



Public Document Pack

Uttlesford District Council

Chief Executive: Dawn French

Cabinet

Date: Thursday, 12th July, 2018

Time: 7.00 pm

Venue: Council Chamber - Council Offices, London Road, Saffron Walden,
CB11 4ER

Leader and Chairman: Councillor H Rolfe

Members: Councillors S Barker, S Howell, V Ranger, J Redfern and
H Ryles

Other attendees: Councillors A Dean (Liberal Democrat Group Leader and
Chairman of Scrutiny Committee), J Lodge (Residents for
Uttlesford Group Leader) and E Oliver (Chairman of
Governance, Audit and Performance 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 notice by 12 noon two working days before the meeting. A time limit of 3 minutes is allowed for each speaker. Please refer to further information overleaf.

AGENDA PART 1

Open to Public and Press

1 Apologies for Absence and Declarations of Interest

To receive any apologies for absence and declarations of interest.

2 Minutes of the Previous Meeting(s)

5 - 20

To consider the minutes of the meetings held on the 24 May and 12 June 2018.

- 3 Questions or Statements from Non-Executive Members of the Council (standing item)**
- To receive questions or statements from non-executive members on matters included on the agenda.
- 4 Matters Referred to the Executive by the Scrutiny Committee or by the Council (standing item)**
- To consider matters referred to the Executive for reconsideration in accordance with the provisions of the Overview and Scrutiny Procedure Rules or the Budget and Policy Framework Rules.
- 5 Consideration of reports from overview and scrutiny committees (standing item)**
- To consider any reports from Scrutiny Committee.
- 6 Refugee Working Group (standing item)**
- To receive any reports from the Refugee Working Group.
- 7 Report of Delegated Decisions taken by Cabinet Members (standing item)**
- To receive for information any delegated decisions taken by Cabinet Members since the previous Cabinet meeting.
- 8 Report on assets of community value determined by the ACV committee (standing item)**
- To receive for information any decisions made by the Assets of Community Value committee since the previous Cabinet meeting.
- 9 Budget Final Outturn - 2017/18** 21 - 36
- To consider the Budget Final Outturn report for 2017/18.
- 10 Treasury Management Outturn - 2017/18** 37 - 56
- To consider the Treasury Management Outturn report for 2017/18.
- 11 Local Council Tax Support Scheme - 2019/20** 57 - 64
- To consider the Local Council Tax Support Scheme for 2019/20 report.
- 12 Corporate Plan Delivery Plan 2018/19 Quarter 1 Progress Update** 65 - 82

To receive the Corporate Plan Delivery Plan 2018/19 Quarter 1 Progress Update report.

13 Members New Homes Bonus Scheme 2017/18 83 - 94

To consider the Members New Homes Bonus Scheme 2017/18 report.

14 PCSO Match Funding 95 - 98

To consider the PCSO Match Funding report.

15 Nomination of the Clubhouse, Millibar Cafe, ancillary buildings and carpark, Andrewsfield Airfield as an Asset of Community Value 99 - 112

To consider the nomination of the Clubhouse, Millibar Café, ancillary buildings and carpark, Andrewsfield Airfield as an Asset of Community Value

16 Nomination of the Black Horse Inn, White Roding as an Asset of Community Value 113 - 118

To consider the nomination of the Black Horse Inn, White Roding as an Asset of Community Value.

17 Local Energy East Strategy 119 - 170

To consider the Local Energy East Strategy report.

18 Any other items which the Chairman considers to be urgent

To receive any items 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 I 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 held in the COUNCIL OFFICES LONDON ROAD SAFFRON WALDEN at 7pm on 24 MAY 2018

Present: Councillor H Rolfe (Chairman)
Councillors S Barker, R Chambers, S Howell and J Redfern.

Officers in attendance:

D French (Chief Executive), R Dobson (Principal Democratic and Electoral Services Officer), R Harborough (Director – Public Services), S Pugh (Assistant Director – Governance and Legal Services) and A Webb (Director – Finance and Corporate Services).

CA1 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors Ranger and Ryles.

CA2 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 4 April 2018 were received and signed by the Chairman as a correct record.

CA3 REPORTS FROM SCRUTINY COMMITTEE

Councillor Dean said the Scrutiny Committee had started to consider its programme of work for the year. The Committee's task group on affordable housing had met and whilst it was early days, discussion was underway to assess whether the District's needs for social and affordable housing had changed. A report would be brought to the Committee.

Councillor Barker said issues around waste and recycling had also been identified by the Scrutiny Committee, and that a report on actions would be taken to the Committee.

CA4 DELEGATED DECISIONS TAKEN BY EXECUTIVE MEMBERS

The following delegated decisions taken by Executive members were noted:

- Decision by Councillor Rolfe published on 1 May 2018: to amend the membership of the Governance Board for Garden Communities to include the Cabinet member for Housing.
- Decision by Councillor Ryles published on 18 May 2018: to agree the content of the draft Baseline Service Statements for car parking, street services and environmental health, relating to the Saffron Walden Business Improvement District (SWBID); to agree the content of the draft

SWBID operating agreement; to agree to the publication of the above documents on the SWBID website and for officers to make them available for scrutiny by local businesses throughout the BID ballot period at the Council offices.

CA5

ASSETS OF COMMUNITY VALUE COMMITTEE

Members considered a report recommending the establishment of a committee of the Cabinet to determine whether nominations of land or buildings as assets of community value should be accepted. As this was an executive function it could be delegated to a Cabinet committee or to officers.

Councillor Barker said that establishing a committee to consider such nominations would permit greater flexibility in dealing with nominations as these were subject to a statutory time limit of six weeks for a decision to be made following receipt of the nomination. Cabinet would continue to receive nominations for assets of community value when practicable, but in addition to the need to meet the statutory deadline, there might be occasions when the volume of business to be considered by Cabinet was such that it would be more convenient for nominations to be referred to the committee. In due course she anticipated the committee's remit would also encompass the heritage list function.

RESOLVED

- 1 to appoint an Assets of Community Value Committee of three members to consider nominations which cannot, in the view of the Assistant Director: Governance and Legal, be conveniently considered by Cabinet.
- 2 To appoint as members of the above Committee the Portfolio Holders for Communities and Partnerships, Environmental Services and Finance and Administration.
- 3 That Cabinet receive a verbal report on any forthcoming determinations by the Committee or decisions made by it since the date of the previous meeting of Cabinet.

It was agreed, in response to a comment from Councillor Dean, that members should be informed of any nominations of assets of community value in their respective wards.

CA6

APPOINTMENT TO THE VOLUNTARY SUPPORT GRANTS COMMITTEE

Members considered appointments to the Voluntary Support Grants Committee. At the suggestion of Councillor Rolfe, Councillor Ranger as Portfolio Holder for Communities and Partnerships was proposed as Chairman.

RESOLVED

- 1 to appoint as members of the Voluntary Support Grants Committee Councillors Simon Howell, Vic Ranger and Howard Rolfe; and
- 2 that Councillor Ranger be appointed Chairman.

CA7 **WORKING GROUP APPOINTMENTS**

Councillor Rolfe invited comments on the proposed appointments to the working groups, set out in the schedule included in the agenda papers.

Councillor Lodge confirmed he was content with the proposed appointments.

Councillor Dean said he was content with the appointments, but queried the need for two of the working groups, as they had not met for some time. The working groups in question were the Refugee Working Group and the Waste Strategy Panel.

Councillor Barker said it was easier to have the Waste Strategy Panel in place, should it be required to meet.

Councillor Rolfe said he agreed both these working groups might be necessary and that it was preferable that they were appointed in readiness for potential meetings if required.

RESOLVED to appoint membership of the Cabinet Working Groups, and where indicated, Chairmen and Vice Chairmen, as set out in the report to the meeting.

CA8 **OUTSIDE BODIES APPOINTMENTS**

Members considered proposed appointments to the outside bodies, set out in the schedule included in the agenda papers.

RESOLVED to appoint the Members identified in the report as the Council's representatives on the outside bodies listed in the report.

CA9 **APPOINTMENTS TO NORTH ESSEX PARKING PARTNERSHIP**

Members considered the appointment of representatives to the North Essex Parking Partnership.

RESOLVED to appoint as the Council's representative to the North Essex Parking Partnership Councillor Ryles, and Councillor Ranger as substitute member.

CA10 **APPOINTMENT TO WEST ESSEX WELLBEING JOINT COMMITTEE**

Members considered the appointment of representatives to the West Essex Wellbeing Joint Committee.

RESOLVED to appoint as members of the West Essex Wellbeing Joint Committee Councillors Ranger and Rolfe.

CA11 **SCRUTINY REVIEW**

Members considered the report of the Centre for Public Scrutiny, which had been presented to the meeting of the Scrutiny Committee of 27 March 2018.

The report sought Cabinet's views on the recommendations and an indication as to how Cabinet wished to be involved in developing the Council's response to the proposals, so as to inform discussions between officers and the Chairman and Vice Chairman of the Scrutiny Committee, so as to prepare an action plan for presentation at a future meeting of the Scrutiny Committee.

Councillor Howell gave his response to the report. He said the role of Scrutiny was an important one, and whilst the report acknowledged some strong positives, it was also important to reflect on areas identified for improvement. He recommended that in reading the report, members should not "cherry-pick" points which endorsed their own view.

Councillor Howell referred to the phrase "Scrutiny's job is to hold the executive to account", and said he found it frustrating that this aspect could be used to permeate almost everything: it was important to take the document as a whole, rather than just that one element. One of the key aspects of Scrutiny was to improve decision-making, and it was in that area that he considered Scrutiny had a particularly valuable role to play. There were examples where Scrutiny had done that well, specifically, when the decision had been taken to invest in Chesterford Research Park, and in relation to the call in of a contentious decision regarding De Vigier Avenue. Scrutiny had functioned best where political hats had been left at the door.

Councillor Howell said he recognised the critical role the Chairman had played in the culture of the Scrutiny Committee. Councillor Dean was highly knowledgeable and very experienced, as a longstanding councillor. It was important that the Committee tried to avoid a narrow political agenda or "headline grabbing". He very much welcomed the report. He noted the recommendations of the CfPS report in addressing the weaknesses in current arrangements, two or three of which related specifically to the Cabinet, that is, that the Leader and Cabinet members should be directly accountable and

visible, and that there should be structured meetings to discuss Scrutiny, which he endorsed. He would continue to attend Scrutiny, if invited; he was keen to continue to discuss the budget, the consultations on Local Council Tax Support, budget priorities, all other aspects that came up. He moved the recommendation that Cabinet accept the recommendations of the CfPS report.

Councillor Lodge suggested that one of his Group's members of Scrutiny Committee be invited to join in discussions as to actions arising from the report.

Councillor Rolfe said this was a matter for the Scrutiny Committee.

Councillor Dean said if Cabinet were in broad agreement with the recommendations, then discussions should be arranged outside this meeting. Those discussions, with Councillor Howell, if he was representing the Cabinet, should aim to agree what needed to be done. There were other members of the Scrutiny Committee such as the Vice Chairman who might need to be involved.

Councillor Dean said, in response to Cllr Howell, there was need for offline discussion, in relation to one or two points. One point came out of the CfPS conference, regarding the way local government was working these days, particularly in relation to finance-raising other than through Council Tax and central Government grants, for the need for a Scrutiny mechanism. Unless he had missed something, prior to the decision to invest in Chesterford Research Park, there had been no involvement of Scrutiny. Independent Scrutiny was one area where pre-scrutiny in future did need to engage better. A further point for discussion offline was what was meant by "holding the Cabinet to account"? Discussion was needed on that, and Cllr Howell has expressed concern at "headline grabbing". This aspect could be a good thing, it had been identified by the CfPS report author, and should be discussed.

Councillor Dean said that if Cabinet did accept these recommendations, he considered officers should arrange dialogue to turn them into reality, to avoid carrying on as usual. The Committee was willing to change, but it was necessary for both parties to learn how to do so, in which case he would be delighted.

Councillor Rolfe said he applauded the initiative of commissioning the report. It was important to take the package as a whole.

RESOLVED to accept all the recommendations in the Centre for Public Scrutiny report as presented to the meeting of the Scrutiny Committee of 27 March 2018.

CA12

GARDEN COMMUNITIES DELIVERY GOVERNANCE BOARD

Members received an update on the Garden Communities Delivery Governance Board. Councillor Rolfe said most of the areas of discussion of the

working group were commercially sensitive, so the meetings were not held in public, but updates would be provided to the public meetings of the Cabinet. Recommendations made by the working group would be made in due course to Cabinet.

The report was noted.

CA13 **ASSET OF COMMUNITY VALUE RE-NOMINATION OF THE ALLOTMENTS, HIGH RODING**

Members considered a report regarding a re-nomination of the land known as The Allotments at High Roding. On the basis that there was a valid nomination and that there was current use of the allotments which furthered the interests of the community, members agreed with the recommendation of the report.

RESOLVED that The Allotments at High Roding be re-listed as an asset of community value for a period of 5 years from today.

CA14 **RIGHT OF WAY IN LITTLE CHESTERFORD**

Members considered a report seeking a grant of a right of way, in relation to a private access road owned by the Council, to facilitate the development of a residential property.

RESOLVED that

1 right of way be granted for the benefit of a new property in the rear garden of Millfields, Walden Road, Little Chesterford for which planning permission had been obtained by the owners, over the private access road which ran adjacent to the property, subject to the payment of a premium, the requirement to contribute towards future maintenance and limitation to the new property.

2 The Assistant Director – Housing have delegated authority to negotiate the appropriate consideration having taken advice from an independent valuer, and relevant legal terms and conditions.

CA15 **SECTION 106 FUNDING AUBREY BUXTON NATURE RESERVE**

It was noted the item had been withdrawn.

CA16 **ANY OTHER BUSINESS**

The Chairman said there was no other urgent business, other than to make it known that Rebecca Dobson would be taking on the role of the Council's Democratic and Electoral Services Manager following the retirement of Peter Snow.

The meeting ended at 7.35pm.

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CABINET held at COUNCIL CHAMBER - COUNCIL OFFICES, LONDON ROAD, SAFFRON WALDEN, CB11 4ER, on TUESDAY, 12 JUNE 2018 at 7.00 pm

Present: Councillor H Rolfe (Chairman)
Councillors S Barker, V Ranger and J Redfern

Also present: Councillors A Dean (Leader of the Liberal Democrats and Chairman of Scrutiny Committee), J Lodge (Leader of the Residents for Uttlesford) and E Oliver (Chairman of the Governance, Audit and Performance Committee)

Officers in attendance: D French (Chief Executive), A Bochel (Democratic Services Officer), G Glenday (Assistant Director - Planning), R Harborough (Director - Public Services), S Miles (Planning Policy Team Leader), S Pugh (Assistant Director - Governance and Legal), M Watts (Environmental Health Manager - Protection) and A Webb (Director - Finance and Corporate Services)

Speakers: Councillor N Hargreaves, Councillor T Knight, A Armstrong, I Carter, J Cheetham, J Collins, I Grant, K McDonald, S Merifield, G Mott and B Ross.

CA17 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors Howell and Ryles.

Councillor S Barker declared a personal interest in relation to site allocations in the draft Local Plan, in that she was a member of Essex County Council for the Dunmow Division.

Councillor Redfern declared a personal interest in relation to site allocations in the draft Local Plan, in that she was a member of Great Chesterford Parish Council.

CA18 REGULATION 19 PRE-SUBMISSION DRAFT LOCAL PLAN

The following people spoke on this item: Councillor N Hargreaves, Councillor T Knight, J Collins, I Carter, B Ross, K McDonald, I Grant, J Cheetham, S Merifield, G Mott and A Armstrong. Summaries of their statements are appended to these minutes.

The Chief Executive was asked to explain the circumstances surrounding the withdrawal of the previous draft Local Plan two years ago.

The Chief Executive said she had believed the plan would not be supported going forward and that members did not have sufficient information to determine the plan. After consultation with senior officers, she had therefore made the decision to withdraw the previous plan. The decision to pause the plan had been entirely hers.

Councillor Barker said if the Council did not move forward with the plan, then control of the plan would be taken out of its hands and the additional cost would fall back on the Council. The draft plan had a vast amount of supporting evidence. The number of houses and jobs required had been updated since the Regulation 18 plan had been sent out to consultation, and a number of other changes had been made, such as additional allocations and changes to the wording of policies.

The Planning Policy Team Leader responded to queries raised by public speakers. He said the Land South of Thaxted Road, Debden site was not located within the Environment Agency's flood zones. Any planning application at the site would have to ensure flooding would not impact on properties. Similarly, a planning application would have to be accompanied by a transport assessment and an assessment of how to mitigate any impact on views.

The Planning Policy Team Leader said criteria from GEN 2, 4 and 5 were felt to have been carried forward to the draft Regulation 19 Local Plan in policies D1, SP12 and EN16 to EN20.

The Planning Policy Team Leader said the plan proposed a housing requirement of 14000 based on the 2017 SHMA, taking into account an amendment to the market signals uplift, the recognition of people living in communal establishments and the need to build in an element of robustness. A supply of 14700 houses had therefore been proposed to adapt to changes or delays within the plan period.

The Planning Policy Team Leader said archaeological sites at Stebbing would inform the development plan documents. The Chairman said a development plan document was a robust vehicle to use to deliver development in consultation with communities. Being a junior partner in the development of the West of Braintree site would not disadvantage the voice of Uttlesford residents.

The Planning Policy Team Leader said a smaller scale of development was proposed in Elsenham than that which had been included in the Local Plan in 2014 and the rejected planning application in 2016. The forty units proposed had been considered through the Infrastructure Delivery Plan and were considered appropriate.

The Planning Policy Team Leader said the Land south of B1256 (Stortford Road) and West of Buttley's Lane, Great Dunmow site had been assessed in the Regulation 18 plan and there was no reason found to remove the allocation from the plan. The Site of the former Bardfield House, Church End, Great Dunmow was felt to be a reasonable extension of the village, reflecting existing boundaries on the ground. While both sites were outside the Neighbourhood Plan development framework, one purpose of the Local Plan was to look afresh and set policies for the whole district.

The Director – Public Services said the Planning Committee had refused a planning application for the Land to the south of the B1256, Little Canfield site. However, the Local Plan was looking afresh at various issues such as the need for a broader portfolio of sites for business, and so the site was appropriate for inclusion in the plan.

The Planning Policy Team Leader said the Land at Bricketts, London Road, Newport site was a relatively small allocation which was a logical extension to the village. A planning application would have to take into account noise and air quality issues. A footpath made the site accessible for pedestrian to access the centre of Newport. An alternative site suggested by Councillor Hargreaves was separate from the development boundary of the village and could lead to further development along Chalk Farm Lane.

Councillor Dean put forward proposed amendments to policy SP11. Members voted to accept these proposals.

Councillor Redfern put forward proposed amendments to the Garden Community policies and supporting text and EMP1 and supporting text. Members voted to accept these proposals.

The Planning Policy Team Leader put forward amendments suggested by Historic England to SP5, SP7 the Garden Community policies and supporting text, which included re-ordering the criteria in policies SP6, SP7 and SP8, and providing sub-headings. These were proposed by the Councillor Rolfe and members voted to accept these proposals.

Councillor Lodge said he believed it was important to use locally led development corporations to ensure the proposed communities were built to the standards of garden community principles.

The Chairman said a combination of the development plan documents and other arrangements currently under discussion would ensure the Council could enforce the garden community principles. Planning inspectors and legal professionals had advised that the Council could use a development corporation if necessary, but now was not the time to do this.

The Director – Public Services said community leadership would come from community engagement in the preparation of the Local Plan, whether the new communities were to be created by developers or a development corporation. The Local Plan was the framework to guide the delivery of development.

RESOLVED that:

1. Cabinet, being satisfied that the preparation of the Local Plan has complied with the relevant regulatory requirements and being of the view that the Regulation 19 Pre-Submission Local Plan document is ready for submission to government for independent examination, recommends to Full Council that, subject to incorporating the changes agreed by Cabinet on 12 June 2018, the Regulation 19 Pre-Submission Local Plan be published in accordance with the Town and Country Planning (Local Planning) (England) Regulations 2012.
2. Following the conclusion of the Regulation 19 publication period, the Local Plan be submitted to the Secretary of State for Independent Examination under section 20 of the Planning Compulsory Purchase Act 2004 (as amended) ("the 2004 Act"), together with the submission documents prescribed by Regulation 22 of the 2012 Regulations before 31 March 2018;
3. The Director of Public Services, in consultation with the Environmental Services Portfolio Holder, be authorised to make non-material typographical, formatting, mapping and other minor amendments to the Plan prior to the submission of the Plan to the Secretary of State;
4. The Director of Public Services be authorised to write to the Local Plan Inspector appointed to carry out the Examination of the submitted Local Plan ("the Local Plan Inspector") asking him/her to recommend such modifications of the submitted Local Plan as may be necessary to make the Plan sound and legally compliant, in accordance with section 20(7C) of the 2004 Act;
5. The Director of Public Services, in consultation with the Environmental Services Portfolio Holder, be authorised to submit a schedule of proposed main modifications of the submitted Local Plan to address any issues relating to soundness and legal compliance identified by the Local Plan Inspector; and
6. The Local Plan Submission Version 2018 be endorsed as a material consideration to be used in the determination of planning applications and enforcement decisions to be given

appropriate weight in accordance with paragraph 216 of the National Planning Policy Framework.

The meeting finished at 9.10pm.

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Public Speakers:

Councillor Tina Knight spoke about the amount of houses that the local plan intended to be built in Debden. There had already been houses approved and built in the village. The planned amount was disproportionate for Debden's size. Flooding, parking and rat running were already big problems for the village, and the planned houses were intended to be built on prime agricultural land.

Jane Collins spoke about concerns about the development planned for Debden. Traffic gridlock and safety were currently major problems and further development would make it worse.

Ian Carter said he was in favour of proportionate development that fitted in with the local area. However, the planned development in Debden was disproportionate to the size of the village, was not in keeping with the rural location, would harm the open spaces and character of the village and was inappropriate due to the poor roads and gridlock in the area. There was flooding in the village and a proper hydrological study should be undertaken.

Brian Ross spoke on behalf of Stop Stansted Expansion. He said new policy proposed in the plan watered down or removed safeguards which protected the community from the unfettered expansion of Stansted Airport. Policy in the Regulation 18 local plan was not controversial, but had nevertheless been revised, almost exactly to mirror changes suggested by the airport's owners. He asked for the previous wording to be reinstated.

Ken McDonald spoke on the lack of an audit trail to demonstrate how the housing need figure had been calculated and that the total number of assumed jobs at Stansted Airport needed to be revised on the basis that the airport had revised its recent jobs forecast downwards. Only 18% of the airport's employees actually lived in Uttlesford, which would likely affect the employment need figure.

Isobel Grant spoke on behalf of Wendens Ambo Parish Council. She said the parish council were concerned that important aspects of policies GEN2, GEN4 and GEN5, included in the 2005 plan, had been left out of the Regulation 19 local plan.

