OUTCOMES

The system that UDC uses is designed to maximise the recycling / composting rate at an affordable cost.

The design is as follows:

- Residual waste collected fortnightly from a 180-litre wheeled-bin;
- Dry mixed recyclables (DMR) collected fortnightly, co-mingled including glass, from a 240-litre wheeled-bin;
- Garden waste collected fortnightly during the period April to November inclusive from a 240-litre wheeled-bin on a chargeable basis; and
- Food waste collected weekly from food waste containers.



The size of the bins is designed to reduce residual waste and encourage recycling. In terms of comparative performance outcomes, the scheme is a success: in 2012/13 (at the time of writing the most recent data available for all local authorities) UDC had the 28th highest rate for recycling / composting in England: this is out of 352 authorities meaning UDC's performance is among the highest 10% of all local authorities in England.

The design of the collection system delivers an economic solution through three specific initiatives:

- First, the use of podded vehicles, so that on one pass the householder has food waste and residual waste collected on one pass using the same vehicle: and a week later has food waste and dry recycling collected on one pass using the same vehicle. Therefore each household is passed once per week, except for those households which subscribe to the garden waste collection service.
- Second, collecting dry recycling (and food) across the whole District in one week and collecting residual waste (and food) in the other. This means that the transfer stations are only opened on an alternate-week basis; and it is easier to deal with vehicle breakdowns, missed collections etc.
- Third, only collecting from Tuesdays to Fridays. This means that Bank Holiday catch-ups are not required (save for the Christmas / New Year period) giving residents greater certainty as to collection days and saving communications costs. It also provides greater economy, since UDC is a large, rural District with consequential long travelling times: and the longer working day which this design delivers means that each round can service many more properties whilst still tipping twice per day maximum.

The resources used for collection are as follows (from 34,182 properties):

- Six rounds plus a half-round, each comprising a driver plus three loaders, which collect residual waste plus food waste on one week and dry recycling plus food waste on the alternate week; and
- One garden waste round comprising a driver plus one loader.

As stated, the service is delivered in-house: the current contract for the treatment of dry recycle (with Bywaters) runs until 2016 but there is the possibility of a one-year extension. We understand that UDC is likely, for a number of reasons, to join a consortium / framework contract covering several Essex waste collection authorities which will operate from 2015.

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In terms of volumes collected, in 2013/14 these were (from 34,182 households):

- Overall tonnages of waste: 27,481.30 tonnes
- Residual waste: 12,149.60 tonnes
- Dry recyclables: 9,457.04 tonnes (NB includes contamination)
- Compostable waste: 5,442.48 tonnes

If measured in terms of kg per household for that year, UDC's figures are as follows:

Total waste: 804 kg

Residual household waste: 355 kg

Dry recycling: 277 kg (but NB this is not net of contamination)

Composting: 159 kg

This gives the following outcomes:

- Recycling rate: 35.45%
- Composting rate: 20.35%
- Combined recycling / composting rate: 55.80%

These figures are worthy of some comment. The total waste arisings per household are very low indeed – for many other Essex districts the figure is very much higher e.g. Basildon 1,005 kg; Braintree 943 kg; Brentwood 901 kg; Rochford 944 kg. The low figure for Uttlesford says much about the excellent work done in terms of designing a collection system that minimises waste.

The capture rate of dry recycling as a percentage of total waste arisings is significant. Again, looking at some other Essex authorities the figures are: Basildon 27.46%; Braintree 27.11%; Brentwood 32%; Rochford 27.9%. Additionally, it is worth noting (as discussed later as a major part of the TEEP test) that the authorities in Essex collecting recyclables in separate streams collect even less than these figures, whether as a percentage or in terms of kg per household.

USING THE WRAP ROUTE MAP

With the benefit of now having the WRAP Route Map to hand, the following commentary works its way through the various stages.



Step 1

Here UDC should consider the waste collections covered; and the current waste collection system.

The waste collections being covered are household waste. The current waste collection system does collect the four materials (glass, metal, paper and plastic) for recycling; but these are not collected as separate waste streams.

It is worth noting that UDC delivers a recycling service (as well as a residual waste service) to schools. This includes the collection of food waste and the collection of dry recycling to the same specification as for households.