Jackie Cheetham spoke on behalf of Takeley Parish Council. She said the parish council were concerned that the protection that residents around the airport had in policy SP11 had not been included in the Regulation 19 local plan. The new policy did not safeguard the local residents and countryside in the same way. The parish council were also concerned about the potential for an increase in noise generated by the airport and the proposal for off-street parking.

Sandi Merifield spoke on behalf of Stebbing Parish Council. There was a frustration about the lack of infrastructure included in the plan. The possible development did not reference Stebbing in its name, referring to it as West of Braintree. The plan would result in coalescence with Braintree District. There was concern that Uttlesford

District Council would be the junior partner in drawing up the development plan document for the West of Braintree site. The site was not viable, deliverable or sustainable.

Graham Mott spoke on behalf of Elsenham Parish Council. He said there was surplus capacity for houses in the plan and the five year land supply currently stood at almost 6 years. A proposed 40 dwellings in Elsenham were therefore not needed. Infrastructure in Elsenham was inadequate such as road and healthcare access, and Elsenham had already taken a disproportionate amount of houses. He proposed the Elsenham site be removed from the plan.

Alexander Armstrong spoke on behalf of Great Dunmow Town Council. He urged removal of three sites from the local plan; two of these were outside of the Great Dunmow Neighbourhood Plan and another had already been turned down by the Planning Committee. It was unjustified to include these in the plan.

Councillor Neil Hargreaves suggested removing two sites from the plan and instead adding an alternative site. The Bricketts site could be removed as it was a greenfield site, ribbon development, would be far from the village and would have issues with noise. Instead, a redundant quarry could be included, as it was achievable. This was a proposal which was important to Newport and Debden.

Agenda Item 9

Committee:	Cabinet	Date:	Thursday, 12 July 2018
Title:	Budget 2017/18 - Final Outturn		
Portfolio Holder:	Councillor Simon Howell, Portfolio Holder for Finance and Administration		
Report Author:	Angela Knight, Assistant Director - Resources aknight@uttlesford.gov.uk	Key decision:	No

Summary

1. This report summarises the 2017/18 Outturn position as follows:
 1. General Fund: £1,529,000 underspent after allowing for planned transfers to earmarked reserves.
 2. Housing Revenue Account: £13,000 net operating deficit and an overall in year surplus of £2,981,000, which is directly linked to the capital projects slippage.
 3. Capital Programme: £10,253,000 underspend, after allowing for slippage requests of £9,979,000 there is a net actual underspend of £274,000.
2. In accordance with statutory regulations, the draft 2017/18 Statement of Accounts are consistent with the 2017/18 results reported here. These figures were certified by the Director of Finance and Corporate Services on the 25th May 2018, and will reflect the Cabinet's decisions regarding use of reserves.
3. All figures have been subject to a full external audit which was completed on the 29th June 2018. The final accounts will be submitted to the Governance, Audit and Performance Committee for approval on 26th July.

Recommendations

4. The Cabinet is recommended to:
 - a. Approve the 2017/18 outturn position set out in this report
 - b. Approve the reserve transfers and reserve balances set out in the report, in paragraph 22 for the General Fund and paragraph 26 for the Housing Revenue Account
 - c. Approve the Capital Programme slippage requests as detailed in paragraph 29

Financial Implications

5. The report sets out the Council's financial performance for 2017/18 and the level of reserves as at 31 March 2018. Otherwise there are no direct financial implications arising from the recommendations.

Background Papers

6. Statement of Accounts 2017.18 - Draft

Impact

- 7.

Communication/Consultation	The key issues in this report have been considered by CMT and discussed with the Finance Portfolio Holder
Community Safety	No issues
Equalities	No issues
Health and Safety	No issues
Human Rights/Legal Implications	No issues
Sustainability	No issues
Ward-specific impacts	No issues
Workforce/Workplace	No issues

General Fund

8. The net operating expenditure original budget approved by Cabinet and Full Council in February 2017 was £6,094,000 and during the year this was updated and the current budget was £10,384,000, an increase to the budget of £4,290,000. The updated budget is summarised below;

	£'000
Original Budget	6,094
Carver Barracks Contribution	500
Local Highways Panel (match funded)	50
Garden Communities	50
Capital Financing	3,628
Other net minor budget adjustments	60
Current Budget	<u>10,382</u>

9. The capital financing element of £3,628,000 relates to the general fund financing of capital projects, £3,000,000 for the New Depot Site (funded from reserves) and the remaining is slippage from 2016/17 c/fwd. to 2017/18.
10. The net operating expenditure final outturn position of £4,315,000 has reduced by £1,449,000 compared with the period 9 outturn figure of £5,764,000. The final variance outturn for net operating expenditure is £6,067,000 underspent, compared to

the previous forecasts of £4,618,000 underspend as at 31 December 2017 and reported to Members on 18 February 2018.

11. After allowing for transfers to and from earmarked reserves (subject to members approval), the final outturn for the overall net budget position is £3,506,000, a net underspend of £1,529,000 against the revised budget of £5,035,000.
12. A summary of the budget position is shown below and this is set out in more detail in Appendix A.

£ '000	2016/17	2017/18			
	Outturn	Original Budget	Current Budget	Actual Outturn	Variance
Communities & Partnerships	779	1,012	1,555	854	(701)
Housing & Economic Development	1,353	1,606	1,563	1,439	(123)
Environmental Services	2,492	3,111	3,111	3,304	193
Finance & Administration	5,164	5,720	5,879	5,957	78
Portfolio (Service) Budgets	9,788	11,448	12,108	11,555	(552)
Investment Income (net of interest charges)	(143)	(65)	(65)	(1,492)	(1,428)
Capital Financing	3,056	1,861	5,540	1,718	(3,822)
Corporate Items (other)	(1,826)	(1,086)	(1,138)	(926)	211
Total Net Budget	10,875	12,158	16,446	10,855	(5,591)
Funding	(8,410)	(6,064)	(6,064)	(6,542)	(478)
Net Operating Expenditure	2,465	6,094	10,382	4,313	(6,069)
Transfers to/from (-) Reserves	2,206	(1,059)	(5,347)	(807)	4,540
OVERALL NET POSITION	4,671	5,035	5,035	3,506	(1,529)

13. The overall outturn position is £1,529,000 underspent and this is a reduction in the total underspend from quarter 3 of £46,000. The table below gives a summary of each quarters outturn for the year

£'000					Variance
	Qtr.1	Qtr.2	Qtr.3	Qtr.4	Movement
Direct Service Budgets	(236)	181	80	(552)	(632)
Corporate Costs	(1,005)	(1,558)	(4,642)	(5,038)	(396)
Funding	258	276	(56)	(478)	(422)
Use of Reserves	(177)	(386)	3,043	4,539	1,496
Outturn Position	(1,160)	(1,487)	(1,575)	(1,529)	46

14. The key factor in the final underspend is due mainly to the increased investment income of £1,492,000 (net of borrowing costs) from the loan to Aspire (CRP) Ltd. Full details of the councils investment and borrowing commitment is shown in the Treasury Management section (from point 31).

Portfolio (Service) Budgets

15. The table below summarises the variances by portfolio and shows the net savings attributed to the current year (one off) and those that will continue into future years (on-going). Full details of the service variances are detailed in Appendix B.

	Savings/increased income		Budget Adj/decreased income		Total Net Variance
	One-off	On-going	One-off	On-going	
Communities & Partnerships	(76)	(34)	0	0	(110)
Housing & Economic Development	(188)	(67)	121	12	(121)
Environmental Services	(711)	(574)	962	158	(165)
Finance & Admin	(1,011)	(222)	1,125	115	7
Service Total	(1,986)	(897)	2,208	285	(390)
Other minor net variances					(33)
Total Net (efficiency)/growth 2017/18					(422)
Items to be funded from reserves/(allocated to reserves)	(758)	0	628	0	(130)
Total Service Variance (as per summary report)					(552)

16. The following table details the service variances over £20,000;

Budget Variances 2017/18	Amount £'000	Description of variance
	(under)/over spends	
Service variances funded from Revenue		
Grants and Contributions	(38)	Unallocated youth grant and contingency budget
Leisure and Performance	(32)	Staff vacancy (one year only)
Building Surveying	(35)	Staff vacancy (one year only)
	(30)	Reduction in income fees
Economic Development	(20)	Staff vacancy (one year only)
Homelessness	(31)	Staff vacancy and reduction in agency costs (one year only)
Communications	(21)	Staff vacancy (one year only)
Grounds Maintenance	(25)	Net of staff vacancies and agency cover
Car Parking	(99)	Income expectations exceeded prudent budget estimates
Development Control	130	Increased agency support and consultancy to cover workload
	(54)	Additional income - 20% increase from January and additional pre-app work
Licensing	(99)	Additional income due to 3 and 5 year application process
Vehicle Maintenance	204	Vehicle repairs due to a mechanical fault and the age of the vehicles require high level of replacement parts
Planning Policy	(35)	DCLG funding - brownfield register and custom build grant
Waste Management	107	Hire for vehicles when in workshop for repairs
	(41)	Net of reduced MRF gate fee and reduction in ECC (IAA) dry recyclable bulking fee
	(116)	Additional income from increased customers for Trade and Garden waste
	(60)	ECC Reimbursement relating to commercial waste
Street Services (Mgt and Admin)	(39)	Staff vacancy (one year only)
Corporate Management	81	GDPR costs
	(99)	Vacancy in Senior management post (offsets element of agency spend in legal)
Corporate Team	(37)	Staff vacancy (one year only)
Housing Benefits	(188)	Change in claimant caseload, higher reimbursement of subsidy income
Information Technology	33	Net cost of staff vacancy (one year only) and agency costs to cover workload
Land Charges	(35)	Increased income higher number of land searches and DCLG new burdens funding
Legal	138	Net cost of staff vacancy (one year only) and agency costs to cover workload (offset by saving in Corporate Management)
	36	Increased legal fees for external work
Offices	140	Increased repairs due to age of building and specialist work, also work carried out to accommodate letting of areas of the building to external companies
	54	Reduction in rental income, due to incentives for companies to rent office space (one year only) and less weddings than budgeted
Various	(211)	Other minor variances
	(422)	
Service variance - Items funded from/(allocated to reserves)		
Carver Barracks	(500)	Contribution to the running track not spent in year, held for future years in SIF reserve
Private Finance Initiative	(93)	Forecast is based on actual payments and budget based on model, moved to reserves for potential future years shortfalls
Homelessness Grant	(86)	Grant, this has been allocated to the reserve to support clients in hardship
Corporate Management	97	Drawdown for Management Development consultancy reduced
Health Improvement	(19)	Additional spend related to the Health and Wellbeing initiatives
Human Resources	29	Implementation of phase 2 of new HR system.
Economic Development	108	Expenditure related to the vitality and viability of Town Centres as per ED strategy and £10k re joint initiative West Essex and LSCC
Development Control	74	Legal Fees for 4 Public Inquiries (planning appeals) net of £28k for S106 monitoring
Housing Strategy	9	Community led housing support net of DCLG funding
Planning Specialists	(16)	Historic England grant income for enforcement work
New Homes Bonus	22	Carry forward of unspent ward member grant
Planning Policy	245	Agency and consultancy relating to the Local Plan, plus £15,000 for neighbourhood plans.
	(130)	
Total Service Variance	(552)	

Corporate Costs and Funding

17. Capital Financing is underspent by £3,822,000 and this is mainly due to slippage in the capital programme, with the most significant item of slippage relating to the New Depot site. This has a net nil bottom line effect as this is directly funded from a dedicated reserve.
18. Investment income of £1,725,000 was received from the investment in Aspire (CRP) Ltd, at the time of setting the 2017/18 budget the investment was in the early stages of negotiation and as such was not included in the budget. This income is offset against the current year borrowing costs of £233,000 to fund the initial investment of £47,250,000.
19. The increase in funding of £478,000 is due to the net year balances of the Business Rates account. The key items are grants and reduced levy payments and this is allocated to a ring-fenced reserve to offset against potential future years deficits. The areas of increased income are;
1. Section 31 grants, this is to support the business rates reliefs we are required by government to award.
 2. Levy reduction due to being part of the Essex Business Rates Pool.

Reserves

20. The total reserve balance as at 31 March 2018, (ring-fenced and usable) is £13,434,000; the current budget estimated a drawdown requirement of £5,347,000. The actual net use of reserves was £807,000. The complete reserves position is set out in Appendix C.
21. The balance of usable reserves (excludes ring-fenced reserves) as at 31 March 2018 is £10,540,000, the current budget estimated a drawdown on usable reserves of £5,334,000, and the actual use of usable reserves in year was £1,327,000.
22. The net reduction in the drawdown in usable reserves in the year was £4,007,000 and these are detailed in the following table;

Reserve	£'000 Details
Transformation	62 Mgt training costs lower than expected
Economic Development	(42) New business relief awarded
Homelessness	126 Grant received spend to be allocated over more than one year
Health and Wellbeing	19 Grant to be carried forward
Planning & Development Control	(330) Increased requirement for Local Plan support
Strategic Initiatives	740 Delay in awarded funding for projects
Capital Slippage	466 Carry forward of financing allocation for capital programme slippage
Waste Depot Relocation	2,895 Project delayed
New Homes Bonus (Ward Members)	(22) Carry forward of unspent allocations
Private Finance Initiative	93 Carry forward extra income for potential future years deficits
Total	<u>4,007</u>

23. It is requested that the underspend of £1,529,000 be allocated to reserves as follows;
1. £750,000 – to the New Depot Site
 2. £779,000 – to support the Local Plan submission process in 2018/19 including legal advice and support

Housing Revenue Accounts (HRA)

24. This is the sixth year of the HRA Business Plan, following the self-financing reforms. The current HRA budget planned for an in-year operating surplus of £642,000, with £9,165,000 of planned funding for capital projects and transfers from reserves of £5,529,000.
25. The final outturn shows a surplus of £2,981,000. The variance is made up of a net operating deficit of £13,000. The favourable variance in the HRA capital funding of £4,749,000 and a reduction in the requirement for the use of reserves by £2,994,000 is due to the delay in capital projects as detailed in the 2017/18 Capital Programme.
26. The table below gives a summary of the HRA budget; full details of the outturn and variances can be seen in Appendix D.

£'000	2016/17 Outturn	2017/18			Variance to Current Budget
		Original Budget	Current Budget	Final Outturn	
Service Income	(15,412)	(15,222)	(15,222)	(15,307)	(84)
Service Expenditure	4,304	4,251	4,251	4,432	180
Corporate Items	7,617	10,329	10,329	10,246	(83)
Operating (Surplus) / Deficit	(3,491)	(642)	(642)	(629)	13
Funding of Capital Programme from HRA	3,184	2,449	9,165	4,416	(4,749)
Transfer to / (from) Reserves	35	(1,807)	(5,529)	(3,774)	1,755
Total Use of Reserves / Funding	3,218	642	3,636	642	(2,994)
(SURPLUS) / DEFICIT	(272)	0	2,994	13	(2,981)

27. The table below details the final reserves position, showing the net drawdown on reserves of £1,774,000 giving a final balance of £5,389,000 of which £4,866,000 is usable. It is requested that the £13,000 operating deficit be drawn from the capital projects reserve (this is not included in the reserves table below).

£'000	1st April 2017 Balance	Forecast Transfer from HRA	Forecast Transfer to HRA	Transfer between Reserves	31st March 2018 Balance
RINGFENCED RESERVES					
Working Balance	498	26	0	0	524
	498	26	0	0	524
USABLE RESERVES					
<u>Revenue Reserves</u>					
Transformation / Change Management	180	0	0	0	180
Revenue Projects	60	0	0	0	60
	240	0	0	0	240
<u>Capital Reserves</u>					
Capital Projects	3,809	0	(356)	(3,453)	0
Potential Development Projects	2,298	0	(1,125)	(323)	849
Sheltered Housing Projects	318	0	(318)	0	0
HRA Slippage Reserve	0	0	0	3,777	3,777
	6,425	0	(1,799)	0	4,626
TOTAL USABLE RESERVES	6,665	0	(1,799)	0	4,866
TOTAL RESERVES	7,163	26	(1,799)	0	5,389

28. The table below details the key variances relating to the HRA service delivery.

Amount £'000	
(under)/over spends	Description of variance
Dwelling Rents	(63) Fewer right to buy and a reduction in void properties
Housing Repairs	291 Increase in repairs due to exceptional cold winter
Bad Debt Provision	(226) Increased recovery of housing rent arrears
Other minor items	11
Total Variances	13

Capital Programme

29. The Capital Outturn for 2017/18 showed a total spend of £10,192,000 against a budget of £20,445,000 giving a total in year underspend of £10,253,000. The underspends are made up of £9,979,000 slippage and £274,000 actual net underspend.

30. The slippage is made up of £5,214,000 general fund items and £4,765,000 for Housing Revenue projects.

31. The key items of slippage are summarised below and full details of the capital programme and associated financing are detailed in Appendix E. This includes a separate table detailing the current level of S106 balances held.

General Fund

- New Depot Site - £2,895,000, delay in the purchase of the new site due to planning process
- Vehicle Replacement Programme - £1,763,000, tender process for new fleet of waste vehicles is ongoing but has slipped into 2018/19

Housing Revenue Account

- Reynolds Court - £2,298,000, the contract has been reprogrammed to take account of issues encountered in completing Phase 1, including asbestos removal, statutory undertaker delays, design issues and bad weather. The contract is now due to complete in October 2018.
- Hatherley Court - £962,000, when the building was originally built, it was not constructed to a very high standard; this led to unforeseen issues that needed to be rectified prior to the planned refurbishment work. Phase 1 is due to be completed in June 2018 with phase 2 later in 2018.
- Walden Place - £803,000, delays due to the agreement of project details

Treasury Management

32. A detailed Treasury Management outturn report is included in tonight's agenda as a separate item.

Risk Analysis

33.

Risk	Likelihood	Impact	Mitigating actions
No specific risks	None	None	None required

identified as Accounts submitted have been subject to external audit			
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- 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

£000	2016/17 Outturn	2017/18			
		Original Budget	Current Budget	Outturn	Outturn to Current Budget Variance
Portfolio Budgets					
Community & Partnerships	779	1,012	1,555	854	(701)
Housing & Economic Development	1,353	1,606	1,563	1,439	(123)
Environmental	2,492	3,111	3,111	3,304	193
Finance & Administration	5,164	5,720	5,879	5,957	78
Sub-total - Portfolio and Committee Budgets	9,787	11,448	12,108	11,555	(552)
Corporate Items					
Capital Financing Costs	3,056	1,861	5,540	1,718	(3,822)
Interest Charge	0	0	0	233	233
Investment Income	(143)	(65)	(65)	(1,725)	(1,660)
Pension Fund - Added Years	103	92	92	85	(8)
Pension Fund - Deficit	0	770	770	977	207
Apprentice Levy	0	51	0	0	0
Efficiencies and Income Opportunities	0	(200)	(200)	0	200
Recharge to HRA	(1,594)	(1,507)	(1,507)	(1,641)	(134)
HRA Share of Corporate Core	(334)	(293)	(293)	(348)	(55)
Sub-total - Corporate Items	1,088	710	4,338	(701)	(5,038)
Sub-total Budgets	10,875	12,158	16,445	10,855	(5,591)
Funding					
Council Tax - Collection Fund Balance	(152)	(193)	(193)	(193)	(0)
DCLG Other Funding	0	0	0	0	0
New Homes Bonus	(4,283)	(3,772)	(3,772)	(3,772)	0
BRR - UDC Share (net of tariff)	(2,407)	(2,238)	(2,238)	(2,313)	(75)
BRR - Levy/(Safety Net) Payment	0	529	529	141	(388)
BRR - Section 31 Funding	(517)	(722)	(722)	(1,088)	(366)
BRR - Collection Fund Balance	(231)	1,009	1,009	1,372	363
BRR - Renewable Energy Schemes	(332)	(136)	(136)	(152)	(15)
Rural Service Delivery Grant	(338)	(285)	(285)	(285)	0
Settlement Funding	(684)	(255)	(255)	(252)	3
Sub-total - Funding	(8,410)	(6,064)	(6,064)	(6,542)	(478)
Net Operating Expenditure	2,465	6,094	10,382	4,313	(6,069)
Transfer to/(from) Reserves					
Working Balance	22	(13)	(13)	54	67
Business Rates	535	0	0	466	466
Department for Work and Pensions	(65)	0	0	0	0
Licensing	(17)	0	0	0	0
Transformation	(194)	(100)	(100)	(38)	62
Pension Reserve	0	(770)	(770)	(770)	0
Economic Development	(74)	0	(63)	(105)	(42)
Elections	25	25	25	25	0
Homelessness	0	(40)	(40)	86	126
Health and Wellbeing	27	0	0	19	19
Planning and Development	(464)	(275)	(275)	(605)	(330)
Strategic Initiatives	2,296	114	(745)	(5)	740
Capital Slippage	0	0	(366)	100	466
Waste Depot Relocation Project	0	0	(3,000)	(105)	2,895
New Homes Bonus Ward Member	(1)	0	0	(22)	(22)
Voluntary Sector	(41)	0	0	0	0
Waste Management	70	0	0	0	0
Private Finance Initiative	87	0	0	93	93
Sub-total - Movement General Fund Reserves	2,206	(1,059)	(5,347)	(807)	4,539
COUNCIL TAX REQUIREMENT	4,671	5,034	5,035	3,506	(1,529)
Council Tax (Precept levied on Collection Fund)	(4,828)	(5,035)	(5,035)	(5,035)	-
OVERALL NET POSITION	(691)	(0)	0	(1,529)	(1,529)

Appendix B

Portfolio (service) Variances

COMMUNITIES AND PARTNERSHIPS PORTFOLIO

Description	2016/17 Actual	2017/18			
		Original Budget	Current Budget	Actual Outturn	Outturn Variance
Community Information	48	49	49	48	(1)
Day Centres	22	46	46	48	2
Emergency Planning	45	47	47	43	(4)
Grants & Contributions	386	376	876	333	(543)
Leisure & Performance	73	163	163	130	(34)
Saffron Walden Museum	163	202	202	178	(24)
New Homes Bonus	99	78	78	84	6
Private Finance Initiative	(57)	50	50	(43)	(93)
Community Partnerships	0	0	43	42	(2)
Renovation Grants	0	0	0	(8)	(8)
	779	1,012	1,555	854	(701)

HOUSING & ECONOMIC DEVELOPMENT PORTFOLIO

Description	2016/17 Actual	2017/18			
		Original Budget	Current Budget	Actual Outturn	Outturn Variance
Building Surveying	(127)	(107)	(107)	(114)	(7)
Committee Admin	205	238	195	198	3
Customer Services Centre	367	419	419	391	(29)
Democratic Representation	316	324	324	328	4
Economic Development	189	181	181	271	91
Energy Efficiency	34	44	44	33	(11)
Housing Grants	10	3	3	0	(3)
Health Improvement	105	126	126	123	(3)
Homelessness	175	212	212	97	(115)
Lifeline	(186)	(139)	(139)	(161)	(22)
Communications	264	304	304	273	(31)
	1,353	1,606	1,563	1,439	(123)

Appendix B (continued)

ENVIRONMENT PORTFOLIO

Description	2016/17 Actual	2017/18			
		Original Budget	Current Budget	Actual Outturn	Outturn Variance
Animal Warden	32	32	32	36	5
Grounds Maintenance	255	289	289	263	(25)
Car Park	(643)	(592)	(592)	(689)	(97)
Development Control	(352)	(231)	(231)	(27)	203
Depots	55	58	58	45	(13)
Env Management & Admin	44	0	0	0	0
Street Cleansing	296	302	302	321	19
Housing Strategy	45	112	47	61	14
Highways	(11)	(3)	(3)	(3)	0
Local Amenities	23	8	8	6	(2)
Licensing	(208)	(55)	(55)	(132)	(77)
Vehicle Management	373	380	380	588	207
Public Health	565	682	682	611	(71)
Planning Management	402	421	421	404	(18)
Planning Policy	789	571	636	845	209
Planning Specialists	164	198	198	175	(22)
Waste Management	239	487	487	383	(104)
Community Safety	153	154	154	159	5
Street Services	271	297	297	258	(39)
	2,492	3,111	3,111	3,304	193

FINANCE & ADMINISTRATION PORTFOLIO

Description	2016/17 Actual	2017/18			
		Original Budget	Current Budget	Actual Outturn	Outturn Variance
Enforcement	72	0	0	0	0
Benefits Admin	156	234	234	221	(14)
Business Improvement	47	0	0	0	0
Corporate Management	673	761	819	697	(122)
Conveniences	21	20	20	21	1
Central Services	382	396	396	401	5
Corporate Team	257	615	665	647	(18)
Conducting Elections	(32)	1	1	17	16
Electoral Registration	45	59	59	58	(1)
Financial Services	1,076	1,136	1,134	1,125	(10)
Housing Benefits	104	247	247	58	(189)
Human Resources	306	246	297	308	11
Internal Audit	113	129	131	134	3
Information Technology	1,151	1,233	1,233	1,280	46
Land Charges	(110)	(73)	(73)	(107)	(34)
Legal Services	221	97	97	287	190
Local Taxation	(61)	(110)	(110)	(107)	3
Non Domestic Rates	(146)	(145)	(145)	(145)	0
Office Cleaning	147	181	181	186	5
Offices	472	282	282	487	205
Revenues Admin	491	527	527	507	(20)
Council Tax Discounts	(218)	(117)	(117)	(119)	(1)
	5,164	5,720	5,879	5,957	78

Appendix C

General Fund Reserves

Reserve £'000	Balance 1st April 2017	Forecast Transfer from General Fund	Forecast Transfer To General Fund	Forecast Transfer Between Reserves	Balance 31st March 2018
RINGFENCED RESERVES					
Business Rates	1,035	1,838	(1,372)		1,501
Department for Work and Pensions	71				71
Licensing	0	0			0
Working Balance	1,268	54			1,321
TOTAL RINGFENCED RESERVES	2,374	1,891	(1,372)	0	2,894
USABLE RESERVES					
<u>Financial Management Reserves</u>					
Medium Term Financial Strategy	1,000				1,000
Transformation	766		(38)	1,000	1,728
	1,766	0	(38)	1,000	2,728
<u>Contingency Reserves</u>					
Emergency Response	40				40
	40	0	0	0	40
<u>Service Reserves</u>					
Economic Development	121	13	(118)		15
Elections	50	25			75
Homelessness	40	92	(7)		126
Health and Wellbeing	27	32	(12)		46
Neighbourhood Planning	110		(17)		93
Planning	348	16	(624)	691	430
Housing Strategy	34	29	(9)		54
Development Control	27				27
Strategic Initiatives	7,492	564	(569)	(4,827)	2,660
Capital Slippage	0	192	(91)	366	466
Pension Reserve	0		(770)	770	0
New Homes Bonus Ward Member	38	16	(38)		16
Voluntary Sector	0				0
Waste Depot Relocation Project	1,488	0	(105)	2,000	3,383
Waste Management	201				201
Private Finance Initiative	87	93			180
	10,061	1,072	(2,360)	(1,000)	7,772
TOTAL USABLE RESERVES	11,867	1,072	(2,398)	0	10,540
TOTAL RESERVES	14,241	2,963	(3,770)	0	13,434

Appendix D
HRA Summary

£'000	2016/17 Outturn	2017/18			
		Original Budget	Current Budget	Outturn	Variance to Current Budget
Housing Revenue Income					
Dwelling Rents	(14,315)	(14,160)	(14,160)	(14,223)	(63)
Garage Rents	(196)	(206)	(206)	(194)	12
Other Rents etc	(6)	(3)	(3)	(3)	0
Charges for Services & Facilities	(871)	(853)	(853)	(878)	(25)
Contributions towards Expenditure	(24)	0	0	(8)	(8)
Total Income	(15,412)	(15,222)	(15,222)	(15,307)	(84)
Housing Finance & Business Management					
Business & Performance Management	94	122	122	110	(13)
Rents, Rates, & Other Property Charges	52	75	75	74	(1)
	146	197	197	183	(14)
Housing Maintenance & Repairs Service					
Common Service Flats	177	189	189	166	(24)
Estate Maintenance	108	147	147	88	(59)
Housing Repairs	2,357	2,323	2,323	2,637	315
Housing Sewerage	59	53	53	52	(0)
Newport Depot	39	17	17	23	6
Property Services	300	302	302	279	(23)
	3,039	3,030	3,030	3,246	216
Housing Management & Homelessness					
Housing Services	383	399	399	408	10
Sheltered Housing Services	736	625	625	594	(32)
Supporting People	0	0	0	0	0
	1,119	1,024	1,024	1,002	(22)
Total Service Expenditure	4,304	4,251	4,251	4,432	180
Other Costs					
Bad Debt Provision	(131)	178	178	(48)	(226)
Depreciation - Transfer to MRR	3,419	3,564	3,564	3,539	(25)
Recharge from General Fund	1,594	1,507	1,507	1,641	134
HRA Share of Corporate Core	334	293	293	348	55
Impairment - Other Assets	(161)	0	0	(22)	(22)
Repayment of Loan	0	2,000	2,000	2,000	0
Interest/Costs re HRA Loan	2,627	2,625	2,625	2,619	(6)
Investment Income	(60)	(15)	(15)	(34)	(19)
Pension Costs - Added Years	17	177	177	217	41
Right to Buy Admin Cost Allowance	(22)	0	0	(14)	(14)
Total Non-Service Expenditure	7,617	10,329	10,329	10,246	(83)
TOTAL EXPENDITURE	11,921	14,580	14,580	14,678	98
Operating Surplus/Deficit	(3,491)	(642)	(642)	(629)	13
Funding of Capital Programme from HRA					
Funding of Capital Items	3,184	2,449	9,165	4,416	(4,749)
	3,184	2,449	9,165	4,416	(4,749)
Transfers to/from(-) Reserves					
Capital Receipt Reserve	0	(2,000)	(2,000)	(2,000)	0
Capital Projects From Reserve	0	510	(1,778)	(356)	1,422
Change Management Reserve	0	0	0	0	0
Potential Developments	0	0	(1,433)	(1,125)	308
Sheltered Housing Reserve	0	(317)	(318)	(318)	(0)
Transformation Reserve	0	0	0	0	0
Working Balance	35	0	0	26	26
	35	(1,807)	(5,529)	(3,774)	1,755
Total Use of Reserves/Funding	3,218	642	3,636	642	(2,994)
(SURPLUS)/DEFICIT	(272)	0	2,994	13	(2,981)

Appendix E

Capital Outturn

£'000	Original Budget 2017-18	Current Budget 2017-18	Outturn	Outturn to Budget Variance	Requested Slippage	Under / Over Spend (after slippage)
Community and Partnerships						
S/W Motte & Bailey Castle	0	0	52	52	0	52
Community Project Grants	110	148	102	(46)	15	(31)
CCTV Thaxted	0	30	41	11	0	11
Community and Partnerships	110	178	194	16	15	31
Environmental Services						
Vehicle Replacement - Recycling	512	0	0	0	0	0
Vehicle Replacement Additional	861	1,933	170	(1,763)	1,763	0
Household Bins	70	70	69	(1)	0	(1)
Kitchen Caddies	10	10	14	4	0	4
Garden Waste Bins	20	20	10	(10)	0	(10)
Trade Waste Bins	10	10	21	11	0	11
Lower Street Car Park Extension	0	102	0	(102)	102	0
White Street Car Park	0	0	12	12	0	12
Car Parking Machine Replacement	92	92	0	(92)	92	0
Total Environmental Services	1,575	2,237	296	(1,941)	1,957	16
Finance & Administration						
IT Schemes						
Minor Items IT	20	20	8	(12)	0	(12)
PSN CoCo Works	30	50	62	12	0	12
Mobile working - Housing	0	0	0	0	0	0
PCI Compliance - Cash Receipting	0	29	29	0	0	0
PCI Compliance - Direct Debits	0	18	0	(18)	18	0
Committee management system	0	20	20	(0)	0	(0)
Laptops and Tablets	0	13	8	(5)	5	0
Scanning stations	0	0	0	0	0	0
New Schemes						
Core Switches - replacement	40	40	40	0	0	0
Replacement Switches	0	0	0	0	0	0
Replacement Electoral System	30	30	0	(30)	30	0
Hot Desking/Mobile working	45	45	0	(45)	45	0
Cash Deposit Machine	0	13	0	(13)	13	0
UDC Asset work						
Council Offices Improvements						
- London Rd Building works	58	58	56	(2)	0	(2)
- London Rd Electrical	54	54	11	(43)	43	0
- London Rd Heating	0	36	0	(36)	36	0
Stansted Conveniences - Grant	0	30	0	(30)	30	0
New Depot	0	3,000	105	(2,895)	2,895	0
Museum Buildings work	20	20	13	(7)	7	0
Day Centres Cyclical Improvements	25	44	23	(21)	21	0
Total Finance & Administration	322	3,520	375	(3,145)	3,142	(3)
Housing and Economic Development						
Disabled Facilities Grants	260	260	340	80	0	80
Empty Dwellings	50	36	1	(35)	0	(35)
Private Sector Renewal Grants	70	115	4	(111)	0	(111)
Air Quality Equipment - Saffron Walden	0	14	15	1	0	1
Compulsory Purchase Order	300	300	0	(300)	0	(300)
Superfast Broadband	0	100	0	(100)	100	0
Harlow College Grant	0	300	300	0	0	0
Total Housing and Economic Development	680	1,125	660	(465)	100	(365)
Housing Revenue Account						
HRA Repairs	3,255	3,255	3,427	172	0	172
UPVC Fascia's and Guttering	100	147	112	(35)	0	(35)
Cash Incentive Scheme Grants	50	55	32	(23)	0	(23)
Light Vans Replacement Programme	87	87	0	(87)	87	0
Mobile Working Housing	0	65	16	(49)	20	(29)
Housing Contractors Portal & SAM	0	29	0	(29)	0	(29)
Business Plan Items						
Energy Efficiency Schemes	0	59	0	(59)	0	(59)
External Wall Insulation	0	0	0	0	0	0
Resurfacing access roads	0	150	17	(133)	133	0
New Builds						
Unidentified	1,200	1,366	0	(1,366)	0	(1,366)
CHP Site - Radwinter	0	0	1,127	1,127	0	1,127
Catons Lane	0	104	25	(79)	0	(79)
Sheds Lane	0	577	361	(216)	202	(14)
Frambury Lane	0	0	11	11	0	11
Newton Grove	0	0	54	54	260	314
The Moors	0	0	49	49	0	49
The Elms	0	0	6	6	0	6
Redevelopment Scheme						
Sheltered Schemes						
Reynolds Court	1,122	5,021	2,723	(2,298)	2,298	0
Hatherley Court	0	1,660	698	(962)	962	0
Walden Place	400	810	7	(803)	803	0
Total HRA	6,214	13,385	8,666	(4,719)	4,765	46
Total General Fund	2,687	7,060	1,526	(5,534)	5,214	(320)
CAPITAL PROGRAMME TOTAL	8,901	20,445	10,192	(10,253)	9,979	(274)

Appendix E (continued)

Capital Financing

£'000	Original Budget 2017/18	Current Budget 2017/18	Outturn 2017/18
<u>General Fund</u>			
Grants	466	466	219
Contributions	0	0	1
Capital Receipts	0	0	0
Direct Revenue Financing			
- Communities and Partnerships	110	178	174
- Environmental Services	202	304	126
- Finance & Administration	157	3,255	207
- Housing & Economic Development	214	659	462
Internal borrowing	1,537	2,198	337
General Fund Financing Total	2686	7,060	1,526
<u>Housing Revenue Account</u>			
Grants	1,103	226	226
Capital Receipts	360	614	490
Major Repairs Reserve	3,334	3,478	3,367
Direct Revenue Financing	1,418	9,067	4,583
HRA Financing Total	6,215	13,385	8,666
TOTAL CAPITAL FINANCING	8,901	20,445	10,192

Appendix E (continued)

S106 Balances

SECTION 106 BALANCES

With Conditions	31 March 2017	Income	Adjustment	Drawn Down -	Balance at 31 Mar
	£'000	£'000		Capital/Revenue £'000	2018 £'000
S106 Receipts in Advance					
Priors Green, Takeley	146	-	17	-	163
Land north of Ingrams, Felsted	10	-	-	-	10
Rochford Nurseries/Foresthall Park, Stansted	763	-	(130)	(317)	316
The Orchard, Elsenham	42	-	-	-	42
Wedow Road, Thaxted	54	-	-	-	54
Sector 4 Woodlands Park, Gt Dunmow	10	-	-	-	10
Keers Green Nurseries, Aythorpe Roding	120	-	-	-	120
Land adjacent to S/W Hospital	31	-	-	-	31
Land at Blossom Hill Farm, Henham	33	-	-	-	33
Land at Webb & Hallett Road, Flitch Green, Felsted	33	-	-	-	33
Land south side of Radwinter Road	-	49	-	-	49
Total	1,242	49	(113)	(317)	861

Other Bodies	31 March 2017	Income	Adjustment	Transferred to other bodies	Balance at 31 Mar
	£'000	£'000		£'000	2018 £'000
S106 Receipts in Advance					
Sector 4 Woodlands Park (Helena Romanes School)	165	-	-	-	165
Brewers End, Takeley	31	-	-	-	31
Land adj Hailes Wood, Elsenham	10	-	-	-	10
Land at Flitch Green, Felsted	67	-	-	-	67
Land adjacent to S/W Hospital	16	152	-	(152)	16
Land south of Foxley House, Rickling Green	-	20	-	(20)	-
Ashdon Road Commercial Centre	129	867	-	(861)	135
Land south of Stansted Road, Elsenham	53	380	-	(380)	53
Land south of Ongar Road, Dunmow	45	-	-	(28)	17
Land at 119 Radwinter Road, adj S/W Hospital	15	-	-	-	15
Land North of Ongar Road, Gt Dunmow	143	82	-	(204)	21
Willow Tree Cottage/The Acorns Takeley	17	-	(17)	-	-
Land at Bury Water Lane, Newport	-	551	-	(522)	29
Land at the North side of Stansted Road, Elsenham	-	675	-	(675)	-
Elms Farm Stansted	-	236	-	(236)	-
Land south side of Radwinter Road	-	36	-	-	36
Land at Elsenham Nurseries	-	196	-	(182)	14
Bury Water Lane, Newport	-	26	-	-	26
Grants and Contributions to Other Bodies	691	3,221	(17)	(3,260)	635

Without Conditions	31 March 2017	Income	Adjustment	Drawn Down -	Balance at 31 Mar
	£'000	£'000		Capital £'000	2018 £'000
S106 Unapplied					
Affordable Housing:	621	-	-	-	621
-Land rear of Herb of Grace, 25 Parsonage Downs, Du	-	26	-	-	26
-Land at Hartford End Brewery, Hartford End, Chelms	-	272	-	-	272
Drawn Down	-	-	-	-	-
Affordable Housing	621	298	-	-	919
Dunmow Eastern Sector	18	-	-	-	18
Woodlands Park, Gt Dunmow	83	-	-	(47)	36
Bell College, Saffron Walden	15	-	-	-	15
Priors Green, Takeley	8	-	-	-	8
Foresthall Park, Stansted	30	130	-	(19)	141
Lt Walden Road/Ashdon Road, Saffron Walden	98	-	-	-	98
Oakwood Park, Takeley	5	-	-	-	5
Total	878	428	-	(66)	1,240

Committee:	Cabinet	Date:	Thursday, 12 July 2018
Title:	Treasury Management Outturn - 2017/18		
Portfolio Holder:	Councillor Simon Howell, Portfolio Holder for Finance and Administration		
Report Author:	Angela Knight, Assistant Director - Resources aknight@uttlesford.gov.uk	Key decision:	No

Summary

1. It is a requirement of the Council's Constitution that the Cabinet receives an annual statement of the key treasury management activity and outcomes during the year.
2. Treasury Management is the activity of the Council's finance function which manages cash flows, bank accounts, deposits, investments and borrowing. The objective is to manage risk effectively in order to ensure the security of funds, sufficient liquidity to enable commitments to be met, to generate income and minimise cost.
3. The Authority 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. This report and the associated appendices cover treasury activity and the associated monitoring and control of these risks.

Recommendations

4. The Cabinet is recommended to approve the 2017/18 Treasury Management Outturn (Appendix A) and associated prudential indicators (Appendix B).

Financial Implications

5. Included in this report and Appendices

Background Papers

6. None

Impact

- 7.

Communication/Consultation	CMT
Community Safety	
Equalities	
Health and Safety	
Human Rights/Legal Implications	

Sustainability	
Ward-specific impacts	
Workforce/Workplace	

Situation

8. Treasury management is defined as: “The management of the local authority’s investments 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 optimum performance consistent with those risks.”
9. The Council’s treasury management activity is underpinned by CIPFA’s Code of Practice on Treasury Management (“The Code”), which requires local authorities to produce annual Prudential Indicators and a Treasury Management Strategy on the likely financing and investment activity.
10. The Treasury Management Strategy is approved by the Council as part of the annual budget setting process. Monitoring reports relating to investments are submitted to the Cabinet as part of the quarterly budget monitoring process.
11. The Council is supported in its treasury management activity by our independent financial advisers Arlingclose Limited.
12. All responsibility for decision making rests with the Council. Under the Council’s constitution the Assistant Director of Resources is authorised to make investment and borrowing decisions in line with the policy approved by the Council.

Treasury Management key items

13. The council loaned Aspire (CRP) Ltd £47,250,000 on the 3rd May 2017 to purchase the 50% share in Chesterford Research Park. The loan agreement is as follows;
 - I. Interest fixed rate @ 4% pa
 - II. No annual repayments, interest only with full repayment at the end of year 50

A further £223,000 was loaned to Aspire (CRP) Ltd under the same terms as the original loan on the 26th March 2018.
14. The initial loan to Aspire (CRP) Ltd was funded by using the Council’s available cash balances and short term borrowing from other Local Authorities.
15. On the 3rd July 2017 the council entered into a loan agreement with Phoenix Life Limited to borrow £37,000,000 over 40 years to fund part of the investment of £47,250,000 in Aspire (CRP) Ltd. Due to the councils predicted future cash flows the total investment did not need to be borrowed externally and we will continue to fund the remaining £10,250,000 from internal cash balances and short term borrowing from other Local Authorities.
16. The structure of the loan is as follows;
 - III. The loan profile is set to be drawn down in 3 separate stages
 1. £10,000,000 on the 3rd July 2017

2. £12,000,000 on the 3rd July 2020
 3. £15,000,000 on the 3rd July 2021
- IV. No principal repayments will be made until 5th January 2022.
 - V. Fixed rate of interest @ 2.86% for all 3 drawdowns.

17. A further loan was requested by Aspire (CRP) Ltd in June 2017 for the sum of £60,000, this was repaid on the 31st March 2018 and interest was charged at 4%. The net benefit of interest versus cost of borrowing is detailed in the table below.

Outturn 2017/18	
Borrowing Costs:	
Interest on short term borrowing	36,992
Interest on long term borrowing	196,318
	233,310
Interest Received	
Interest received on short term investments General Fund	(3,593)
Interest received on short term investments HRA	(33,609)
Interest on Aspire Loan	(1,719,246)
Interest on short term Aspire Loan	(1,828)
	(1,758,276)
Net Benefit to UDC	(1,524,966)

18. The average rate of interest received on investments was 0.16% and interest paid on borrowing was 0.33% (excluding Aspire (CRP) Ltd). Investment and borrowing activity during the period 1 April to 31 March 2018 has been set out in Appendix C.

19. This is the 6th year of the HRA self-financing loan and the first year of principle repayment of £2.0m. The loan structure was the first 5 years at a fixed rate and the further 25 years on variable rates. The structure of the loan and future amounts payable are shown in the table below.

Loan Type	Remaining Term (Yrs)	Amount (£m)	Interest rate	Fixed/ Variable	Maturity Date
Maturity	1	2	0.65%	Variable	28/03/2019
Maturity	2	2	0.65%	Variable	28/03/2020
Maturity	3	2	0.65%	Variable	28/03/2021
Maturity	4	2	0.65%	Variable	28/03/2022
Maturity	5	2	2.56%	Fixed	28/03/2023
Maturity	6	3	2.70%	Fixed	28/03/2024
Maturity	7	3	2.82%	Fixed	28/03/2025
Maturity	8	3	2.92%	Fixed	28/03/2026
Maturity	9	3	3.01%	Fixed	28/03/2027
Maturity	10	3	3.08%	Fixed	28/03/2028
Maturity	11	3	3.15%	Fixed	28/03/2029
Maturity	12	4	3.21%	Fixed	28/03/2030
Maturity	13	4	3.26%	Fixed	28/03/2031
Maturity	14	4	3.30%	Fixed	28/03/2032
Maturity	15	4	3.34%	Fixed	28/03/2033
Maturity	16	4	3.37%	Fixed	28/03/2034
Maturity	17	4	3.40%	Fixed	28/03/2035
Maturity	18	4	3.42%	Fixed	28/03/2036
Maturity	19	5	3.44%	Fixed	28/03/2037
Maturity	20	5	3.46%	Fixed	28/03/2038
Maturity	21	5	3.47%	Fixed	28/03/2039
Maturity	22	5	3.48%	Fixed	28/03/2040
Maturity	23	5	3.49%	Fixed	28/03/2041
Maturity	24	5.407	3.50%	Fixed	28/03/2042
Total		86.407			

Risk Analysis

20.

Risk	Likelihood	Impact	Mitigating actions
Loss of councils funds	1 – minimal risk due to the policy, procedures and guidance in place	4 – significant sums	multi-function/level checking, authorisation and monitoring of all activities

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 Outturn Report 2017/18

Introduction

The Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Authority to approve a treasury management annual report after the end of each financial year.

This report fulfils the Authority's legal obligation to have regard to the CIPFA Code.

The Authority's treasury management strategy for 2017/18 was approved at a meeting on 23 February 2017. The Authority 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 Authority's treasury management strategy.