The published guidance also refers to the collection of food and garden waste: the system collects these on a separate basis, with garden waste collections on a chargeable basis.

The published guidance also refers to the collection of bulky waste and the system collects this and applies a waste hierarchy promoting reuse and recycling.

Step 2

Here UDC should consider how each waste stream is managed and what waste is recycled.

Residual household waste is not currently recycled: but there will be recovery and some recycling through the new MBT facility at Basildon (run on behalf of Essex County Council, the Waste Disposal Authority for HDC).

Dry recyclate collected is all recycled, except for fines and contaminants. The contract between UDC and Bywaters is based on a contamination rate of 5% or below: and the contract documentation sets out detailed processes that are followed to determine the make-up of the recyclate and managing contamination.

Food and garden waste is treated through composting. Bulky waste is also recycled where it can be.



Step 3

Step 3 relates to the waste hierarchy: which has been applied throughout the decision-making process regarding the selection of recycling methodology.

Step 4

At this stage a number of questions are asked in relation to the four dry streams of glass, metal, paper and plastic. Working through these questions:

- Does UDC collect glass, metal, paper and plastic for recycling? Yes
- Are separate collections in place? No (so necessity and practicability questions to be answered)
- Are separate collections necessary to ensure that waste is recycled? No – waste collected for recycling is (apart from contaminants etc.) recycled
- Is there an approach to separate collection that is technically, environmentally and economically practicable? No – as the following tests show

Necessity test:

Here the quality and quantity of recycling is considered.

In terms of quality, the contract documentation requires that at least 95% of collected material shall be recycled. Further, the contractor is required to set out in their tender the methodology to be used so that good quality recyclables result from the process; and this information is then incorporated into the contract.

The minimum range of materials required to be accepted through the treatment contract is as per the following list:

- Newspaper, magazines, (EWC 20 01 01)
- Shredded paper (EWC 20 01 01)
- Office paper, white and coloured (EWC 20 01 01)
- Other paper including clean paper bags (EWC 20 01 01)
- Greeting cards (EWC 20 01 01)
- Envelopes including window type (EWC 20 01 01)
- Telephone directories inc. Yellow Pages and other catalogues (EWC 20 01 01)
- Wrapping paper (EWC 20 01 01)



- Junk mail (EWC 20 01 01)
- Cardboard (EWC 20 01 01)
- Egg boxes card based (EWC 20 01 01)
- Cans (steel and aluminium) (EWC 20 01 40)
- Aluminium foil (EWC 20 01 40)
- Aerosols (EWC 20 01 40)
- Glass (EWC 20 01 02)
- Plastic Bottles (EWC 20 01 39)
- Mixed Plastics (EWC 20 01 39)

Additionally, Bywaters tender submission stated that they also accepted Tetrapak, bubble wrap, DVD cases, textiles and shoes. This is a wide range of recyclables: and this has enabled UDC to remove the bring sites service, delivering greater economy.

UDC has done a good deal of work in attempting to reduce contamination: in October 2013 WYG undertook an analysis of collected dry recyclate, which found that ca. 9% of the recyclate sampled was either untargeted materials, contaminants or fines (i.e. targeted material smaller than 45 mm in size, typically glass shards). Since then UDC has engaged with residents to improve contamination: and more recent independent analysis has been undertaken by Biffa and Viridor, with their findings showing levels of 9% and 7% respectively.

UDC is currently considering joining a framework contract (involving other Essex authorities, with Basildon acting as lead) for the treatment of dry recyclables to replace the current contract with Bywaters. This new arrangement will have more detailed information as to contamination processes: for now, UDC and Bywaters are discussing a variation which will reward low contamination rates through the contract price.

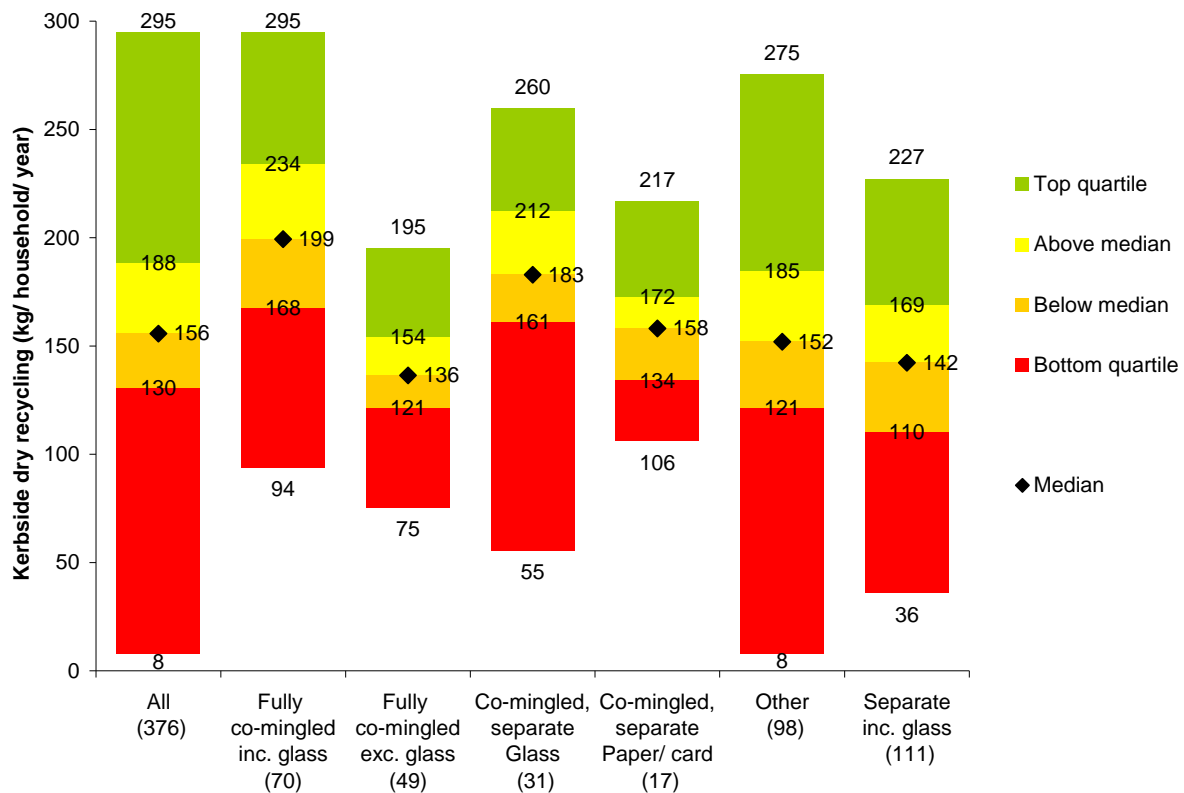
The new arrangement referred to above will also include clear requirements regarding end markets. The current contract Under the current contract Bywaters operate an open-book policy on end markets with clear audit trails (they were required to send an example of this with their tender) and they submit quarterly reports. They like to work with closed-loop processors where possible. Currently ca. 54% of product goes to the UK, 43% elsewhere in the EU and the balance to Asia. Rejects are used in EfW plants.

In terms of quantity, there is a good deal of evidence which shows that the chosen methodology recycles much more than could be achieved with separate collections.



Nationally, if one looks at the higher performers, then the highest performer is for a fully co-mingled service (295 kg per household per annum) followed by a two-stream service collecting glass separately (260 kg per household per annum). This position does not just hold for the highest performers: it is also true at all quartiles, as shown in Figure 1 below (showing 2010/11 figures):

Figure 1



The 2011/12 figures tell a similar story which supports HDC's choice of system. Table 1 overleaf shows that 20 of the top 30 performers collect fully co-mingled dry recyclables, and five collect on a two-stream basis collecting glass separately: whereas only one of this top 30 (North Somerset) collects on a kerbside-sort basis.