External Context

Economic commentary

2017-18 was characterised by the push-pull from expectations of tapering of Quantitative Easing (QE) and the potential for increased policy rates in the US and Europe and from geopolitical tensions, which also had an impact.

The UK economy showed signs of slowing with latest estimates showing GDP, helped by an improving global economy, grew by 1.8% in calendar 2017, the same level as in 2016. This was a far better outcome than the majority of forecasts following the EU Referendum in June 2016, but it also reflected the international growth momentum generated by the increasingly buoyant US economy and the re-emergence of the Eurozone economies.

The inflationary impact of rising import prices, a consequence of the fall in sterling associated with the EU referendum result, resulted in year-on-year CPI rising to 3.1% in November before falling back to 2.7% in February 2018. Consumers felt the squeeze as real average earnings growth, i.e. after inflation, turned negative before slowly recovering. The labour market showed resilience as the unemployment rate fell back to 4.3% in January 2018. The inherent weakness in UK business investment was not helped by political uncertainty following the surprise General Election in June and by the lack of clarity on Brexit, the UK and the EU only reaching an agreement in March 2018 on a transition which will now be span Q2 2019 to Q4 2020. The Withdrawal Treaty is yet to be ratified by the UK parliament and those of the other 27 EU member states and new international trading arrangements are yet to be negotiated and agreed.

The Bank of England's Monetary Policy Committee (MPC) increased Bank Rate by 0.25% in November 2017. It was significant in that it was the first rate hike in ten years, although in essence the MPC reversed its August 2016 cut following the referendum result. The February *Inflation Report* indicated the MPC was keen to return inflation to the 2% target over a more

conventional (18-24 month) horizon with 'gradual' and 'limited' policy tightening. Although in March two MPC members voted to increase policy rates immediately and the MPC itself stopped short of committing itself to the timing of the next increase in rates, the minutes of the meeting suggested that an increase in May 2018 was highly likely.

In contrast, economic activity in the Eurozone gained momentum and although the European Central Bank removed reference to an 'easing bias' in its market communications and had yet to confirm its QE intention when asset purchases end in September 2018, the central bank appeared some way off normalising interest rates. The US economy grew steadily and, with its policy objectives of price stability and maximising employment remaining on track, the Federal Reserve Open Market Committee (FOMC) increased interest rates in December 2017 by 0.25% and again in March, raising the policy rate target range to 1.50% - 1.75%. The Fed is expected to deliver two more increases in 2018 and a further two in 2019. However, the imposition of tariffs on a broadening range of goods initiated by the US, which has led to retaliation by China, could escalate into a deep-rooted trade war having broader economic consequences including inflation rising rapidly, warranting more interest rate hikes.

Financial markets

The increase in Bank Rate resulted in higher money markets rates: 1-month, 3-month and 12-month LIBID rates averaged 0.32%, 0.39% and 0.69% and at 31st March 2018 were 0.43%, 0.72% and 1.12% respectively.

Gilt yields displayed significant volatility over the twelve-month period with the change in sentiment in the Bank of England's outlook for interest rates. The yield on the 5-year gilts which had fallen to 0.35% in mid-June rose to 1.65% by the end of March. 10-year gilt yields also rose from their lows of 0.93% in June to 1.65% by mid-February before falling back to 1.35% at year-end. 20-year gilt yields followed an even more erratic path with lows of 1.62% in June, and highs of 2.03% in February, only to plummet back down to 1.70% by the end of the financial year.

The FTSE 100 had a strong finish to calendar 2017, reaching yet another record high of 7688, before plummeting below 7000 at the beginning of 2018 in the global equity correction and sell-off.

Credit background

Credit Metrics

In the first quarter of the financial year, UK bank credit default swaps reached three-year lows on the announcement that the Funding for Lending Schemes, which gave banks access to cheaper funding, was being extended to 2018. For the rest of the year, CDS prices remained broadly flat.

The rules for UK banks' ring-fencing were finalised by the Prudential Regulation Authority and banks began the complex implementation process ahead of the statutory deadline of 1st January 2019. As there was some uncertainty surrounding which banking entities the Authority would be dealing with once ring-fencing was implemented and what the balance sheets of the ring-fenced and non ring-fenced entities would actually look like, in May 2017 Arlingclose advised adjusting downwards the maturity limit for unsecured investments to a maximum of 6

months. The rating agencies had slightly varying views on the creditworthiness of the restructured entities.

Barclays was the first to complete its ring-fence restructure over the 2018 Easter weekend; wholesale deposits including local authority deposits will henceforth be accepted by Barclays Bank plc (branded Barclays International), which is the non ring-fenced bank.

Money Market Fund regulation

The new EU regulations for Money Market Funds (MMFs) were finally approved and published in July and existing funds will have to be compliant by no later than 21st January 2019. The key features include Low Volatility Net Asset Value (LVNAV) Money Market Funds which will be permitted to maintain a constant dealing NAV, providing they meet strict new criteria and minimum liquidity requirements. MMFs will not be prohibited from having an external fund rating (as had been suggested in draft regulations). Arlingclose expects most of the short-term MMFs it recommends to convert to the LVNAV structure and awaits confirmation from each fund.

Credit Rating developments

The most significant change was the downgrade by Moody's to the UK sovereign rating in September from Aa1 to Aa2 which resulted in subsequent downgrades to sub-sovereign entities including local authorities.

Changes to credit ratings included Moody's downgrade of Standard Chartered Bank's long-term rating to A1 from Aa3 and the placing of UK banks' long-term ratings on review to reflect the impending ring-fencing of retail activity from investment banking (Barclays, HSBC and RBS were on review for downgrade; Lloyds Bank, Bank of Scotland and National Westminster Bank were placed on review for upgrade).

Standard & Poor's (S&P) revised upwards the outlook of various UK banks and building societies to positive or stable and simultaneously affirmed their long and short-term ratings, reflecting the institutions' resilience, progress in meeting regulatory capital requirements and being better positioned to deal with uncertainties and potential turbulence in the run-up to the UK's exit from the EU in March 2019. The agency upgraded Barclays Bank's long-term rating to A from A- after the bank announced its plans for its entities post ring-fencing.

Fitch revised the outlook on Nationwide Building Society to negative and later downgraded the institution's long-term ratings due to its reducing buffer of junior debt. S&P revised the society's outlook from positive to stable.

S&P downgraded Transport for London to AA- from AA following a deterioration in its financial position.

Other developments

In February, Arlingclose advised against lending to Northamptonshire County Council (NCC). NCC issued a section 114 notice in the light of severe financial challenge and the risk that it would not be in a position to deliver a balanced budget.

In March, following Arlingclose's advice, the Authority removed RBS plc and National Westminster Bank from its counterparty list. This did not reflect any change to the creditworthiness of either bank, but a tightening in Arlingclose's recommended minimum credit rating criteria to A- from BBB+ for FY 2018-19. The current long-term ratings of RBS and NatWest do not meet this minimum criterion, although if following ring-fencing NatWest is upgraded, the bank would be reinstated on the Authority's lending list.

Local Authority Regulatory Changes

Revised CIPFA Codes

CIPFA published revised editions of the Treasury Management and Prudential Codes in December 2017. The required changes from the 2011 Code are being incorporated into Treasury Management Strategies and monitoring reports.

The 2017 Prudential Code introduces the requirement for a Capital Strategy which provides a high-level overview of the long-term context of capital expenditure and investment decisions and their associated risks and rewards along with an overview of how risk is managed for future financial sustainability. Where this strategy is produced and approved by full Council, the determination of the Treasury Management Strategy can be delegated to a committee. The Code also expands on the process and governance issues of capital expenditure and investment decisions.

In the 2017 Treasury Management Code the definition of 'investments' has been widened to include financial assets as well as non-financial assets held primarily for financial returns such as investment property. These, along with other investments made for non-treasury management purposes such as loans supporting service outcomes and investments in subsidiaries, must be discussed in the Capital Strategy or Investment Strategy. Additional risks of such investments are to be set out clearly and the impact on financial sustainability is to be identified and reported.

MHCLG Investment Guidance and Minimum Revenue Provision (MRP)

In February 2018 the MHCLG (Ministry of Housing, Communities and Local Government) published revised Guidance on Local Government and Investments and Statutory Guidance on Minimum Revenue Provision (MRP).

Changes to the Investment Guidance include a wider definition of investments to include non-financial assets held primarily for generating income return and a new category called "loans" (e.g. temporary transfer of cash to a third party, joint venture, subsidiary or associate). The Guidance introduces the concept of proportionality, proposes additional disclosure for borrowing solely to invest and also specifies additional indicators. Investment strategies must detail the extent to which service delivery objectives are reliant on investment income and a contingency plan should yields on investments fall.

The definition of prudent MRP has been changed to "put aside revenue over time to cover the CFR"; it cannot be a negative charge and can only be zero if the CFR is nil or negative. Guidance on asset lives has been updated, applying to any calculation using asset lives. Any change in MRP policy cannot create an overpayment; the new policy must be applied to the

outstanding CFR going forward only.

MiFID II

As a result of the second Markets in Financial Instruments Directive (MiFID II), from 3rd January 2018 local authorities were automatically treated as retail clients but could “opt up” to professional client status, providing certain criteria was met which includes having an investment balance of at least £10 million and the person(s) authorised to make investment decisions on behalf of the authority have at least a year’s relevant professional experience. In addition, the regulated financial services firms to whom this directive applies have had to assess that that person(s) have the expertise, experience and knowledge to make investment decisions and understand the risks involved.

The Authority has met the conditions to opt up to professional status and has done so in order to maintain its erstwhile MiFID II status prior to January 2018. The Authority will continue to have access to products including money market funds, pooled funds, treasury bills, bonds, shares and to financial advice.

Local Context

On 31st March 2018, the Authority had net borrowing of £107m arising from its revenue and capital income and expenditure, an increase on 2017 of £47m. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors and the year-on-year change are summarised in table 1 below.

Table 1: Balance Sheet Summary

	31.3.17 Actual £m	2017/18 Movement £m	31.3.18 Actual £m
General Fund CFR	8	47	55
HRA CFR	88	-2	86
Total CFR	96	45	141
Less: Other debt liabilities *	-5	0	-5
Borrowing CFR	91	45	136
Less: Usable reserves	-27	2	-25
Less: Working capital	-4	0	-4
Net borrowing	60	47	107

* PFI liabilities that form part of the Authority’s total debt

Net borrowing has increased because of a rise in the CFR due to the loan to Aspire to purchase a 50% share in Chesterford Research Park.

The Authority’s strategy was to maintain borrowing and investments below their underlying need, sometimes known as internal borrowing, in order to reduce risk and keep interest costs

low. The treasury management position as at 31st March 2018 and the year-on-year change in show in table 2 below.

Table 2: Treasury Management Summary

	31.3.17 Balance £m	2017/18 Movement £m	31.3.18 Balance £m	31.3.18 Rate %
Long-term borrowing	88	9	97	2.78
Short-term borrowing	0	23.5	23.5	0.62
Total borrowing	88	32.5	120.5	
Short-term investments	27	-15.5	11.5	0.44
Cash and cash equivalents	1	1	2	0
Total investments	28	-14.5	13.5	
Net borrowing	60	47	107	

Note: the figures in the table are from the balance sheet in the Authority's statement of accounts, but adjusted to exclude operational cash, accrued interest and other accounting adjustments

The increase in net borrowing in table 1 has translated into a reduction in investment balances due to the Authority's internal borrowing policy.

Borrowing Activity

At 31st March 2018, the Authority held £120.5m of loans, an increase of £32.5m on the previous year, as part of commercialisation. The year-end borrowing position and the year-on-year change in show in table 3 below.

Table 3: Borrowing Position

	31.3.17 Balance £m	2017/18 Movement £m	31.3.18 Balance £m	31.3.18 Average Rate %
Public Works Loan Board	88	-2	86	2.78
Phoenix Life Ltd	0	10	10	2.86
Local authorities (short-term)	0	24	24	0.62
Total borrowing	88	32	120	

The Authority's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority's long-term plans change being a secondary objective.

In furtherance of these objectives, new loans totalling £10m were borrowed in 2017/18.

For the majority of the year the “cost of carry” analysis performed by the Authority’s treasury management advisor Arlingclose did not indicate value in borrowing in advance for future years’ planned expenditure and therefore none was taken.

However, to enable certainty of cost to be achieved without suffering a cost of carry in the intervening period, the Authority arranged £12m and £15m of forward starting loans during 2017/18 with fixed interest rates of 2.86% for the delivery of cash in 2 and 3 years’ time respectively.

Other Debt Activity

After £0.112m repayment of prior years’ Private Finance Initiative liabilities, total debt other than borrowing stood at £5m on 31st March 2018, taking total net debt to £112m.

Investment Activity

The Authority holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During 2017/18, the Authority’s investment balance ranged between £3 and £34 million due to timing differences between income and expenditure. The year-end investment position and the year-on-year change are shown in table 4 below.

Table 4: Investment Position (Treasury Investments)

	31.3.17	2017/18	31.3.18	31.3.18
	Balance	Movement	Balance	Average
	£m	£m	£m	Rate
				%
Banks & building societies (unsecured)	2	-1	1	0.30
Government (incl. local authorities)	25	-15.5	9.5	0.62
Money Market Funds	1	0	1	0.41
Total investments	28	-16.5	11.5	1.33

Both the CIPFA Code and government guidance require the Authority 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 Authority’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 of receiving unsuitably low investment income.

Financial Implications

The outturn for debt interest paid in 2017/18 was £2.9 million on an average debt portfolio of £104 million against a budgeted £2.6 million on an average debt portfolio of £87 million at an average interest rate of 3%.

The outturn for investment income received in 2017/18 was £0.05 million on an average investment portfolio of £18.5 million against a budgeted £0.08million on an average investment portfolio of £28 million at an average interest rate of 0.29%.

Other Non-Treasury Holdings and Activity

Although not classed as treasury management activities, the 2017 CIPFA Code now requires the Authority to report on investments for policy reasons outside of normal treasury management. This includes service investments for operational and/or regeneration as well as commercial investments which are made mainly for financial reasons. The Authority holds £47m of investments in subsidiaries. This represents an increase of £47m on the previous year due to the new investment in Aspire CRP Ltd.

These non-treasury investments generated £1.7m of investment income for the Authority after taking account of direct costs, representing a rate of return of 4%. This is higher than the return earned on treasury investments but reflects the additional risks to the Authority of holding such investments.

Compliance Report

The Assistant Director of Resources can report that all treasury management activities with the exception of one transaction undertaken during the first half of 2017/18 complied with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 8 below.

Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 7 below.

Table 5: Debt Limits

	2017/18 Maximum £m	31.3.18 Actual £m	2017/18 Operational Boundary £m	2017/18 Authorised Limit £m	Complied
Borrowing	120	120	244	244	✓
PFI	5	5	6	6	✓
TOTAL	125	125	250	250	✓

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Table 6: Investment Limits

	2017/18 Maximum £m	31.3.18 Actual £m	2017/18 Limit £m	Complied
Banks and other organisations whose lowest published long-term credit rating from Fitch, Moody's and Standard and Poor's is A- and above except the UK Central Government	6	0	3	x
Banks and other organisations whose lowest published long-term credit rating from Fitch, Moody's and Standard and Poor's is BBB+ except the UK Central Government	0	0	1	✓
UK Central Government	31	0	Unlimited	✓
UK Local Authorities including Police and Fire per authority	10	6	Unlimited	✓
UK Building Societies without credit ratings	0	0	1	✓
Saffron Building Society	0	0	0.5	✓
Money Market Funds, per fund	1	1	3	✓

Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

In February 2017 the estimated indicator limits were set for interest rate exposure and the upper limit of borrowing based on the expected financial position for the future financial year, the 2 tables below show both these limits were exceeded during the year.

The reason the limits were exceeded is due to the loan entered into by the council with Phoenix Life Limited to borrow £37m at a fixed rate of 2.86% over 40 years, plus other short term borrowing to fund the investment of £47.25m in Aspire (CRP) Ltd.

Aspire (CRP) Ltd loan terms are at a fixed interest rate of 4% with full repayment after 50 years.

A further £223,000 was loaned to Aspire (CRP) Ltd under the same terms as the original loan.

At the time of setting the indicator limits the potential investment opportunity was unknown.

Interest Rate Exposures

This indicator is set to control the Authority'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 was:

	31.3.18 Actual £m	2017/18 Limit £m	Complied
Upper limit on fixed interest rate exposure	2.78	2.57	x
Upper limit on variable interest rate exposure	0.86	0.80	x

Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

Maturity Structure of Borrowing

This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing were:

	31.3.18 Actual £m	Upper Limit £m	Complied
1-5 Years	10.9	8.0	x
6-10 Years	18.31	16.0	x
11-20 Years	49.21	39.0	x
21 Years and above	44.98	25.41	x

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Principal Sums Invested for Periods Longer than 364 days

The purpose of this indicator is to control the Authority’s exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

	2017/18	2018/19	2019/20
Actual principal invested beyond year end	0	0	0
Limit on principal invested beyond year end	0	0	0
Complied	✓	✓	✓

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Prudential Indicators – 2017/18

<u>Capital Expenditure - General Fund</u>	Current Budget 2017/18	Forecast Spend 2017/18	Actual 2017/18
£'000			
Capital Expenditure	7,060	6,722	1,909
Investment in Aspire		47,250	47,473
Total Capital Expenditure	7,060	53,972	49,382
<u>Financing - General Fund</u>			
Grants & Contributions	(466)	(466)	(659)
Revenue Contributions	(4,396)	(4,032)	(913)
General Fund Capital Receipts	0	(34)	0
Internal Borrowing	(2,198)	(2,190)	(337)
Total Capital Financing	(7,060)	(6,722)	(1,909)
Net Financing Need (External Borrowing)	0	47,250	47,473

<u>Housing Revenue Account Capital Schemes</u>	Current Budget 2017/18	Forecast Spend 2017/18	Actual 2017/18
£'000			
Total Capital Expenditure	13,385	13,304	8,666
<u>Financing - Housing Revenue Account</u>			
Major Repairs Reserve Contribution	(3,478)	(3,402)	(3,556)
HRA Financial Headroom - Specific Schemes	(642)	(678)	0
HRA Revenue Contributions	(142)	(142)	(2,604)
HRA Headroom - Funded from reserves	(8,283)	(8,242)	(1,812)
Grants & Contributions	(226)	(226)	(83)
Capital Receipts - RTB	(614)	(614)	(489)
Capital Receipts - Other	0	0	(122)
Total Financing	(13,385)	(13,304)	(8,666)
Net Financing Need (External Borrowing)	0	0	0

ESTIMATE OF THE RATIO OF FINANCING COSTS TO NET REVENUE	Estimate 2017/18 £'000	Actual 2017/18 £'000
General Fund	13.37%	-7.55%
Housing Revenue Account	18.64%	32.24%

CAPITAL FINANCING REQUIRMENT	Estimate 2017/18 £'000	Actual 2017/18 £'000
General Fund	9,805	54,296
Housing Revenue Account (HRA)	86,407	86,559
TOTAL	96,212	140,855

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Treasury Management Investments and Borrowing

Investments

Date of Investment	Counterparty	Amount (£)	Date of Repayment	Interest Rate
03/04/2017	DMO	9,000,000	06/04/2017	0.10%
06/04/2017	Suffolk County Council	9,000,000	12/04/2017	0.15%
11/04/2017	DMO	20,000,000	18/04/2017	0.10%
12/04/2017	DMO	10,000,000	18/04/2017	0.10%
20/04/2017	Dumfries & Galloway	5,000,000	02/05/2017	0.15%
18/04/2017	DMO	31,000,000	19/04/2017	0.10%
19/04/2017	Coventry Building Society	2,000,000	02/05/2017	0.18%
19/04/2017	DMO	26,000,000	20/04/2017	0.10%
20/04/2017	DMO	21,000,000	02/05/2017	0.10%
25/04/2017	DMO	1,000,000	27/04/2017	0.10%
02/05/2017	DMO	29,000,000	03/05/2017	0.10%
05/05/2017	DMO	2,000,000	08/05/2017	0.10%
08/05/2017	DMO	2,000,000	15/05/2017	0.10%
15/05/2017	DMO	5,000,000	18/05/2017	0.10%
18/05/2017	DMO	1,000,000	22/05/2017	0.10%
25/05/2017	DMO	3,500,000	01/06/2017	0.10%
01/06/2017	DMO	8,000,000	05/06/2017	0.10%
07/06/2017	Stockport Met.Bor.Council	4,000,000	03/07/2017	0.13%
05/06/2017	DMO	6,000,000	07/06/2017	0.10%
07/06/2017	DMO	2,000,000	19/06/2017	0.10%
15/06/2017	DMO	3,000,000	19/06/2017	0.10%
05/07/2017	Coventry Building Society	6,000,000	18/07/2017	0.12%
05/07/2017	DMO	4,000,000	10/07/2017	0.10%
17/07/2017	DMO	3,000,000	19/07/2017	0.10%
18/07/2017	DMO	2,000,000	20/07/2017	0.10%
20/07/2017	DMO	1,000,000	24/07/2017	0.10%
25/07/2017	DMO	1,500,000	01/08/2017	0.10%
01/08/2017	DMO	1,000,000	07/08/2017	0.10%
01/08/2017	DMO	5,500,000	02/08/2017	0.10%
02/08/2017	DMO	5,500,000	08/08/2017	0.10%
08/08/2017	DMO	6,000,000	15/08/2017	0.10%
15/08/2017	DMO	10,000,000	17/08/2017	0.10%
17/08/2017	DMO	5,000,000	21/08/2017	0.10%
21/08/2017	DMO	2,000,000	24/08/2017	0.10%
24/08/2017	DMO	1,000,000	31/08/2017	0.10%
01/09/2017	DMO	10,000,000	04/09/2017	0.10%
04/09/2017	DMO	10,000,000	19/09/2017	0.10%
15/09/2017	DMO	2,000,000	29/09/2017	0.10%
19/09/2017	DMO	2,000,000	28/09/2017	0.10%
21/09/2017	DMO	1,000,000	29/09/2017	0.10%
02/10/2017	DMO	4,000,000	06/10/2017	0.10%
02/10/2017	DMO	2,000,000	18/10/2017	0.10%
16/10/2017	DMO	4,000,000	17/10/2017	0.10%
17/10/2017	Leeds City Council	6,000,000	17/04/2018	0.41%
17/10/2017	DMO	3,000,000	18/10/2017	0.10%
18/10/2017	DMO	1,000,000	19/10/2017	0.10%
19/10/2017	DMO	1,000,000	23/10/2017	0.10%
19/10/2017	DMO	2,500,000	25/10/2017	0.10%
27/10/2017	Blackpool Borough Council	2,000,000	27/04/2018	0.40%
25/10/2017	DMO	2,000,000	27/10/2017	0.10%
25/10/2017	DMO	1,000,000	30/10/2017	0.10%
25/10/2017	DMO	1,000,000	01/11/2017	0.10%
30/10/2017	DMO	1,000,000	02/11/2017	0.10%
01/11/2017	DMO	1,000,000	16/11/2017	0.10%
01/11/2017	DMO	3,000,000	20/11/2017	0.10%
15/11/2017	DMO	4,000,000	16/11/2017	0.25%
01/12/2017	DMO	4,000,000	19/12/2017	0.25%
06/12/2017	DMO	1,500,000	21/12/2017	0.25%
07/12/2017	DMO	1,500,000	14/12/2017	0.25%
14/12/2017	Central Bedfordshire Council	1,500,000	22/01/2018	0.30%
15/12/2017	DMO	4,000,000	19/12/2017	0.25%
21/12/2017	DMO	1,000,000	22/12/2017	0.25%
02/01/2018	DMO	5,000,000	09/01/2018	0.25%
09/01/2019	DMO	3,500,000	18/01/2018	0.25%
09/01/2018	DMO	2,000,000	22/01/2018	0.25%
16/01/2018	Midlothian Council	1,000,000	19/02/2018	0.30%
15/01/2018	DMO	2,000,000	18/01/2018	0.25%
15/01/2018	DMO	1,000,000	22/01/2018	0.25%
25/01/2018	Eastleigh Borough Council	1,500,000	29/03/2018	0.39%
15/02/2018	DMO	2,500,000	19/02/2018	0.25%
08/03/2018	DMO	1,000,000	15/03/2018	0.25%
15/03/2018	DMO	2,000,000	19/03/2018	0.25%
29/03/2018	Kingston Upon Hull City Council	1,500,000	31/05/2018	0.65%
Average interest rate				0.16%