NOTE FOR UTTLESFORD DC: TEEP ASSESSMENT



Table 1: Collection Details for the Top 30 Kerbside Dry Recycling Authorities in 2011/12

Rank	Authority	WYG client	Kerbside Recycling kg/hh/yr	Type	% Co-mingled	Recycling			Refuse				
						Freq.	Wheeled Bins	Sacks/ Other	Kerbside Boxes	Freq.	Wheeled Bins	Sacks/ Other	Communal
1	South Oxfordshire	•	310	C	100%	F	96%	4%		F	90%	4%	5%
2	Surrey Heath	•	291	C	100%	F	98%	1%		F	89%	2%	8%
3	Vale of White Horse	•	282	C	100%	F	97%	3%		F	91%	3%	7%
4	Windsor and Maidenhead		276	O	76%	W	100%			W	85%	5%	10%
5	Lichfield		267	C	100%	F	100%		0%	F	96%	1%	3%
6	Elmbridge	•	263	C	100%	F	96%		4%	F	88%	4%	8%
7	Mole Valley	•	263	C	100%	F	85%	16%		F	85%	10%	6%
8	Rochford		261	C	99%	F	99%			F	100%		0%
9	South Kesteven		258	C	100%	F	100%			F	100%		
10	North Somerset	•	255	S	0%	W			92%	F	83%	8%	8%
11	Castle Point	•	253	C/g	77%	F		100%	100%	F		100%	
12	Epping Forest	•	253	C/g	78%	F	5%	95%	95%	F	91%	3%	5%
13	Tamworth		252	C	100%	F	100%			F	100%		
14	Cannock Chase		250	C	100%	F	100%			F	100%		0%
15	Rutland		249	C	100%	F	99%	1%		F	96%	1%	3%
16	Stratford-on-Avon		249	C	100%	F	96%		4%	F	94%	4%	2%
17	South Cambridgeshire		249	C/p	66%	F	100%		0%	F	95%	0%	4%
18	West Oxfordshire	•	245	O	26%	W	5%		95%	F	94%	1%	5%
19	Basildon	•	244	C/g	78%	F		93%	98%	W		90%	9%
20	Wychavon		241	C	100%	F	90%	10%	7%	F	90%	7%	3%
21	Huntingdonshire	•	240	C	100%	F	88%	12%		F	92%	4%	5%
22	Woking	•	239	C	100%	F	93%	7%		F	86%	4%	10%
23	North Kesteven	•	238	C	100%	F	99%			F	99%		
24	Mid Sussex		237	C	100%	F	99%			F	99%		
25	South Holland		234	C	100%	W		100%		W		100%	
26	Caerphilly		232	C	100%	W	71%	1%	27%	W	98%	2%	
27	Charnwood		231	C/g	88%	F	98%	2%	98%	F	98%	2%	
28	Guildford	•	231	O	17%	W	8%	9%	83%	F	86%	9%	6%
29	Central Bedfordshire		230	C/g	82%	F	72%	16%	12%	F	91%	5%	4%
30	Spelthorne	•	229	C	100%	F	94%			F	89%	0%	11%

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Conversely (as noted in WYG's report available via the WYG website) among the bottom 30 performers the reverse is true – 25 out of 30 practice a form of kerbside-sort. It is worth noting also that a number of these bottom performers have since moved to either a two-stream or fully co-mingled system (e.g. Ashford, LB Brent, Eastbourne, Isle of Wight, Rother and Wealden) have since abandoned kerbside-sort and report significantly higher capture rates.

In terms of volume, then, the argument runs in favour of moving away from kerbside-sort and toward some degree of co-mingling, either as a two-stream service or a fully co-mingled service.

Second, a pattern whereby higher capture results from either fully co-mingled or two-stream systems can be seen in Table 2 below, which looks at the capture rate at the kerbside for Essex authorities in 2012/13.

Table 2

Authority	Kg / household	Collection system for Dry Recyclables	Notes
Epping Forest	250	Two-stream: glass separate	Sack for DMR, fortnightly
Castle Point	249	Two-stream: glass separate	Sack for DMR, fortnightly
Rochford	243	Co-mingled	W/bin for DMR, fortnightly
Uttlesford	243	Co-mingled	W/bin for DMR, fortnightly
Basildon	233	Two-stream: glass separate	Sack for DMR, weekly
Brentwood	231	Two-stream: glass separate	Sack for DMR, weekly
Harlow	210	Co-mingled	W/bin for DMR, fortnightly
Chelmsford	178	Kerbside sort	Weekly
Maldon	176	Three-stream	Weekly
Colchester	165	Kerbside sort	Weekly
Braintree	162	Co-mingled but glass not collected	Sack collection fortnightly*
Tendring	100	Kerbside sort but glass not collected	Weekly*

* We do not have full figures for Tendring; but in the case of Braintree, if glass collected at bring sites were added, the figure rises to ca. 210 kg / household / year.



There is a lot of evidence to show that the key factors in determining the volumes of dry recyclables collected are:

- (a) choice of system for collecting dry recyclables,
- (b) type of residual waste service and
- (c) the degree of affluence.

In Essex the highest performers collect recyclables on either two-stream or fully co-mingled basis, with more affluent districts as well as those with fortnightly residual waste collections at the higher end of the spectrum for weight of recyclables collected per household.

Third one can look at wider benchmarks: these are detailed in the modelling which follows.



NOTE FOR UTTLESFORD DC: TEEP ASSESSMENT

Uttlesford Yield and Tonnage Estimates for TEEP Analysis

Uttlesford is in the Prospering Southern England ONS group within the Prospering UK Supergroup and has an IMD of 7.94.

It collects recycling fully co-mingled including glass fortnightly from wheeled bins and residual waste fortnightly from wheeled bins.

If Uttlesford moved to collecting recycling *weekly* in separate streams we believe the estimated yields would reduce from 243 to 179 kg/hh/year, meaning some 2,154 tonnes would not be recycled – and this for a weekly collection system:

Uttlesford	Collection type	Recycling container	Residual container	Recycling frequency	Residual frequency	IMD	% rank in collection type	kg/hh	Tonnes	House-holds
2012/13 collections and dry recycling yield	Fully co-mingled inc. Glass	Wheeled bin	Wheeled bin	Fortnightly	Fortnightly	7.94	88%	243	8,200	33,690
Proposed collections and estimated dry recycling yield*	Separate streams inc. Glass	Box	Wheeled bin	Weekly	Fortnightly	13.64	78%	179	6,046	
Change								-64	-2,154	

This is based on the following Prospering UK benchmark authorities with IMD < 16 that collect recycling weekly in separate streams from boxes and residuals fortnightly in wheeled bins.

Authority	ONS Group	IMD	% rank in collection type	Total (net)
North Somerset	Prospering Smaller Towns	15.18	100%	220
Mendip	Prospering Smaller Towns	15.66	95%	190
South Somerset	Prospering Smaller Towns	14.41	85%	180
Daventry	Prospering Smaller Towns	12.06	61%	160
Dacorum	Prospering Southern England	10.90	52%	147



NOTE FOR UTTLESFORD DC: TEEP ASSESSMENT

If Uttlesford moved to collecting recycling *fortnightly* in separate streams, we estimate the estimated yields would reduce from 243 to 158 kg/hh/year, meaning 2,870 tonnes would not be recycled:

Uttlesford	Collection type	Recycling container	Residual container	Recycling frequency	Residual frequency	IMD	% rank in collection type	kg/hh	Tonnes	House-holds
2012/13 collections and dry recycling yield	Fully co-mingled inc. Glass	Wheeled bin	Wheeled bin	Fortnightly	Fortnightly	7.94	88%	243	8,200	33,690
Proposed collections and estimated dry recycling yield*	Separate streams inc. Glass	Box	Wheeled bin	Fortnightly	Fortnightly	9.31	62%	158	5,330	
Change								-85	-2,870	

This is based on the following Prospering Southern England benchmark authorities with IMD < 16 that collect recycling fortnightly in separate streams from boxes and residuals fortnightly in wheeled bins.

Authority	ONS Group	IMD	% rank in collection type	Total (net)
Three Rivers	Prospering Southern England	9.66	91%	182
East Hertfordshire	Prospering Southern England	7.84	59%	160
North Hertfordshire	Prospering Southern England	10.43	36%	132



It should be clear that UDC has considered the quality and quantity of recycled material arising most carefully.

Practicability test:

Here the three areas to be addressed are: is the separate collection of each material stream economically, environmentally or technically impracticable?

It should be clear from the analysis above that the chosen system is more environmentally practicable: it recycles significantly more than a system which material streams separately) by an estimated 2,870 tonnes per annum if fortnightly collections remain or 2,154 tonnes per annum if weekly collections were introduced.