Borrowing

Date of borrowing	Institution	Amount (£)	Date of Interest	
			Repayment	Rate
03/05/2017	Lancashire CC Pension Fund	9,000,000	02/06/2017	0.22%
22/05/2017	Manchester CC	2,000,000	05/06/2017	0.18%
02/06/2017	Manchester CC	10,000,000	03/07/2017	0.22%
02/06/2017	Lancashire CC Pension Fund	9,000,000	03/07/2017	0.22%
19/06/2017	Newport City Council	2,500,000	03/07/2017	0.15%
03/07/2017	Manchester City Council	9,000,000	03/08/2017	0.18%
03/07/2017	Edinburgh City Council	4,000,000	10/07/2017	0.22%
03/08/2017	Manchester City Council	9,000,000	01/09/2017	0.18%
01/09/2017	Manchester City Council, (rollover Of 10)	9,000,000	29/09/2017	0.18%
29/09/2017	London Borough of Newham	2,000,000	01/11/2017	0.25%
29/09/2017	Lancaster City Council	4,000,000	06/10/2017	0.30%
17/10/2017	Sedgemoor District Council	5,000,000	17/04/2018	0.44%
19/10/2017	Wirral Metropolitan Borough Council	5,000,000	19/04/2018	0.45%
19/02/2018	London Borough of Havering	4,000,000	19/10/2018	0.65%
19/03/2018	Derbyshire County Council Pension Fund	6,000,000	02/10/2018	0.85%
28/03/2018	Neath Port Talbot County Borough Council	3,500,000	23/04/2018	0.70%
Average interest rate				0.33%
05/07/2017	Phoenix	10,000,000		2.86%

Balance on Call/Deposit Accounts

Counter party	Amount (£)	31/03/18 Interest Rate
CCLA	1,000,000	0.41%
FIBCA	1,000,000	0.30%

Committee:	Cabinet	Date:	Thursday, 12 July 2018
Title:	Local Council Tax Support Scheme – 2019/20		
Portfolio Holder:	Councillor Simon Howell, Portfolio Holder for Finance and Administration		
Report Author:	Angela Knight, Assistant Director - Resources aknight@uttlesford.gov.uk	Key decision:	No

Summary

1. There is a requirement to annually review the Local Council Tax Support (LCTS) Scheme, and propose changes to the scheme for the following financial year. The decisions made, even if no change is proposed, must then be consulted upon before a decision is taken at Full Council in December on the final scheme for the following financial year.
2. As can be seen from the table in paragraph 8 Uttlesford has the lowest percentage contribution requirement of any authority in Essex. This demonstrates that whilst the council has had sufficient funds to support the scheme it has done so.
3. In 2013/14 when the original scheme was introduced the contribution rate was set at 8.5%. This increased in 2014/15 to 12.5% and it has remained at this rate for each subsequent year.

Recommendations

4. The Cabinet is requested to review and agree the proposals for the 2019/20 LCTS scheme and consultation process as set out below:
 - i. The 2019/20 LCTS scheme is set on the same basis as the 2018/19 scheme and therefore the contribution rate is frozen for the fifth consecutive year.
 - ii. The Council continues to protect Vulnerable and Disabled Residents and Carer's on a low income.
 - iii. The empty homes premium is increased from 50% to 100% after 2 years of non-occupancy.

Financial Implications

5. Detailed in the main body of this report.

Background Papers

6. None.

Impact

Communication/Consultation	Proposals subject to public consultation and discussions with major preceptors
Community Safety	None.
Equalities	An equalities impact assessment will be completed as part of developing final proposals for decisions by Cabinet and the Council later in the year.
Health and Safety	None.
Human Rights/Legal Implications	Compliance with relevant legislation.
Sustainability	The objective is to achieve a financially sustainable set of arrangements.
Ward-specific impacts	None.
Workforce/Workplace	Ongoing demands on the Revenues & Benefits, Housing and Customer Service teams

Local Council Tax Support (LCTS)

7. LCTS replaced Council Tax Benefit (CTB) from 1 April 2013. The Council has adopted a scheme which has the following key elements:
- a) Pensioners on low income protected from adverse changes (as required by Government)
 - b) Disabled people, carers and blind people on a low income receive discretionary protection from adverse changes
 - c) Working age people previously on full CTB pay no more than 12.5% of the council tax bill
 - d) £25 per week of earned wages income disregarded from assessment (to provide a work incentive)
 - e) Child Benefit and Child Maintenance disregarded from assessment (to minimise exacerbation of child poverty, or accusations of same)
 - f) Hardship Policy to enable additional support for genuine extreme hardship cases

Contribution Rates across Essex

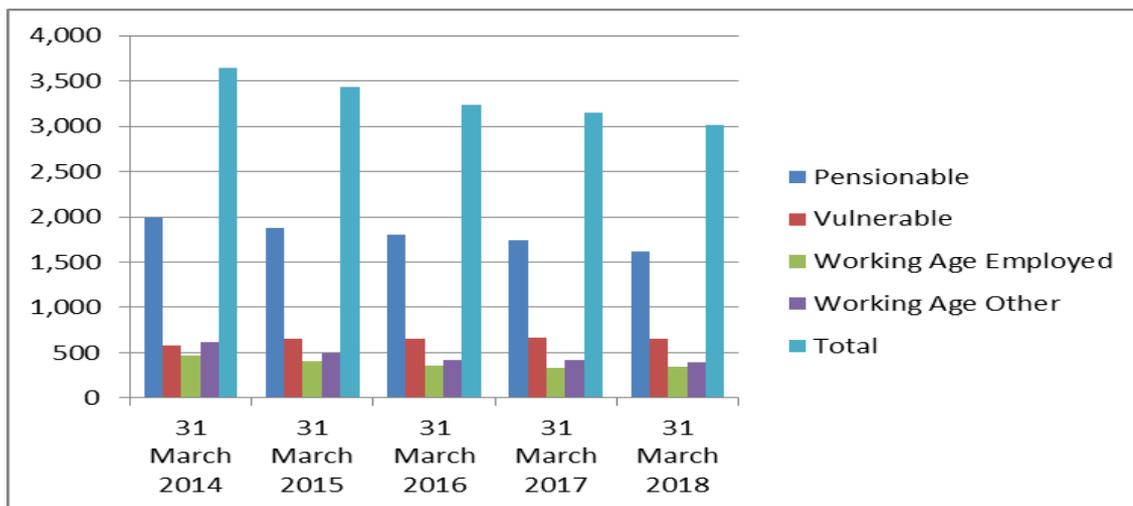
8. The council has the lowest percentage liability cap within Essex.

	Contribution Rate (%)					
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Basildon	15	25	25	25	25	25
Braintree	20	20	20	20	24	24
Brentwood	20	20	20	20	20	20
Castle Point	30	30	30	30	30	30
Chelmsford	20	23	23	23	23	23
Colchester	20	20	20	20	20	20
Epping Forest	20	20	20	25	25	25
Harlow	24	24	24	26	24	24
Maldon	20	20	20	20	20	20
Rochford	20	20	20	20	28	28
Southend-on-Sea	25	25	25	25	25	25
Tendring	15	15	20	20	20	20
Thurrock	25	25	25	25	25	25
Uttlesford	8.5	12.5	12.5	12.5	12.5	12.5

Caseload

9. The following table and graph details the caseload as at 31 March for each of the previous 5 years and shows a year on year overall reduction in claimants. There are some variations within different claimant groups; 2018 is the first year which shows a decrease in vulnerable and disabled.

	31-Mar-14	31-Mar-15	In year mov't	31-Mar-16	In year mov't	31-Mar-17	In year mov't	31-Mar-18	In year mov't
Pensionable	1,984	1,881	-103	1,807	-74	1,735	-72	1,621	-114
Vulnerable/Disabled	582	651	69	653	2	667	14	651	-16
Working Age - employed	470	406	-64	359	-47	334	-25	341	7
Working Age - unemployed	612	498	-114	417	-81	419	2	400	-19
Total Claimants	3,648	3,436	-212	3,236	-200	3,155	-81	3,013	-142



10. Whilst the decrease in working age claimants is positive it does mean any future changes to the scheme are directly impacting on a much smaller group of people. In addition, as the group is smaller the revenue raised from increasing the contribution rate has also decreased.

Increasing the Contribution Rate

11. If the cap is increased the scheme would generate more income. However as the Working Age group is reducing in size the amount of additional income per percentage point is also decreasing.
12. For each increase of 2.5% in the contribution rate it would generate an additional council tax potential income of £28,268 across all the preceptors of which the council would retain £3,958.
13. The impact of each 2.5% increase on a Working Age claimant who receives the maximum amount of LCTS would be an additional 73p per week to pay, adding up to £38 for a full year.
14. The financial gain and the claimant impact are detailed in the table below, the costings are based on all working age claimants paying a 12.5% contribution, as it is impossible to identify and calculate precise figures as the contribution level varies dependant on the claimant's financial circumstances.

Percentage Contribution	Average total	90%	Cost per year		
	liability income due (£)	Collection Rate (£)	Increase @ 2.5% increments (£)	to claimant (£)	Cost per week per claimant (£)
12.50%	157,045	141,340			
15%	188,454	169,608	28,268	38	0.73
17.50%	219,863	197,876	56,536	76	1.47
20%	251,272	226,144	84,804	114	2.20

Income Sharing Agreement

15. An Essex wide income sharing agreement was entered into with all billing authorities and major preceptors at the time of implementation of the new LCTS scheme.

16. The main principles of the agreement are to ensure a joint approach in maximising income collection, reduce fraud and ensure compliance.
17. By working proactively on fraud this ensures that our Taxbase is maintained at the maximum level generating extra revenue for both the major preceptors and billing authorities.
18. Preceptors receive a share of all income generated for Council Tax and this is allocated through the Collection Fund at year end.
19. The increased income generated specifically from these activities and internal decisions by UDC each year is monitored and the preceptors have agreed to share their element of the extra income with the Local Authorities.
20. Two posts are being funded through this agreement to work directly on all areas of fraud and compliance within Council Tax.
21. We are currently working with Essex County and other Local Authorities on the 'Next Steps for the Sharing Agreement'. Due to the success of this agreement for all parties it is anticipated that this will continue.
22. The income generated directly from this work will also be shared as per the agreement.

LCTS Administration, hardship and recovery funding

23. As part of the scheme the major preceptors (County, Fire and Police) provide funding of £34,000 per annum to employ an officer to ensure the efficient administration of the LCTS scheme. The officer also works with those people affected by the scheme to provide support in managing their payments and thereby avoiding costly recovery action being taken.
24. Essex County Council contributes £7,000 per annum towards the running of the hardship scheme which has a £15,000 annual budget (£8,000 UDC element).

Full cost of LCTS scheme

25. The following table shows that the forecast financial position for UDC in 2018/19 is a net cost of £209,000, based on the caseload as at 1 April 2018.

£ '000	LCTS Expenditure 2018/19	County, Fire and Police Share	UDC Share 2018/19
LCTS Discounts	3,084	2,652	432
Major Preceptors - Sharing Agreement (16%)	0	192	(192)
Net of LCTS Scheme & Discounts	3,084	2,844	240
Major Preceptor LCTS Funding (Admin & Recovery)	0	34	(34)
LCTS Hardship Scheme	15	7	8
ECC Funding of Hardship Scheme	0	5	(5)
Total Net Cost	3,099	2,890	209

26. It would be expected that caseload would continue to reduce in line with previous years; the average annual reduction in claimants is approximately 150 (4%). This equates to an average overall reduction in total expenditure of £123,350 and £19,000 saving to the Council.

£ '000	County,		
	LCTS Expenditure 2019/20	Fire and Police Share	UDC Share 2019/20
LCTS Discounts	2,961	2,546	415
Major Preceptors - Sharing Agreement (16%)	0	192	(192)
Net of LCTS Scheme & Discounts	2,961	2,738	223
Major Preceptor LCTS Funding (Admin & Recovery)	0	34	(34)
LCTS Hardship Scheme	15	7	8
ECC Funding of Hardship Scheme	0	5	(5)
Total Net Cost	2,976	2,784	192

Empty Homes Premium

27. This premium was introduced to bring empty homes back into use and help address the housing shortfall. The move is one of a range of measures introduced by the government to fix the country's broken housing market, and councils will be able to use funds from the premium to keep Council Tax levels down for working families.
28. From 1 April 2013, central government gave powers to billing authorities allowing them to charge a premium on a class of property that has been unoccupied and unfurnished for 2 years or more. The premium can be up to 50% of the Council Tax on the property.
29. The above powers are currently going through legislative process to allow councils to increase the premium to 100% of the council tax on a property that has been unoccupied and unfurnished for 2 years or more.
30. Through the New Homes Bonus Scheme the Council can earn the same financial reward for bringing an empty home back into use as for building a new one.
31. The exceptions to the premium are listed below;
- If the owner is living in Armed Forces accommodation or job related accommodation
 - dwellings which form annexes in a property which are being used as part of the main residence or dwelling in that
32. There are currently 70 properties in the district that are attracting a premium. We have a dedicated member of staff in the Environmental Health Team who works directly with owners to assist them in bringing the properties back into use.

Consultation

33. It is intended that the consultation will be carried out during July and early August. The consultation would include:
- Citizens Panel e-survey
 - UDC Website / online survey
 - All Preceptors

34. The results of the consultation will be included in the reports presented to Cabinet and Scrutiny in the autumn.

Timetable

35. The table below sets out the timetable for the setting of the 2019/20 LCTS Scheme

Scrutiny	18 th June 2018	To provide feedback on the consultation to be carried out based on the draft proposals
Cabinet	12 th July 2018	Report to agree draft proposals and initiate consultation process
Consultation process (all responses deadline 6 th August 2018)	25 th June – 16 th July 16 th July 2018 Discussion early September	Telephone consultation (500 residents) Uttlesford Life UDC Website / on line survey Consultation/report sent to major preceptors Citizens Panel
Scrutiny	20 th November 2018	Opportunity to review consultation outcomes and final proposals prior to consideration by Cabinet and Full Council
Cabinet	29 th November 2018	Consider consultation responses and determine final proposals for 2019/20
Full Council	4 th December 2018	Approve 2019/20 LCTS scheme

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Assumptions about costs and income levels are incorrect	3 (a high degree of variability and estimation is involved)	3 (adverse or favourable cost affecting the council budget/collection fund)	Monitor trends closely and review scheme each year to make necessary adjustments.

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	Date:	Thursday, 12 July 2018
Title:	Corporate Plan Delivery Plan 2018/19 Quarter 1 Progress Update		
Portfolio Holder:	Leader of the Council, Lead for Strategy, Strategic Partnerships and the Local Plan		
Report Author:	Dawn French, Chief Executive dfrench@uttlesford.gov.uk Tel: 01799 510400	Key decision:	No

Summary

1. The Corporate Plan was agreed by Council at its meeting on 22 February 2018 and the delivery plan was agreed by Cabinet at its meeting on 4 April 2018. This report sets out progress against the Corporate Plan Delivery Plan between April and June (Q1) although it provides more recent update where progress since the end of June has been significant.

Recommendations

2. To note progress against the Corporate Plan Delivery Plan, attached at Appendix A.

Financial Implications

3. All financial implications arising from the delivery plan were reflected in the budget for 2018/19, as approved by Full Council on 22 February 2018.

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	Consultation specific to projects within the delivery plan is undertaken as necessary.
Community Safety	Progress on Community safety projects is included within the report.
Equalities	Equality impact assessments are

	undertaken in relation to specific projects, as necessary.
Health and Safety	Any health and safety implications resulting from actions or projects in the delivery plan are the subject of appropriate risk assessments, where necessary.
Human Rights/Legal Implications	Any human rights or legal implications arising from individual projects within the delivery plan are assessed and addressed.
Sustainability	Any sustainability implications arising from individual projects within the delivery plan are assessed and addressed.
Ward-specific impacts	Any ward specific issues arising from individual projects within the delivery plan are identified.
Workforce/Workplace	Any workforce implications arising from individual projects within the delivery plan are assessed and addressed.

Situation

6. The Corporate Plan 2018 – 2022 was adopted by Full Council at its meeting on 22 February. This refreshed the underpinning evidence for the four priorities:
 - Promote thriving, safe and healthy communities
 - Protect and enhance heritage and character
 - Support sustainable business growth
 - Maintain a financially sound and effective Council
7. The Corporate Plan Delivery Plan (CPDP), adopted by Cabinet at its meeting on 4 April 2018, set out the more significant actions/projects (outputs), expected outcomes and performance measures by which success will be measured.
8. Appendix A sets out progress against each element of the CPDP at the end of quarter one of 2018/19, which covers the period April to June but where significant progress has been made after this period, this has been included in the narrative to give the most up to date picture.
9. It was recognised when the CPDP was adopted that it should be treated as a dynamic document that is updated to reflect changes in response to opportunities and challenges but that the Plan should be adhered to as closely as possible as only these projects have been resourced through the 2018/19 budget. No changes have been made to the CPDP since it was adopted.

10. Good progress has been made on a number of the priorities, however, the following are drawn to members' attention as being of note:

- Local Plan – Regulation 19 publication plan approved for representations on 19 June
- Council now has completed control of the Disabled Facilities Grant having brought the service in house and this will see reductions in waiting times, reduce further complications and ongoing care costs
- The council's housing development programme continues to progress well
- Good progress continues with partners in delivering the district's first Independent Living Scheme and a purpose built scheme for people with learning difficulties
- Saffron Walden Town Centre businesses have voted strongly in favour of the proposals for a Business Improvement District (BID). Saffron Walden will now join over 300 other places in UK already seeing their own BIDs transform their town centres
- Two Planning Performance Agreements are in place, one for the Stansted Airport proposals and one for Kier's housing proposal in Saffron Walden
- New look Council website to go live in July

Risk Analysis

11.

Risk	Likelihood	Impact	Mitigating actions
The Delivery Plan cannot be delivered	2	4	Resources have been allocated to the delivery plan and it will be monitored regularly by Cabinet
The Delivery Plan actions do not further the Council's priorities as intended	1	4	Actions have been selected that are considered most appropriate to support the Council's priorities; evaluation will be ongoing to reflect on whether the outputs achieve the outcomes

			expected
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- 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.

Corporate Plan Delivery Plan Actions 2018-19 – Appendix A – Cabinet 12 July 2018

Programme/ Project/Activity Title	Outcomes	Activities for 2018/19	Output measures/milestones	Resources	Latest Status Update
Corporate Plan Commitment: Promote thriving, safe and healthy communities					
<p>Day Centres</p>	<p>Day centres that are efficient and effective and that promote activities to reduce social isolation and improve health and wellbeing</p>	<p>Establish new operating agreements for all five day centres</p> <p>Transfer staff to direct employment of the council where appropriate</p> <p>Assist management committees' transition to new ways of working</p> <p>Work with management committees to develop the centres as places for activities to improve health and wellbeing</p>	<p>Operating agreements in place – staggered throughout year. First agreement in place by end of April 2018</p> <p>Staff transferred – staggered throughout year. First staff to transfer in April 2018</p> <p>New ways of working implemented - staggered throughout year. First day centre operating on new ways of working from April 2018</p>	<p>Approved budget for new Day Centre Management post</p> <p>Transferred staff posts</p>	<p>June 2018</p> <p>Cutler's Kitchen (Thaxted) staff now transferred to council and new management agreement in place. Cutlers Kitchen Friendship Group has been established comprising former members of management committee to coordinate volunteers and provide support to the service. This structure went live 1 April and is going well.</p> <p>Negotiations continue with Garden Rooms (Saffron Walden) representatives with a view to establishing new operating model.</p> <p>New committee established at Dunmow, council officers working with them to formalise an operational agreement by end July.</p> <p>Third part supplier has been brought in to provide meal service at Takeley Day Centre; council now directly responsible for hirers and overseeing provision of lunch service. Discussions continue with outgoing management committee to resolve remaining issues.</p> <p>Stansted has a new manager and officers working with her to promote the centre and its service. New licence agreement between district and parish council being negotiated.</p>

Corporate Plan Delivery Plan Actions 2018-19 – Appendix A – Cabinet 12 July 2018

Programme/ Project/Activity Title	Outcomes	Activities for 2018/19	Output measures/milestones	Resources	Latest Status Update
Local Plan	A sound Local Plan that guides development to 2033, to address needs and opportunities whilst protecting and enhancing heritage and character	Publish Reg 19 Plan, Submit to DCLG and prepare for and participate in its examination in public	June 2018 – Publish for Representations Oct – Submission January 2019 – Examination and hearings	Approved budget for a range of resources	June 2018 The draft Local Plan for Pre-Submission publication was approved by Full Council on 19th June. The period for representations started on Monday 25th June and will run to Monday 13th August. Following this consultation, it is planned to formally submit the Local Plan for Public Examination in October.
Promote healthy lifestyles	Residents are active and optimise their health and well being	<p>Working with partners to increase the levels of participation in sports, leisure and cultural activities</p> <p>Raise awareness of local health and wellbeing activities for all residents Increase residents awareness and skills to improve their health and wellbeing</p> <p>Maintain independent living through Disabled Facilities Grants</p>	Success will be measured by key performance indicators and the delivery of targets for each of the priorities as set out within the Health and Wellbeing delivery plan	Within existing budget and Public Health grant	<p>June 2018 Delivery plan completed for the priorities of the Health and Wellbeing Strategy</p> <p>Active Uttlesford funding has been used to introduce a number of netball activities for all ages hosted at the leisure centres</p> <p>ACE (Anglia Community Enterprise) project My weight matters will be taking place from the Council offices and Dunmow hub from July 2018</p> <p>Time to Change project has been running to encourage local business employers to sign an Employer Pledge to demonstrate commitment to change how they think and act about mental health in the workplace and make sure that employees who are facing these problems feel supported. UDC will be signing up to the pledge</p> <p>Continuing to work with Essex County Council to improve the council's Disabled Facilities Grant (DFG) allocation.</p>

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Corporate Plan Delivery Plan Actions 2018-19 – Appendix A – Cabinet 12 July 2018

Programme/ Project/Activity Title	Outcomes	Activities for 2018/19	Output measures/milestones	Resources	Latest Status Update
					<p>The Council are now in complete control of the DFG process since the previous long-term arrangements with The Papworth Trust Home Improvement Agency ended in April 2017. Since bringing the services in house processes have been streamlined. This has already achieved a significant improvement in response times. An information pack has also been developed to aid customers with the process. Reductions in waiting times will reduce further complications and ongoing care costs</p>
<p>Improve Community Safety 71</p>	<p>Communities that feel safe and secure</p>	<p>Further develop the activities of the Community Hub</p> <p>Deliver identified actions of the new Strategic Assessment</p> <p>Work with partner agencies within the Community Safety Partnership to reduce and prevent crime and anti-social behaviour</p> <p>Ensure partnership working with town councils, parish councils and the PCSOs to address the fear of crime</p>	<p>Success will be measured through annual surveys of residents, key performance indicators and the delivery of targets for each of the priorities as set out within the new Strategic Assessment</p> <p>Quarterly feedback from Towns and Parishes</p> <p>Monthly updates from PCSOs</p> <p>Quarterly update from RJ as to number of referrals and outcomes</p>	<p>Within existing budget (including funding for 2 PCSOs)</p> <p>Match funding in approved budget for a further PCSO</p> <p>Partner agencies</p>	<p>June 2018</p> <p>A number of partner agencies are using the hub to work and resolve local issues</p> <p>The Strategic Assessment has been finalised and actions under the priorities have been identified for the delivery plan to be delivered by partners</p>

Corporate Plan Delivery Plan Actions 2018-19 – Appendix A – Cabinet 12 July 2018

Programme/ Project/Activity Title	Outcomes	Activities for 2018/19	Output measures/milestones	Resources	Latest Status Update
		Make greater use of Restorative Justice (RJ) to help put right the harm caused by anti-social behaviour, enhancing public reassurance and confidence			
<p>Reduce social isolation</p>	Communities that are strong, self-sufficient, resilient and supportive	Continue to work with local stakeholders to support the people and projects identified through the council's work with the Young Foundation, contributing to community wellbeing and reducing social isolation. Projects include Suspended Cafes, Community Allotments, seated exercise classes and anxiety and stress management Work in collaboration with the CVSU to establish a Community Builder role in South Uttlesford to help relieve the pressure on GPs	<p>The number of new Community groups that are self-sustaining after receiving support to promote and market their service</p> <p>Quarterly feedback from those groups regarding membership numbers and frequency of activities</p> <p>Quarterly feedback from group members to measure the outcomes of the project and to identify further need or appropriate changes</p>	Partnership project – funded through Essex CC	<p>June 2018 Work with the Young Foundation has been completed and a final methodology report has been produced. A number of projects identified through this work are being supported and encouraged by the council and partners</p> <p>Two villages, Ashdon and Great Chesterford, have come forward for support with community action zone work in their communities</p>
<p>Prevent homelessness</p>	Increase in the prevention and the relief of homelessness within the district	Review Homelessness Strategy and Housing Allocation Policy to ensure compliance with new duties required under the Homelessness Reduction Act	Success will be measured by key performance indicators and the delivery of targets for each of the priorities as set out within the updated	Within existing resources	<p>June 2018 The Homelessness Strategy and Allocations Policy have been reviewed and updated to take account of new duties required under the Homelessness Reduction Act</p>

Corporate Plan Delivery Plan Actions 2018-19 – Appendix A – Cabinet 12 July 2018

Programme/ Project/Activity Title	Outcomes	Activities for 2018/19	Output measures/milestones	Resources	Latest Status Update
		Prevent Homelessness through early intervention methods	Homelessness Strategy that will be in place by June 2018 Performance monitoring of quarterly statistical reports including the number of homelessness cases; average time spent by home-seekers in temporary accommodation		Officers have received training in how to deliver the requirements of the new Act. Systems have been updated to record homelessness and prevention cases in accordance with the Act and deliver statistical information direct to government via 'H-Click' later this year Continuing to work with Essex Trailblazer Project to prevent homelessness with successful outcomes Homelessness Partnership meetings held quarterly to enable cross organisational homelessness prevention work to be carried out
Deliver affordable housing	Good quality affordable homes for local people	Contribute to the provision of affordable housing supply by delivering/acquiring further new council homes Work with developers and Registered Social Landlords to ensure delivery of required numbers of affordable housing on development sites Continue to deliver the Housing Strategy particularly focussed on ensuring the right	Deliver 40 new council homes or acquisitions through the Housing Revenue Account development programme Deliver required affordable housing targets in line with planned timescales	Within existing resources	June 2018 The council's development programme is progressing well and to date has delivered 71 new build council properties to rent. Reynolds Court Phase 2 is due to complete in October 2018 and will deliver a further 26 high quality supported homes The re-modelling of Hatherley Court in Saffron Walden is progressing to schedule. 26 properties are being remodelled and 1 new build flat and new communal areas will be delivered as part of the project. Phase I is due to complete in August 2018 An options appraisal on Walden Place in Saffron Walden is under way with a view to identifying a development partner

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Corporate Plan Delivery Plan Actions 2018-19 – Appendix A – Cabinet 12 July 2018

Programme/ Project/Activity Title	Outcomes	Activities for 2018/19	Output measures/milestones	Resources	Latest Status Update
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 74</p>		<p>tenures and quality of homes for vulnerable groups in the district</p>			<p>The district's first independent living scheme, which will deliver 72 units of accommodation, is under construction at Radwinter Road in Saffron Walden and due to complete in January 2019. Currently in discussion with ECC, Housing Association partner and developer to progress delivery of a second scheme in Great Dunmow</p> <p>A purpose built scheme in Everett Road, Saffron Walden comprising of 6 units of accommodation for people with learning difficulties is due to complete in July 2018</p> <p>Work has commenced on sites in Newport and Dunmow that will deliver 8 new properties</p> <p>Progressing with plans for the development of a site at Little Dunmow to replace 12 existing bungalows that are affected by subsidence with 16 general needs flats and houses</p> <p>A further 3 new properties are due for handover next month in Saffron Walden 2 x 2 bed houses and a purpose built 3 bed fully adapted bungalow</p> <p>Continuing to work with accounts business partner to ensure that right to buy receipts are spent in accordance with government agreement. Looking to use Section 106 affordable housing receipts in conjunction with HRA funding to maintain development programme.</p>

Corporate Plan Delivery Plan Actions 2018-19 – Appendix A – Cabinet 12 July 2018

Programme/ Project/Activity Title	Outcomes	Activities for 2018/19	Output measures/milestones	Resources	Latest Status Update
					<p>Also investigating further opportunities of being affordable housing partners on Section 106 sites</p> <p>In the process of updating the Housing Strategy in line with local plan. This will be taken to Cabinet by the end of year</p>
<p>Improve private sector housing conditions</p>	<p>Private sector housing that is healthy and safe to live in</p>	<p>Introduce a range of measures to tackle rogue landlords under the new powers available to the Council in the Housing & Planning Act 2016 Review options for discretionary licensing of private rented homes, including Houses in Multiple Occupation</p>	<p>Success will be measured by key performance indicators</p> <p>A new policy in place outlining the appropriate level of action and civil penalties for Housing Act offences</p>	<p>Within existing resources</p>	<p>June 2018 A policy is being developed outlining the appropriate level of action and civil penalties for Housing Act offences</p> <p>Improvements to the council's website content have been made to provide more information to landlords and tenants particularly concerning the implications of recent legislative changes</p> <p>The definition of a mandatory House in Multiple Occupation (HMO) will change on 1st Oct 2018. In the months leading up to this change, the council will be raising awareness with landlords and letting agents in the district. Landlords will also be consulted on proposed HMO standards and a new charging structure for this licensing service.</p> <p>A report will be prepared for Cabinet in respect of the above</p>

Corporate Plan Delivery Plan Actions 2018-19 – Appendix A – Cabinet 12 July 2018

Programme/ Project/Activity Title	Outcomes	Activities for 2018/19	Output measures/milestones	Resources	Latest Status Update
Corporate Plan Commitment: Protect and enhance heritage and character					
Walden Castle	Castle opened up for public access and suitable events	Installation of electricity, lighting and security Establish an events programme	Work completed and access available to all – by end of August 2018 Events programme to be developed by December 2018	Within existing resources	June 2018 In the process of agreeing the flooring specification with Historic England. Once this has been agreed a planning application will be submitted.
Museum Development Lottery Bid	The lottery grant will lay the foundations for a larger grant application to extend the museum by providing funding for feasibility and options appraisals and an audience development study with public consultation. In addition it will enhance the fundraising capabilities of the Saffron Walden Museum Society through training.	Bid to Resilient Heritage Lottery Fund for approximately £70,000	Application made July 2018 Grant confirmed October 2018, subject to HLF grant award meeting timetable Work commenced on feasibility and options appraisal stages along with public consultation in preparedness for a bid to the HLF for an extension to the Museum building	Within existing resources	June 2018 Project enquiry form for a Resilient Heritage Bid submitted in April and feedback from HLF received in June after a delay due to circumstances at the HLF. Discussions in progress with HLF to refine the grant application, which is expected to be submitted in July.

Corporate Plan Delivery Plan Actions 2018-19 – Appendix A – Cabinet 12 July 2018

Programme/ Project/Activity Title	Outcomes	Activities for 2018/19	Output measures/milestones	Resources	Latest Status Update
Article 4 Direction (A4D) for Local Heritage List (LHL)	Development related to locally listed properties across the district managed positively	Mid 2018 – Draft A4D order to go out to public consultation. Mid -Late 2018 – Final report to go to Cabinet and final order to be served.	Final Article 4 Direction order confirmed	Within existing resources	June 2018 Work ongoing – draft report for 12 July Cabinet being circulated requesting an in principle decision to implement Article 4 directions on 7 conservation areas also.
Shop Front Design Guide and Management Plan	Good practice guidance to protect and enhance the character of town centres	Mid to late 2018 – Draft document to be compiled and ready for public consultation Late 2018/ Early 2019 – Finished document to go to Cabinet for approval. Early 2019 – Document to be adopted formally.	Comprehensive document to inform the treatment of shop frontages in the district, and help facilitate good practice in relation to signage, colour, detail and illumination by Mar 2019	Within existing resources	June 2018 Draft Guide prepared. On course for consultation and approval by December 2018.
Reviews of Conservation Area Appraisals and Management Plans	Managed growth and development in Conservation Areas.	Continue with a rolling programme of resurveys of the existing 37 Conservation Areas	Mid 2018 – Draft Conservation Area Appraisal(s) to be ready for public consultation. Mid to Late 2018 – final reports to go for publication, or cabinet approval, as appropriate.	Within existing resources	June 2018 Next Conservation Area Appraisal / Management Plan proposed is for Great Chesterford.

Corporate Plan Delivery Plan Actions 2018-19 – Appendix A – Cabinet 12 July 2018

Programme/ Project/Activity Title	Outcomes	Activities for 2018/19	Output measures/milestones	Resources	Latest Status Update
<p>Pride in place</p>	<p>A fair and consistent approach to enforcement</p>	<p>Deliver a programme of public educational events to tackle environmental issues e.g. responsible dog ownership Clearing fly tipped materials Provide targeted enforcement action campaigns to address litter, trade waste abuses and fly tipping</p>	<p>Success will be measured by pre and post campaign surveys</p>	<p>Within existing resources and approved budget to provide more capacity within street services team</p>	<p>June 2018 An action plan is being devised to deliver the responsible dog campaign for 2018/19.</p> <p>The ‘We are watching you’ campaign that has been developed by Keep Britain Tidy will be promoted through Parish Councils</p> <p>In support of the ‘crime not to care’ campaign officers have successfully prosecuted an offender for duty of care offences</p> <p>A targeted enforcement action to reduce incidents of fly-tipping and trade waste abuses is being considered</p>
<p>Corporate Plan Commitment: Support sustainable business growth</p>					
<p>Economic Development Strategy</p>	<p>Positive interventions that support business growth</p>	<p>Delivery of the strategy including engagement in a joint digital infrastructure strategy across West Essex and East Herts, research the extent of lack of poor mobile communications and options for resolution, participation in the Stansted Airport College Advisory Group and progress local economic strategies for each new garden community.</p>	<p>Key measures and milestones detailed in the economic development strategy</p>	<p>Approved budget for a range of activities</p>	<p>June 2018 ED strategy delivery work is being progressed by the ED section. Current focus of work is on the Saffron Walden BID postal ballot during the month of June, and making progress with the car parking strategy. An outline plan is in place for the economic strategies for the garden communities. Work on Digital Innovation Zone (DIZ) is ongoing. DIZ Symposium to be held on 15/6/18. Research into poor mobile communications has not yet started. Working with Cambridge CleanTech on development of local economic strategy for North Uttlesford. Participation in the Airport College Advisory Group is on-going.</p>

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Corporate Plan Delivery Plan Actions 2018-19 – Appendix A – Cabinet 12 July 2018

Programme/ Project/Activity Title	Outcomes	Activities for 2018/19	Output measures/milestones	Resources	Latest Status Update
Corporate Plan Commitment: Maintain a financially sound and effective Council					
Medium Term Financial Strategy (MTFS)	To ensure that the council maintains a budget that is financially viable and continues to provide services at an affordable level	Budget monitoring, to include a programme of identifying the savings target of £150k To continue the rollout of Zero Based Budgeting for 2019/20 budget preparation To prepare the MTFS and all supporting budget reports for 2019/20	Monthly Budget monitoring with quarterly reports prepared for Cabinet Zero Based Budgeting for 2019/20 to begin in September to ensure approval process is complete to meet annual budget deadlines To identify areas of savings for 2019/20 (if this has not already been identified as part of the budget monitoring process) 2019/20 budget papers and MTFS to be presented to Members in February 2019.	Finance Team CMT and SMT All budget managers	June 2018 Zero based budgeting has been replaced with a rolling programme of Service Reviews to ensure that services are working efficiently and maximise efficiencies. This process has been started with a deadline of end of August to present to members. Quarter 1 monitoring will also look for in year efficiencies and will be presented to Cabinet in September.
Chesterford Research Park	Significant contribution to the council's revenue budget	Evaluation and delivery of most affordable method of financing for new unit(s) Agreement to fund, if required, the building of an additional unit for a new tenant on the park	At least one new request, if required, for funding for a new build unit received in 2018/19	Within existing resources (subject to approval for additional funding as required)	June 2018 There has only been a small drawdown on the agreed sum for borrowing, this is for surveying and administration of the tender. This is currently being funded out of cash reserves and short term borrowing from other LA's. Officers have met with the appointed property asset manager to discuss opportunities to facilitate new businesses

Corporate Plan Delivery Plan Actions 2018-19 – Appendix A – Cabinet 12 July 2018

Programme/ Project/Activity Title	Outcomes	Activities for 2018/19	Output measures/milestones	Resources	Latest Status Update
		Economic Development team work to promote the Park			on the park.
Uttlesford South Depot	Efficient and effective use of assets	Explore options for commencement of phase 1 prior to purchase of land Acquisition of land Operational planning activities associated with new site	Options for delivery evaluated and preferred solution agreed Land purchased – by end of March 2019	Within existing resources	June 2018 Planning application refused June 2018. Subject to concerns raised by Planning Committee being addressed it is likely that a revised application for the site will be submitted in late summer
Workforce Development	An engaged and flexible workforce that is able to react to the changing local government environment	Develop a people plan Bring on stream apprenticeships through the apprenticeship levy	An assessment of the skills gaps and shortages along with a remediation plan – end of December 2018 More apprentices – throughout 2018/19	Within existing resources	June 2018 This action will commence later in 2018/19.
Citizens Access	Enhanced self-service for council customers	Develop a new website Installation of online access to Council Tax, Rents, Housing Benefits and Business Rates	A modern website capable of meeting current and future customer needs – end of July 2018 Online account access for customers is available – Ready for use by end of December 2018 but promoted through 2019/20 annual billing	Approved budget for IT investment and backfilling project team, if required	June 2018 Successful procurement of new website. The existing content will be migrated to the new site, which will have a more modern look and provide a better user experience, especially on mobile and tablet devices, where the current design struggled. New website is expected to go live at the end of July with the further development of subsite to support the Economic Development Strategy going live by the end of October. Citizens Access project is not scheduled to commence until later in the year although

Corporate Plan Delivery Plan Actions 2018-19 – Appendix A – Cabinet 12 July 2018

Programme/ Project/Activity Title	Outcomes	Activities for 2018/19	Output measures/milestones	Resources	Latest Status Update
					preliminary discussions have been had with departments and initial project planning is in place with Northgate Public Services.
Planning Performance Agreements (PPAs)	Delivery of a high quality Planning Service	Promotion of PPA's for all major development proposals	Number and value of PPA's	PPA's identify and fund additional resources associated with the application (net nil impact)	June 2018 Two PPAs have now been agreed and are in operation – one with MAG for the Airport proposals and the other for Kier's housing proposal in Saffron Walden. Other PPAs are under discussion with further developers.

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Committee: Cabinet **Date:** Thursday, 12 July 2018
Title: Members New Homes Bonus Scheme 2017/18
Portfolio Holder: Councillor Vic Ranger,
Portfolio Holder for Communities and Partnerships
Report Author: Adrian Webb, Director - Finance and Corporate Services **Key decision:**
No
awebb@uttlesford.gov.uk
Tel: 01799 510421

Summary

1. This report sets out the 2017/18 Member spend on the New Homes Bonus Ward Scheme and proposes some additional criteria for the ongoing scheme.

Recommendations

2. To note the 2017/18 spend and agree the revised criteria as set out in paragraph 11

Financial Implications

3. There are no implications for the District Council's budget.

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

Communication/Consultation	Funding bids are made in consultation with the relevant communities
Community Safety	Some of the bids have community safety benefits
Equalities	No specific implications
Health and Safety	No specific implications
Human Rights/Legal Implications	No specific implications

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

Situation

5. In April 2011 the Council introduced the Members New Homes Bonus Scheme whereby each year each Member received a sum of money to be spent in their Ward.
6. In terms of governance, the way in which the scheme works is that the Leader delegates to each Ward Member power to undertake executive functions within their Ward which they can fund from their New Homes Bonus allocation
7. The amount given to each Member has varied over time
 - a. 2011/12 was £1,000
 - b. 2012/13 – 2014/15 was £2,000 per annum
 - c. 2015/16 – 2016/17 was £3,000 per annum
 - d. 2017/18 was £2,000
8. Total spend for 2017/18 was £57,366.75 and set out in Appendix A is a summary of the amount spent by Member.
9. A full list of projects funded is attached at Appendix B.
10. The current criteria for the scheme are.
 - a. It has to be spent in the Member's Ward
 - b. Any unspent allocation can be carried forward to the following year, providing the amount is less than 50% of the allocation for that year. If it exceeds 50% of the in year allocation only 50% shall be carried forward.
 - c. It has to be for the good of the community
 - d. It must not commit the Council to expenditure in future years
 - e. The Member should be mindful of the financial status of the recipients
 - f. The Member should have no personal interest in the organisation receiving the award
 - g. In election year the money only becomes available from 1 June (i.e. to the newly elected Member)
11. It is recommended that the criteria need to be amended as follows

- a. It has to be spent for the direct community benefit of the member's ward.
- b. Any unspent allocation can be carried forward to the following year, providing the amount is less than 50% of the allocation for that year. If it exceeds 50% of the in-year allocation only 50% shall be carried forward.
- c. It must not commit the Council to expenditure in future years.
- d. The member must not have a disclosable pecuniary interest or a personal and prejudicial interest in the organisation receiving the award, and must declare any personal interest which is not prejudicial.
- e. In election year the money only becomes available from 1 June (i.e. to the newly elected Member)

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Funds are not used	3 (previous experience is that not all Members spend their allocation)	1 (if not spent the money returns to the general council funds)	Members are regularly reminded of the scheme and the amount they have remaining.

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 – Amount spent in 2017/18

Councillor	Total spent
Aisha Anjum	£2,000.00
Keith Artus	£1,000.00
Heather Asker	£2,000.00
Graham Barker	£1,000.10
Susan Barker	£1,400.00
Robert Chambers	£2,000.00
John Davey	£1,500.00
Paul Davies	£2,000.00
Alan Dean	£1,497.00
Paul Fairhurst	£1,000.00
Terry Farthing	£1,204.03
Martin Foley	£2,000.00
Marie Felton	£2,000.00
John Freeman	£950.00
Richard Freeman	£475.00
Anthony Gerard	£2,000.00
Thom Goddard	0
Jim Gordon	0
Neil Hargreaves	£2,000.00
Stephanie Harris *	0
Eric Hicks	£2,000.00
Simon Howell	£2,000.00
Derek Jones	0
Tina Knight	£1,788.00
Gary LeCount	£4,000.00
Petrina Lees	£2,000.00
Barbara Light	£2,000.00
Mark Lemon	£2,000.00
John Lodge	£2,000.00
Janice Loughlin	£2,000.00
Alan Mills	£2,000.00
Sharon Morris	£2,000.00
Edward Oliver	£2,000.00
Vic Ranger	£2,000.00
Julie Redfern	£1,000.90
Howard Rolfe	£1,551.72
Howard Ryles	0
Geoffrey Sell	£2,000.00
Lesley Wells	£1,000.00
	£57,366.75

Cllr Harris requested two allocations totalling £1,250 during the year but due to an email error with the Councillor's personal email the requests were not received and therefore no payment was made.