There is also an economic benefit to recycling at this level: both to UDC in terms of recycling credits (up to an additional £174,180 per annum based on £60.69 per tonne) and additional payments in terms of the overall recycling / composting rate; as well as to the disposal authority Essex CC (calculated as up to a further £85,000 per annum over and above the payments made to UDC).

Further: at present UDC collects dry recyclate from its 34,182 properties on a fortnightly basis using six-and-a-half rounds with a driver plus three loaders, but also collecting food waste, over a four day cycle (1,315 properties per day). If this were expressed at current (September 2014) rates the cost for collection and treatment could be expressed as:

- Six-and-a-half rounds of driver plus three loaders:
 - 6.5 drivers at £27,000 per annum: £175,500 per annum including all overheads
 - 19.5 loaders at £22,000 per annum: £429,000 including all overheads
 - 6.5 podded vehicles at £85,000 per annum: £552,500
- 9,457 tonnes of dry recyclate at £15 / tonne gate fee (including transfer station): £141,855
- Recycling credits: 9,457 tonnes @ £60.69 per tonne: £573,945
- Net cost of collection and treatment: £724,910

If the recyclate was collected as separate streams, and there were still fortnightly collections, UDC would require an arrangement whereby those rounds continued to collect food waste: generally speaking such arrangements (whereby kerbside-sorted materials are collected along with food waste) have a much lower productivity rate because of vehicle capacity; and we would expect the costs to be:



- 12 rounds of driver plus three loaders:
 - 12 drivers at £27,000 per annum: £324,000 per annum including all overheads
 - 36 loaders at £22,000 per annum: £792,000 including all overheads
 - 12 kerbsider vehicles at £55,000 per annum: £660,000
- Income from sale of recyclables:
 - Paper and card: 3,255 tonnes @ £50 per tonne = £162,750
 - Cans / plastic: 1,020 tonnes @ £35 per tonne = £35,700
 - Glass: 2,312 tonnes at £20 per tonne = £46,240
- Recycling credits: 6,587 tonnes @ £60.69 per tonne: £399,765
- Net cost of collection and treatment: £1,131,545

This increase in cost is stark: an increase in costs of over £400,000 per annum (56%).

Additionally, Essex CC would make further savings (estimated at up to ca. £85,000 per annum) through the greater diversion from residual waste. Thus the overall saving to the Essex taxpayer from the current system is almost £500,000: as well as diverting significantly more material for recycling with obvious environmental benefits.

However in order to meet UDC's commitments under the IAA it is more likely that weekly collections would be needed; if that were the case then productivity in the week when food waste is collected by the crews collecting residual waste would be such that only two loaders per round would be required in that week, so we would expect the costs to be as follows:

- 24 rounds of driver plus two or three loaders:
 - 24 drivers at £27,000 per annum: £648,000 per annum including all overheads
 - 60 loaders at £22,000 per annum: £1,320,000
 - 24 kerbsider vehicles at £55,000 per annum: £1,320,000
- Income from sale of recyclables:
 - Paper and card: 3,609 tonnes @ £50 per tonne = £180,450
 - Cans / plastic: 1,131 tonnes @ £35 per tonne = £39,585
 - Glass: 2,563 tonnes at £20 per tonne = £51,260
- Recycling credits: 7,303 tonnes @ £60.69 per tonne: £443,219
- Net cost of collection and treatment: £2,573,486

This increase in cost is even more stark: an increase in costs of over £1.8 million per annum, excluding further increases to the Essex taxpayer from lower recycling levels than at present.



It should be clear that the current system has been chosen because it is seen as more technically practicable, environmental and economic than collecting the four materials separately.

Step 5

At this stage sign-off is required.

We recommend that this assessment should be formally approved by the appropriate Council Committee or other authority; and retained as a formal record.

In terms of a review (Step 6 in the Route Map), we believe that this TEEP test is appropriate for the new treatment contract UDC is considering entering into (a framework contract, facilitated by Basildon BC, starting in May 2015); but a review should take place just prior to the end of that contract (expected to be May 2019) or whenever waste services are generally reviewed, whichever is the earlier.

LA/WYG/9.14