APPENDIX B

WARD MEMBERS – 2017/18 PAYMENTS MADE

Councillor	Organisation	Reason	Amount
Aisha Anjum	Saffron Walden Initiative	Dance in the Square	£500
Aisha Anjum	Katherine Semar School	Costs towards art room refurbishment	£1,500
Keith Artus	Hatfield Sports and Community Club	Cost towards building machine shed and maintenance store	£1,000
Heather Asker	St Marys School	Library Project	£250
Heather Asker	Saffron Walden Mencap	Costs towards Side by Side project	£250
Heather Asker	Saffron Walden Town Council	Costs towards modifications at Golden Acre Community Centre	£250
Heather Asker	Buffy Bus Association	Costs towards repair of the bus	£300
Heather Asker	Saffron Walden Town Council	Two salt bins with salt for Castle ward	£450
Heather Asker	Uttlesford Buffy Bus Association	Costs towards replacing the bus	£250
Heather Asker	Fairycroft House CIC	Costs towards music project	£250
Graham Barker	3rd Dunmow Brownies	Trips and purchase unit flag	£250.10
Graham Barker	Friends of Dunmow's Open Spaces	Gardening tools	£750.00
Susan Barker	High Easter Parish Council	Purchase defibrillator for village	£400
Susan Barker	Rodings Friendship Club	Costs towards trips for the elderly residents	£500
Susan Barker	Leaden Roding Parish Council	Costs towards village magazine	£500
Robert Chambers	Chrishall Parish Council	Installation of telephone line into pavilion	£500
Robert Chambers	Elmdon Parish Council	Purchase a defibrillator for Duddenhoe End	£500
Robert Chambers	Chrishall Parish Council	Costs towards repairing roof at village hall	£500

Robert Chambers	Duddenhoe End Village Hall	Redecoration	£500
John Davey	E.T. Foakes Memorial Hall	Purchase new cooker	£1,500
Paul Davies	Dunmow Carnival Events	Installation of permanent electrical supply at the recreation ground	£1,350
Paul Davies	Grey Matters Great Dunmow and District	Organise coach trips and social events for group members	£500
Paul Davies	Dunmow Atlantis Swimming Club	Costs towards hiring lanes and swimming club	£150
Alan Dean	Stansted Mountfitchet Parish Council	Contribution towards restoring lettering on War Memorial	£200
Alan Dean	Buffy Bus Association	Costs towards repair of the bus	£200
Alan Dean	Stansted Day Centre	Printer	£147
Alan Dean	Churches Together in Stansted	Provide produce for food bank in Stansted	£750
Alan Dean	Gemini Youth Support Service	TV HD ready with DVD	£200
Paul Fairhurst	Saffron Walden Initiative	Town picnic	£500
Paul Fairhurst	Saffron Walden Arts Trust	Cost towards booking a stage for Fete de la Musique	£250
Paul Fairhurst	Saffron Walden County High School	Costs towards cricket net project	£250
Terry Farthing	Stansted Parish Council	Planters - 2016/17 £370.97	£4.03
Terry Farthing	Uttlesford Buffy Bus	Towards replacement bus	£200.00
Terry Farthing	The Birchanger Wood Trust	Install ladies toilet in wood	£1,000.00
Martin Foley	Thaxted Youth Club	THAX-TED - project	£800
Martin Foley	Thaxted Society	Map Project	£200
Martin Foley	Thaxted Parish Council	Flower planter project	£1,000
Maria Felton	Felsted Primary School	Production of a 20 year master plan	£200
Maria Felton	2nd Stebbing Guides	Equipment to make Christmas wreaths	£300

Maria Felton	Stebbing Garden Club	Costs towards spring flower show	£250
Maria Felton	Braintree District Mencap Society	Costs towards respite care in the school holidays	£250
Marie Felton	Felsted Friendship Group	Outing for elderly residences	£250
Marie Felton	Stebbing Parish Council	Costs towards purchasing Mill Lane Recreational field	£750
John Freeman	Thaxted Tennis Club	New handle and lock to pavilion	£100
John Freeman	The Windmill Pre-school	Costs towards Christmas party	£300
John Freeman	Uttlesford Citizen Advice Bureau	Cost towards providing a service in Thaxted	£250
John Freeman	Lindsell Village Hall	Costs towards sign	£300
Richard Freeman	Saffron Walden Town Council	PPE for three youth staff at Bridge End Gardens	£275
Richard Freeman	Saffron Walden Arts Trust	Costs towards Fete de la Musique	£200
Thom Goddard			£0
Jim Gordon			£0
Anthony Gerard	Quendon Village Hall	Underpinning of the roof	£500
Anthony Gerard	Newport Sports Committee	Purchase of white lining machine	£170
Anthony Gerard	Rickling Ramblers Cricket Club	Costs towards repairs of pavilion	£400
Anthony Gerard	Newport Sports Committee	Costs towards purchasing a defibrillator	£400
Neil Hargreaves	Newport Parochial Church Council	Gate posts to restore derelict gate posts	£56.21
Neil Hargreaves	Widdington Parish Council	Repairs to play equipment	£354
Neil Hargreaves	Quendon and Rickling PCC	Printing and banners for William Winstanley celebrations at Quendon of a C17th Christmas	£300
Neil Hargreaves	Friends of St Mary's Church - Newport	Improve and open the Churchyard	£500
Neil Hargreaves & Anthony Gerard	The Newport Toddlers Group	Costs towards group	£50

Neil Hargreaves & Anthony Gerard	1st Newport Rainbows	Costs towards supporting the group	£100
Neil Hargreaves & Anthony Gerard	1st Newport Scout Group	Cost towards supporting cubs, Beavers and Scouts	£200
Neil Hargreaves & Anthony Gerard	Armadillos	Costs towards supporting the mother and toddler group	£50
Neil Hargreaves & Anthony Gerard	Newport Brownies 2nd pack	Costs towards supporting the brownies	£100
Neil Hargreaves & Anthony Gerard	1st Newport Brownie	Costs towards supporting the group	£100
Neil Hargreaves & Anthony Gerard	Friends of Rickling School	Costs towards supporting the school	£200
Neil Hargreaves & Anthony Gerard	Friends of Newport Primary School	Costs towards supporting the school	£200
Neil Hargreaves & Anthony Gerard	Widdington Hedgehogs Toddler Group	Costs towards supporting the mother and toddler group	£50
Neil Hargreaves & Anthony Gerard	1st Widdington Guides	Costs towards supporting the group	£200
Neil Hargreaves & Anthony Gerard	HS Hair Styling	Costs towards assisting housebound residents	£69.79
Stephanie Harris			£0
Eric Hicks	Council for Voluntary Services	Costs towards their garden project	£1,650
Eric Hicks	Barnston Village Hall	Floor buffer	£350
Simon Howell	Hempstead Parish Council	Costs towards restoring village water pump	£650
Simon Howell	Radwinter Recreation Group Charity	Off-road BMX track	£750
Simon Howell	The Sampford Parish Council	Villages show - costs for rosettes for children's prizes	£50
Simon Howell	Sampfords Youth Club	Costs towards running the club	£200
Simon Howell	Radwinter Pre-School	Running costs	£100
Simon Howell	Sampfords Village Hall	Running costs	£250
Derek Jones			£0
Tina Knight	Debden and Wimbish Community Group	Hire of coach for trip to Bury St Edmunds for its elderly residents	£153
Tina Knight	Debden and Wimbish Community Group	Hire of coach for trip to Scotsdales for its elderly residents	£187.50
Tina Knight	Debden Local History Recorders Group	Hire of hall, travel and cost of guest speakers	£500

Tina Knight	Debden Village Shop	New cash register and freezer	£468
Tina Knight	Handelsbanken	Music for Army Wives Choir	£200
Tina Knight	Tang Ting Association	Purchase printer	£260
Tina Knight	Uttlesford Community Travel	Subscription for Debden and Wimbish Community Group	£20
Gary LeCount & Petrina Lees	N W Surfacing	Resurfacing road at Ambrose Corner, Elsenham	£4,000
Mark Lemon	White Roding Parish Council	Defibrillator and installation	£1,994
John Lodge	Saffron Walden Initiative	Costs towards Dance in the Square	£500
John Lodge	Uttlesford Stroke Group	Ongoing costs	£1,000
John Lodge	Fairycroft Community Interest CIC	Removal of chimney breast	£500
Janice Loughlin	Farnham Parish Council	Retention zip wire in play area	£100
Janice Loughlin	Farnham Parish Council	Neighbourhood watch signs	£100
Janice Loughlin	Farnham Parish Council	Village Hall to improve acoustics	£300
Janice Loughlin	Manuden Parish Council	Picnic table for play area	£500
Janice Loughlin	Berden Parish Council	Playground equipment	£500
Janice Loughlin	Ugley Parish Council	Village Hall repairs	£500
Alan Mills	Braintree District Mencap Society	Costs towards respite care in the school holidays	£250
Alan Mills	Felsted Friendship Group	Outing for elderly residents	£250
Alan Mills	Felsted Primary School	Production of a master plan for the school	£1,000
Alan Mills	Stebbing Parish Council	Legal costs towards purchasing cricket pitch	£250
Alan Mills	Felsted Neighbourhood Plan Steering Group	Costs towards producing the plan	£250
Sharon Morris & Barbara Light	Walden track & Field	Purchase sports equipment	£500
Sharon Morris & Barbara Light	Saffron Walden Initiative	Dance in the Square	£500

Sharon Morris & Barbara Light	Saffron Walden Town Council	Costs towards modifications at Golden Acre Community Centre	£250
Sharon Morris & Barbara Light	Abbey Lane and Newport URC	Accessible steps	£635
Sharon Morris & Barbara Light	Buffy Bus Association	Costs towards repair of the bus	£500
Sharon Morris & Barbara Light	Saffron Walden Initiative	Costs towards remodelling maze	£400
Sharon Morris & Barbara Light	Saffron Walden Academy Trust	Animal handling systems for Farm Club	£520
Sharon Morris & Barbara Light	Saffron Walden Mencap Society	Defibrillator box and signage	£695
Edward Oliver	Clavering Primary School	Improvement to existing pond area	£500
Edward Oliver	Clavering & District Over 60's Club	Costs towards outings for the club	£300
Edward Oliver	Clavering Jubilee Field Committee	Costs towards repairing front door to the pavilion	£300
Edward Oliver	Clavering Village Hall	Re-glazing village hall double doors	£300
Edward Oliver	1st Clavering Scout Group	Purchase sports equipment and flag for Beavers section	£150
Edward Oliver	Arkesden Parish Council	New village information board	£250
Edward Oliver	Clavering Bowls Club	Purchase new shed	£200
Vic Ranger	Knight Way Residents	Garden shed	£314.15
Vic Ranger	Waldgrooms Allotment	Garden shed and bench	£450.31
Vic Ranger	Dunmow Day Centre	New fridge	£288.74
Vic Ranger	Barnston Village Hall	Floor buffer	£946.80
Julie Redfern	Great Chesterford Parish Council	The Big Get Together	£200.90
Julie Redfern	Great Chesterford Parish Council	Camping stove for scout group	£275.00
Julie Redfern	Chestertots	Running costs	£250.00
Julie Redfern	Great Chesterford Year Six Leavers	Costs towards leavers party	£275.00
Howard Rolfe	Hadstock Village Hall	Baby changing unit and sign	£423.23
Howard Rolfe	Hadstock Parish Council	Dog bins	£128.49
Howard Rolfe	Little Walden Village Hall	Seating	£1,000.00

Howard Ryles			£0
Geoffrey Sell	Stansted Free Church (Methodist/URC)	Church refurbishments	£500
Geoffrey Sell	Essex Wildlife Trust	Planting of Aubrey Buxton Nature Reserve	£944.92
Geoffrey Sell	Uttlesford Community Travel	Costs towards providing the service	£400
Geoffrey Sell	Stansted Mountfitchet Day Centre	Replace printer and bins	£155
Lesley Wells	Mutts in Distress	Costs towards providing the service	£250
Lesley Wells	Hatfield Broad Oak Parish Council	Purchase new bins around village	£750

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Committee:	Cabinet	Date:	Thursday, 12 July 2018
Title:	PCSO Match Funding		
Portfolio Holder:	Councillor Vic Ranger, Portfolio Holder for Communities and Partnerships		
Report Author:	Adrian Webb, Director - Finance and Corporate Services awebb@uttlesford.gov.uk Tel: 01799 510421	Key decision:	No

Summary

1. This report sets out the proposal for the allocation of the Council PCSO match funding monies as agreed in the 2018/19 budget.

Recommendations

2. Cabinet is recommended to agree
 - i. That the Council enters into a two year PCSO joint funding agreement, commencing no earlier than 1 October 2018 with the Stansted, Henham and Elsenham Cluster.
 - ii. That the Council enters into a PCSO one year joint funding agreement, commencing no earlier than 1 October 2018 with Saffron Walden Town Council.
 - iii. That the draft 2019/20 budget is increased to cover the remaining six months funding for a second PCSO.

Financial Implications

3. There are no implications for the District Council's budget in 2018/19. The MTFS will need to be re-profiled to take account of the additional PCSO funding in 2019/20.

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

Communication/Consultation	All towns and parishes were invited to consider bidding for additional PCSO support
Community Safety	The PCSOs will add to the number already operating in the Uttlesford District which includes the two UDC fully funded PCSOs
Equalities	No specific implications
Health and Safety	No specific implications
Human Rights/Legal Implications	No specific implications
Sustainability	No specific implications
Ward-specific impacts	This will have direct impact on the town and parishes that opt to join the scheme
Workforce/Workplace	No specific implications

Situation

5. In September 2017, as part of the 2018/19 budget setting process, the Council approached Town and Parish Councils to establish whether or not there was interest in joint funding PCSOs.
6. The proposal was that the joint funding would be for two years and the PCSO would be recruited and employed by the Police on a two year fixed term contract. The police will also be responsible for all costs of training the new PCSOs. Continuation of the post on the proposed terms, after that time, would be subject to agreement by all parties.
7. The Council identified a preference for Town and Parish Councils joining together to form a cluster to maximise the benefit that a dedicated PCSO would bring.
8. Initial interest suggested that at least one cluster would come forward and therefore the sum of £20,000 for a 50% share of the salary, including on-costs, of one PCSO was built in to the 2018/19 budget. In addition the Council has allocated the sum of £15,000 for the acquisition and running costs of a vehicle for the PCSO to move around the cluster.
9. Following the promotion of the offer the parishes of Stansted, Henham and Elsenham came forward with a proposal to form a cluster and match fund one PCSO.

10. Subsequently Saffron Walden Town Council submitted a request for a match funded PCSO for a period of one year, dedicated solely to the town on the basis that this is equivalent in area to any suggested cluster.
11. Both bids have merit and it is felt that both could be accommodated in 2018/19 with an additional budget requirement for the following financial year.
12. If agreed, the match funding for both would commence on 1 October 2018. The 2018/19 sum allocated for a match funded PCSO would be sufficient to support both PCSOs as the commencement date would be halfway through the financial year. The budget for 2019/20 would need to be increased to cover the additional six months of the Saffron Walden PCSO.
13. The £15,000 allocated for the purchase and running costs for the vehicle would be allocated to the Stansted, Henham and Elsenham bid as clearly the PCSO will need to move between villages.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
The Police fail to recruit suitable candidates	3 (the Police have experienced difficulties recruiting to time limited PCSO posts)	2 (the commencement of the agreement will be delayed)	The Police undertake a comprehensive advertising campaign and the recruitment process for these roles would start immediately after the Cabinet decision

- 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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Committee:	Cabinet	Date:	Thursday, 12 July 2018
Title:	Nomination of the Clubhouse, Millibar Cafe, ancillary buildings and carpark, Andrewsfield Airfield as an Asset of Community Value		
Portfolio Holder:	Councillor Susan Barker, Portfolio Holder for Environmental Services		
Report Author:	Sarah Nicholas, Senior Planning Officer snicholas@uttlesford.gov.uk	Key decision:	No

Summary

1. The Localism Act 2011 introduces a concept of an 'Asset of Community Value'. Section 87 of the Localism Act places a duty of Local Authorities to 'maintain a list of land in its area that is land of community value'.
2. An Asset is of community value if (in the opinion of the local authority) either:
 - an actual current use of the building or other land that is not an ancillary use furthers the social wellbeing or social interests of the local community, and
 - it is realistic to think that there can continue to be non-ancillary use of the building or other land which will further (whether or not in the same way) the social wellbeing or social interests of the local community.or
 - there is a time in the recent past when an actual use of the building or other land that was not an ancillary use furthered the social wellbeing or interests of the local community, and
 - it is realistic to think that there is a time in the next five years when there could be non-ancillary use of the building or other land that would further (whether or not in the same way as before) the social wellbeing or social interests of the local community.
3. The Act states that "social interest" "includes (in particular) each of the following – (a) cultural interest, (b) recreation interest and (c) sporting interests.
4. Assets of community value are buildings or land which involve the physical use by the community and include for example a village shop, pub, community centre, allotment or recreation ground.
5. The purpose of this report is to enable members to determine:

- a) Whether there is a valid nomination;
- b) Whether the use of the building (current or recent past) furthers the social wellbeing or interests of the community;
- c) Whether it is realistic to think that in the next 5 years the building could be used to further the social wellbeing or interests of the community.
- d) In considering these questions, members need to consider principal, rather than ancillary, uses of the building.
- e) If members conclude that the answers to these questions are “yes”, the building should be included in the list of assets of community value.

Recommendations

- 6. Recommended for Listing: On the basis that there is a valid nomination and the current use of, or there is a time in the recent past when, the clubhouse, café, ancillary buildings and car park furthered the interests of the community, and it is realistic to think that in the next 5 years the building could further the interest of the community, officers would recommend that the site be listed as an Asset of Community Value
- 7. The nomination form in full and maps can be viewed on the website under currently nominated assets.

Financial Implications

- 8. There are direct financial implications arising at this stage which relate to the formal process of identifying and contacting asset owners and, if relevant, registering an asset as a Land Charge. These costs can be met from existing budget and staff resources.
- 9. There is also an unquantifiable financial risk to the Council, if there was a claim for compensation. This needs to be kept under review and at an appropriate time consideration should be given to establishing a contingency reserve to mitigate the risk to the Council’s budget. However, the potential liability should not be taken into account in deciding whether or not this is an asset of community value.

Background Papers

- 10. 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.
- 11. The submission for consideration as Assets of Community Value and any representations available on the website at [currently nominated assets](#)

Impact

- 12.

Communication/Consultation	In line with paragraph 8 of The Assets of Community Value (England) Regulations 2012 the Council have taken all practicable steps to give information that it is considering listing the land to the owner of the land, freeholder and occupant. This has taken the form of letters.
Community Safety	No impact.
Equalities	The duty will affect all equally.
Health and Safety	No impact.
Human Rights/Legal Implications	Pursuant to s.19 Human Rights Act 1998 the Secretary of State has certified that in his opinion the Localism Act is compatible with the Convention rights.
Sustainability	If the land is included on the list of Community Assets it will form a Land Charge.
Ward-specific impacts	Felsted and Stebbing
Workforce/Workplace	No impact

Situation

a) Is this a valid nomination

13. S89 of the Act states that land in a local authority area which is of community value may be included in its list of assets of community value only in response to a “community nomination”, or where permitted by regulation made by the Secretary of State. A community nomination means a nomination by a parish council in respect of land in the parish council’s area or “by a person that is a voluntary or community body with a local connection”.
14. The nomination has been made by Stebbing Parish Council to both Uttlesford District Council and Braintree District Council. The premises are located within the parishes of Great Saling, Braintree District and Stebbing Parish, Uttlesford District.
15. A parish council has a local connection with land in another parish council’s area if any part of the boundary of the first council’s area is also part of the boundary of the other council’s area. (Assets of Community Value (England) Regulations 2012 regulation 4(2)(a))
16. Section 102 of the Localism Act 2011 states that if different parts of any land are in different local authority areas, the local authorities concerned must cooperate with each other in carrying out functions under this Chapter in relation to any land or any part of it. There is no guidance on the form co-

operation should take or on what happens if two authorities reach different conclusions.

17. Braintree District Council is determining the nomination in accordance with their agreed practice.

18. A nomination must also include:

- i. A description of the nominated land including its proposed boundaries.
- ii. Any information the nominator has about the freeholders, leaseholders and current occupants of the site.
- iii. The reasons for nominating the asset, explaining why the nominator believes the asset meets the definition in the Act.
- iv. The nominator's eligibility to make the nomination.

19. If it meets these requirements it is a valid nomination under S89(2)(i). The nomination being considered is validly made.

b) Does the use of the building (current or recent past) further the social wellbeing or interests of the community?

20. The nomination form sets out how it is considered that the Inn furthers the social wellbeing or interests of the community.

21. Recreational and Tourism Asset: It states that it is a popular local amenity not just for pilots but cyclists, motorcycle clubs walkers and historic aircraft enthusiasts and as a tourist point for visitors to the area. A large community of the pilots live within the local community and use the clubhouse and café to socialise with fellow pilots.

22. Many locals from the close surrounding villages use the Milli Café as a meeting point during the week and weekend so meet with friends and family for coffee, lunch or drinks. It continues to open daily providing a valuable service as a social gathering place for many local residents being licensed with excellent catering facilities. The villages of Little and Great Saling no longer have a public house and so therefore this could be taken as their local.

23. Cultural Asset: The club house formed a valuable part of the first East Anglian USAF airfield in World War II and is a significant link to a vital period in British and American co-operation.

24. The clubhouse provides an important link with the extensively documented history of the American Air Force by the Imperial War Museum with Andrewsfield as part of the tourist trail of wartime airfields.

25. The local Stebbing Historical Society holds a photographic archive evidence on the airfield during its active years and the clubhouse provides a fitting backdrop to hold future exhibitions to honour the American airmen who gave

their lives in dangerous missions in the 'flying fortresses' over Scandinavia and Germany.

c) Is it realistic to think that in the next 5 years the use of the building could further the social wellbeing or interests of the community.

26. The nomination form explains that if listed and placed on the market for sale, Stebbing Parish Council would be prepared to apply for funding via a PWLB, appropriate grants approaching community shareholders, etc. or a local group could have the opportunity to apply for Heritage Lottery Funding to create a centre dedicated to the 'special relationship' between UK and USA within a unique setting.
27. Stebbing Parish Council would work with other parishes and interested groups to support enterprise and provide stewardship, which would be staffed by local volunteers. They would work with local schools and other bodies to educate all ages in the history of the East Anglian Airfields.
28. They anticipate that the building would become self-funding and be run by a management team of volunteers, with Stebbing Parish Council as custodian. Stebbing Village Hall and Friends Meeting House are already managed in this manner and run successfully.

Representations

29. The Council has not received any representations regarding the proposed assets of community value. Any representations received after publication of the report will be reported to Members at the meeting.

Planning History

30. The site falls within an area of search for a new garden community at land West of Braintree as identified in the Regulation 19 Pre-submission Local Plan 2018.
31. A larger site, encompassing the airfield, open space and club house, was nominated by Great Saling Parish Council as an asset of community value in December 2017. Members of the Assets of Community Value Sub Committee considered the nomination on 24 January 2018. The nomination was rejected because there was insufficient information to conclude that the airfield, and open space uses passed the test for listing. It was felt however that from the evidence presented the clubhouse use met the test for an asset of community value and a new nomination was invited.

Conclusion

32. Valid nominations have been made to the Council.
33. Members need to consider whether the evidence provided shows that the property, current or in the recent past, furthers the social wellbeing or interests of the community.

34. Members need to consider whether it is realistic to think that the property can continue to be used in a manner that furthers the social wellbeing and interests of the local community.
35. Consideration of these issues will lead the Cabinet to determine whether the Club house, Café, ancillary buildings and car park should be listed as an asset of community value for a period of five years.

Risk Analysis

36.

Risk	Likelihood	Impact	Mitigating actions
The nominating body or the owner is unhappy with the decision reached.	High risk that one of the bodies will be unhappy with the decision.	<p>The owner has rights of internal review and appeal and can claim for compensation.</p> <p>The nominating body does not have rights of review or appeal. A new nomination can be made with additional information.</p> <p>If it felt the Council had acted unlawfully, it could seek to challenge by way of judicial review.</p>	Carefully scrutinise submissions for inclusion on the Asset List so as to ensure only those which comply with the criteria are included.

Asset of Community Value Nomination - Clubhouse, Cafe, Ancillary Buildings and Car Park Andrewsfield Airfield



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Community Right to Bid

NOMINATION FORM

Please use this form to nominate an asset of community value.

The form is split into three sections to enable you to give details about: (a) who you are; (b) the asset you wish to nominate and (c) what community value you believe the asset has. We ask for this specific information to help assess whether your nomination meets the requirements of the legislation relating to this community right.

Guidance notes are provided at the end of the form to explain in more detail what is required and we encourage you to read these either before or as you work through this submission.

Note: This form will be published on the Council's website. Personal contact details will be removed.

Your nomination will be considered and responded to 8 weeks from the date that it is received and acknowledged.

Please submit your completed nomination form to the following address:

**Assistant Director Planning and Building Control
Uttlesford District Council
London Road
Saffron Walden
Essex
CB11 4ER**

or alternatively email it to:

planningpolicy@uttlesford.gov.uk

Section 1 ABOUT YOUR COMMUNITY ORGANISATION

Q1 Name and address of your organisation

Organisation name: Stebbing Parish Council

Address and postcode:

Registration number
(if you are a charity, company, CIC or social enterprise)

Q2 Please specify what type of organisation you are

Category

Tick ✓

Parish/Town Council

X

Unconstituted / unincorporated Community Group whose members include at least 21 individuals who appear on the electoral roll

Neighbourhood Forum designated as pursuant to section 61F of the Town & Country Planning Act 1990

Industrial & Provident Society which does not distribute any surplus it makes to its members

Company Limited by Guarantee which does not distribute any surplus it makes to its members

Community Interest Company which satisfies the requirements of Part 2 of the Companies (Audit, Investigations and Community Enterprise) Act 2004

Charity

Q3 Who should we contact to discuss this nomination?

Name:

Greg King -

Address and postcode:

Telephone number

Email address

Section 2 ABOUT THE PROPERTY TO BE NOMINATED

Q4 Which asset do you wish to nominate?

Name of property:	The Clubhouse and Millibar Café, and ancillary buildings and carpark, Andrewsfield Airfield
Address and postcode:	Andrewsfield Airfield, Saling Road, Stebbing, Great Dunmow, CM6 3TH
Name of property owner	1. Sharon Harvey 2. Robert Bucknell
Address and postcode:	<div style="border: 1px solid red; height: 40px; width: 100%;"></div>
Telephone number	
Email address (if known)	
Current occupier's name (if different from property owner)	Andrewsfield Aviation Ltd
Details of occupier's interest in property	Leaseholders of the airfield and clubhouse

Section 3 DEMONSTRATING THE COMMUNITY VALUE OF THE ASSET

Q5a Why do you feel the property is an asset of community value?

Please give as much information as possible about the current use of the asset i.e. what activities take place, what groups use the facility currently or in the recent past etc. Continue on a separate sheet if necessary. Definition of an asset of community value can be found in the guidance notes.

'Recreational Asset'

It is a popular local amenity not just for pilots, but cyclists, motorcycle clubs, walkers, and historic aircraft enthusiasts and as a tourist point for visitors to the area. It should be noted that a large proportion of the pilots that use the clubhouse and Millibar Cafe live within the local community and so after flights meet with fellow pilots to socialise much as many sports club members do e.g. at a football or Rugby Club.

Many locals from the close surrounding villages e.g. Stebbing use the Millibar Café as a meeting point during the week and weekends to meet with friends and family for coffee; lunch; drinks. It continues to open daily providing a valuable service as a social gathering place for many local residents being licenced with excellent catering facilities. The villages of Little & Great Saling no longer have a public house so therefore this could be taken as their 'local'.

'Cultural Asset'

This clubhouse formed a valuable part of the first East Anglian USAF airfield in World War II. Therefore, to not continue to have the clubhouse with the Millibar and Café in our community we suggest that future generation would not think generously of those who lost this significant connection with a vital period in British and American co-operation was lost.

The clubhouse provides an important link with the extensively documented history of the American Air Force by the Imperial War Museum with Andrewsfield as part of the tourist trail of wartime airfields. Should the airfield be lost to development, it is imperative that some recognition remains to honour the site's important past as many former US Airmen, their families and groups of aviation historians pay regular commemorative visits in tribute to the site.

The local Stebbing Historical Society holds a photographic archive evidence on the airfield during its active years and the clubhouse provides a fitting backdrop to hold future exhibitions to honour the American Airmen who gave their lives in dangerous missions, flying the impressive 'flying fortresses' over Scandinavia and Germany.

'Tourism Asset'

Obviously the Clubhouse and Millibar being both a recreational and cultural asset becomes a local tourism asset as well which of course has the potential to attract visitors.

Q5b How could the building or land be acquired and used in future?

If it is listed as an asset of community value, community interest groups (not limited to your organisation) will get the opportunity to bid for it if it comes up for sale. Please set out how you think such a group could fund the purchase of the building or land, and how they could run it for the benefit of the community. Continue on a separate sheet if necessary.

If listed as an Asset of Community Value, Stebbing Parish Council would be prepared to apply for funding via a PWLB, appropriate grants, approaching community shareholders, etc. Or, a local group could have the opportunity to apply for Heritage Lottery Funding to create a centre dedicated to the 'Special Relationship' between UK and the USA within a Unique setting.

Stebbing Parish Council would work with other parishes and interested groups to support enterprise and provide stewardship, which would be staffed by local volunteers. We would work with local schools and other bodies to educate all ages in the history of the East Anglian Airfields i.e. the living conditions of the airmen, the pressure of war etc via photographic displays, re-enactment, role play, exhibitions and so on.

We anticipate the building would become self-funding and be run by a management team of volunteers, with Stebbing Parish Council as custodian. Stebbing Village Hall and Friends Meeting House are already managed in this manner and run successfully.

Q6 What do you consider to be the boundary of the property?

Please give as much detail as you can, including an Ordnance Survey plan outlining the site.

The boundary of whole airfield is marked in red

The Club House and Millibar plus ancillary buildings and car parks are outlined in light blue.

Grid Reference: TL68848 24790

X / Y co-ords: 568892, 224801

Attachment checklist

- Copy of group constitution (if applicable)
- Names and home addresses of 21 members registered to vote in nomination area (if group is not constituted)
- Site boundary plans
- Evidence of current community use e.g. activity programmes, website links etc

Declaration

I can confirm that to the best of my knowledge the information contained in this nomination form is complete and accurate

Signed:

Print Name: *SKIN*

Position in Organisation: *CLERK TO PARISH COUNCIL*

Date: *14th June 2018*

FOR OFFICE USE ONLY

Date received:

Decision deadline:

Committee:	Cabinet	Date:	Thursday, 12 July 2018
Title:	Nomination of the Black Horse Inn, White Roding for Asset of Community Value		
Portfolio Holder:	Councillor Susan Barker, Portfolio Holder for Environmental Services		
Report Author:	Sarah Nicholas, snicholas@uttlesford.gov.uk	Key decision:	No

Summary

1. The Localism Act 2011 introduces a concept of an 'Asset of Community Value'. Section 87 of the Localism Act places a duty of Local Authorities to 'maintain a list of land in its area that is land of community value'.
2. An Asset is of community value if (in the opinion of the local authority) either:
 - an actual current use of the building or other land that is not an ancillary use furthers the social wellbeing or social interests of the local community, and
 - it is realistic to think that there can continue to be non-ancillary use of the building or other land which will further (whether or not in the same way) the social wellbeing or social interests of the local community.or
 - there is a time in the recent past when an actual use of the building or other land that was not an ancillary use furthered the social wellbeing or interests of the local community, and
 - it is realistic to think that there is a time in the next five years when there could be non-ancillary use of the building or other land that would further (whether or not in the same way as before) the social wellbeing or social interests of the local community.
3. The Act states that "social interest" "includes (in particular) each of the following – (a) cultural interest, (b) recreation interest and (c) sporting interests.
4. Assets of community value are buildings or land which involve the physical use by the community and include for example a village shop, pub, community centre, allotment or recreation ground.
5. The purpose of this report is to enable members to determine:

- a) Whether there is a valid nomination;
- b) Whether the use of the building (current or recent past) furthers the social welling or interests of the community;
- c) Whether it is realistic to think that in the next 5 years the building could be used to further the social wellbeing or interests of the community.
- d) In considering these questions, members need to consider principal, rather than ancillary, uses of the building.
- e) If members conclude that the answers to these questions are “yes”, the building should be included in the list of assets of community value.

Recommendations

- 6. Recommended for Listing: On the basis that there is a valid nomination and the current use of, or there is a time in the recent past when, the public house furthered the interests of the community, and it is realistic to think that in the next 5 years the building could further the interest of the community, officers would recommend that the site be listed as an Asset of Community Value.
- 7. The nomination form in full and maps can be viewed on the website under [currently nominated assets](#).

Financial Implications

- 8. There are direct financial implications arising at this stage which relate to the formal process of identifying and contacting asset owners and, if relevant, registering an asset as a Land Charge. These costs can be met from existing budget and staff resources.
- 9. There is also an unquantifiable financial risk to the Council, if there was a claim for compensation. This needs to be kept under review and at an appropriate time consideration should be given to establishing a contingency reserve to mitigate the risk to the Council’s budget. However, the potential liability should not be taken into account in deciding whether or not this is an asset of community value.

Background Papers

- 10. 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.
- 11. The submission for consideration as Assets of Community Value and any representations available on the website at under [currently nominated assets](#).

Impact

- 12.

Communication/Consultation	In line with paragraph 8 of The Assets of Community Value (England) Regulations 2012 the Council have taken all practicable steps to give information that it is considering listing the land to the owner of the land, freeholder and occupant. This has taken the form of letters.
Community Safety	No impact.
Equalities	The duty will affect all equally.
Health and Safety	No impact.
Human Rights/Legal Implications	Pursuant to s.19 Human Rights Act 1998 the Secretary of State has certified that in his opinion the Localism Act is compatible with the Convention rights.
Sustainability	If the land is included on the list of Community Assets it will form a Land Charge.
Ward-specific impacts	High Easter and the Rodings
Workforce/Workplace	No impact

Situation

a) Is this a valid nomination

13. S89 of the Act states that land in a local authority area which is of community value may be included in its list of assets of community value only in response to a “community nomination”, or where permitted by regulation made by the Secretary of State. A community nomination means a nomination by a parish council in respect of land in the parish council’s area or “by a person that is a voluntary or community body with a local connection”.
14. The nomination has been made by an un-constituted group of at least 21 people registered to vote in the nominated area.
15. A nomination must also include:
 - i. A description of the nominated land including its proposed boundaries.
 - ii. Any information the nominator has about the freeholders, leaseholders and current occupants of the site.
 - iii. The reasons for nominating the asset, explaining why the nominator believes the asset meets the definition in the Act.
 - iv. The nominator’s eligibility to make the nomination.

16. If it meets these requirements it is a valid nomination under S89(2)(i). The nomination being considered is validly made.

b) Does the use of the building (current or recent past) further the social wellbeing or interests of the community?

17. The nomination form sets out how it is considered that the Inn furthers the social wellbeing or interests of the community.

18. The Black Horse Inn has been the last pub in the village since the Whalebone closed some decades ago.

19. The pub facilitates community cohesion, encourages the mix of generations and classes of person, fosters community pride, stimulates discussion and allows valuable friendships to form amongst members of the community new and old. The pub has in the recent past hosted the local choir, thrown New Year parties, held Easter events for children and celebrated Mothers and Fathers days with festivities. Quiz nights and sporting events have been held. Fundraisers for local schools, hospices and the White Roding Sports and Social Club have been held.

20. Well established and active community groups including "The Book Club", "The Alternative Book Club", "CAMEO" and "The Gents of White Roding" are presently and have in the recent past been regular customers of The Black Horse Inn. Members of these groups have formed an un-constituted group making this nomination

21. Significant community use is also supportive of non-community use, the pub being located in a prominent position on the A1060 road. The Inn has been a welcoming and friendly atmosphere encouraged interaction between the local community and visitors.

c) Is it realistic to think that in the next 5 years the use of the building could further the social wellbeing or interests of the community.

22. The nominating group have informed the Council that the pub was completely closed (unannounced) Jan-mid April of this year (2018). It is now opening very sporadically. Advertised opening is Wed-Sun. It is however at the moment always closed Monday - Thursday and opens for a few varying hours Friday, Saturday and Sunday. Those hours are not as advertised (on website or frequently updated blackboard that appears and disappears outside pub) and are not regular. No food has been served since December 2017. It is impossible to know at present when it will open, it is mostly closed to the point it is very difficult to use but it is not true to say it is completely closed.

23. The nominating group consider that there is a very realistic prospect. Should the pub re-open with regular hours and provide a proper offering like it has done in the recent past it is believed the pub would again be a success and be of great continued value to the community. It is noted that there are other successful pubs operating short driving distances from The Black Horse, including but not limited to The Chequers Matching Green, The Axe and

Compasses Aythorpe Roding and The Cock and Dukes Head Hatfield Broad Oak. These villages are of a similar demographic to White Roding and it is reasonable to assume similar levels of community demand exists in the vicinity of The Black Horse.

24. The nominating group consider that White Roding is a close-knit, affluent and active community-spirited village of around 300 inhabitants and numerous local businesses and that there is a strong desire to look after our local environment. Community facilities are cherished, and community engagement nurtured. Examples of recent community efforts include St Martin's Church currently undergoing renovation funded by local parishioners and villagers and the continued success of White Roding Sports and Social Club run entirely by community volunteers, offering sports facilities and entertainment and organiser of well attended events such as the Summer Ball.
25. It is envisaged by the group that given the community spirited nature of White Roding's population and an ability to raise money and organise that in the event of The Black Horse being marketed at true market value and in the absence of a suited private buyer the pub would be purchased for the benefit of the community by a community group. A Special Purpose Vehicle would be established to own the property and raise funds against it. A limited company would be established to operate the pub either on a not for profit basis or otherwise for community benefit.

Planning History

26. A planning application (reference UTT/18/0895/FUL) has been submitted to the Council for Change of use of public house (Class A4) to self-contained dwelling (Class C3). A decision is still awaited. The Council has received letters of objection to the application.

27. Representations

28. The Council has not received any representations regarding the proposed assets of community value. Any representations received after publication of the report will be reported to Members at the meeting.
29. The owners of the property have confirmed to the Council that the Inn has been for sale since January 2017 with agents who deal solely with the sale of public houses. The property is being marketed as a business to run as a pub.

30. Conclusion

31. Valid nominations have been made to the Council.
32. Members need to consider whether the evidence provided shows that the property, current or in the recent past, furthers the social wellbeing or interests of the community.

33. Members need to consider whether it is realistic to think that the property can continue to be used in a manner that furthers the social wellbeing and interests of the local community.

34. Consideration of these issues will lead the Cabinet to determine whether the Black Horse Inn should be listed as an asset of community value for a period of five years.

35.

Risk Analysis

36.

Risk	Likelihood	Impact	Mitigating actions
The nominating body or the owner is unhappy with the decision reached.	High risk that one of the bodies will be unhappy with the decision.	<p>The owner has rights of internal review and appeal and can claim for compensation.</p> <p>The nominating body does not have rights of review or appeal. A new nomination can be made with additional information.</p> <p>If it felt the Council had acted unlawfully, it could seek to challenge by way of judicial review.</p>	Carefully scrutinise submissions for inclusion on the Asset List so as to ensure only those which comply with the criteria are included.

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	Date:	
Title:	Endorsement of Local Energy East Strategy		12 July 2018
Portfolio Holder:	Cllr Susan Barker, Environmental Services Portfolio Holder		
Report Author:	Mark Wilson, Energy Officer, 01799 510511	Key decision:	No

Summary

1. Uttlesford District Council as one of the member local authorities of the Greater Cambridge/ Peterborough LEP has been invited to formally endorse the Local Energy East Strategy. The LEP hopes that all authorities within the area will become involved.

Recommendations

2. To endorse the Local Energy East Strategy.

Financial Implications

3. There are no financial implications from endorsing the Strategy. Commitment to the development of related projects in the future will be subject to the usual budgetary processes.

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.

Uttlesford Local Plan 2018
Local Energy East Strategy

Impact

- 5.

Communication/Consultation	
Community Safety	
Equalities	Reduce fuel poverty for residents and increase sustainable energy employment opportunities
Health and Safety	Reduce fuel poverty for residents, improve air quality

Human Rights/Legal Implications	None
Sustainability	Supports sustainable economic growth, reducing carbon emissions, improving air quality
Ward-specific impacts	None
Workforce/Workplace	None

Situation

6. This strategy has been co-created by a range of local authority officers and specific stakeholders within the LEP, borne out of the Government's Industrial Strategy and Clean Growth Strategy which both present significant opportunities at a local level to capitalise on local energy growth initiatives. The strategy sets out collective ambitions across the LEP to 2030 which include: clean economic growth, reducing carbon emissions, creating flexible energy systems, developing renewable energy opportunities and reducing fuel poverty. These will ensure the LEP remains at the forefront of clean growth.

Benefits to Uttlesford

7. The ambitions and objectives of the Local Energy East Strategy closely align with the principles of sustainable economic growth including minimising the demand for resources and mitigating and adapting to climate change and reducing carbon emissions, improving air quality, growth of sustainable transport and the growth of renewable energy and low carbon technologies. These principles are set out in the local plan that the council is proposing to submit for examination. The ambitions are mirrored in the Council's Climate Local Strategy.
8. Endorsement of the Local Energy East Strategy will provide interpretation and direction to delivering the Government's Industrial Strategy and Clean Growth Strategy locally.
9. Endorsement of the strategy will also enable the council to have access to and receive support from a BEIS funded Local Energy Hub. The tri-LEP area LEE Network and the Greater South East Energy Hub will take forward activities and initiatives linked to the Local Energy East Strategy.
10. As a participant the council will share in best practice through access to case studies, access to joint projects, the development of funding bids between partners and attract funding over a wider area. For example, this could involve working with local partners, including local authorities and businesses, to develop bids for funding to help produce innovative solutions to grid capacity constraints in order to unlock growth.

11. One of the key advantages is that this gives the council access to the activities over the county border to the north, particularly with Cambridgeshire and Peterborough where there is huge growth in energy tech and innovation, sustainable transport and the renewable energy sector. This would enable the council to benefit from their work which is already in progress.
12. The council is already delivering several elements of the Strategy. It has installed solar panels on its own housing stock and other buildings, and is developing an auction scheme for domestic solar panels. We are installing electric car chargers and developing a scheme with ECC for the provision of on-street charging posts. It is already delivering a domestic and business energy switching scheme, and energy efficiency grants for improvements to existing buildings. It has encouraged the development of Passivhaus properties to an exemplar standard for energy efficiency in new build.
13. The new local plan has a policy requiring electric car chargers on new build, and encourages the installation of solar panels and high energy efficiency standards in new build development. There will be a requirement for exemplary provision in the proposed garden communities.
14. Our existing program of delivery and policy commitment to addressing sustainable issues as a partner organisation is reasonably well advanced, putting the council in a similar position to peer organisations within the LEP.
15. Work has just commenced with Localis a consultancy commissioned by Essex County Council to help prepare a Local Industrial Strategy for West Essex. By being part of the Local Energy East Strategy and sharing knowledge and best practice there is the opportunity to shape this LIS. It affords the opportunity for the council to shape both the West Essex LIS as it emerges, as well as engaging with the LEP areas to the north in developing solutions to sustainable economic growth.

Risk Analysis

16.

Risk	Likelihood	Impact	Mitigating actions
Reputational risk if we don't engage with partners on projects	2 The council needs to strengthen its relationship with Cambridgeshire authorities	2 Potentially a lost opportunity	

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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Local Energy East Strategy: **An Energy Strategy for the Tri-LEP Area**

May 2018: Endorsement copy for stakeholders



Local Energy East Network

The Local Energy East Network was established in response to the Department of Business, Energy and Industrial Strategy (BEIS) offering each Local Enterprise Partnership (LEP) funding to develop a Local Energy Strategy. The three LEP areas of Cambridgeshire and Peterborough (formerly Greater Cambridge and Greater Peterborough), Hertfordshire and New Anglia joined together and working with their constituent local authorities, the Distribution Network Operator (DNO), universities, third sector and energy sector businesses were able to create a tri-LEP area project. Those involved in the Steering Group and Project Delivery Group, other than the LEPs, included:

- Allia;
- Anglia Ruskin University;
- Cambridge City Council;
- Cambridgeshire County Council;
- East Herts District Council;
- Hertfordshire County Council;
- Nautilus Associates;
- Norfolk County Council;
- Peterborough City Council;
- Peterborough Environment City Trust;
- Suffolk County Council;
- UK Power Networks;
- University of East Anglia;
- West Suffolk Councils.

The Extended Stakeholder Group included over 400 people from all 38 constituent local authority areas and related organisations who had been engaged and involved in the project.

This wide group of local and sub-national organisations represents a huge potential to collaboratively take the findings and ambitions of this strategy and deliver future work using a mix of public sector leadership and business knowledge.

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Executive Summary

The Local Energy East (LEE) area is one of the most important energy producing areas in the UK, and a leading area for renewable energy. We are well-positioned to benefit from the global energy revolution that is now underway, and to make a significant contribution to the UK's energy economy. The Government's Industrial Strategy and Clean Growth Strategy both present significant opportunities at a local level to capitalise on local energy growth initiatives.

This strategy sets out our collective ambitions to 2030 underpinned by a range of activities that the LEE Network and the Greater South East Energy Hub will take forward to ensure that we remain at the forefront of Clean Growth in the UK and grasp the opportunities ahead. We have agreed the following themes that are the basis for this strategy:

- **Clean Economic Growth (over-arching)** – we will support growth in our local energy sector, ensure local people benefit from the employment opportunities this creates, and we will support the transfer of the benefits of new energy technologies across sectors as part of our wider drive to boost productivity;
- **Housing growth and commercial site infrastructure** – we will work with UKPN and partners to ensure that the grid enables our housing and commercial development ambitions. We will support new smart grid systems;
- **Secure, local, affordable, low-carbon consumption** – we will work to increase energy efficiency and improve energy affordability; reducing fuel poverty. And we will work to reduce carbon emissions and improve air quality;
- **Clean transport networks** – we will work with local partners and businesses to support the transition to electric vehicles (EVs). We will continue to support behavioural change and modal shift that improves transport sustainability.

Success will only be achieved if all partners play their role in delivering the strategy. It will be delivered through actions taken by a wide range of local partners, through new delivery models to enable distributed energy generation and supply; and be supported by innovative funding models to enable the investment our infrastructure needs.

1 Introduction

- 1.1 Local Energy East (LEE) is a partnership covering three Local Enterprise Partnership (LEP) areas of Cambridgeshire and Peterborough, Hertfordshire, and New Anglia (Norfolk and Suffolk) collectively known as the 'LEE area'.
- 1.2 In early 2017, the department for Business, Energy and Industrial Strategy (BEIS) invited LEPs to produce a Local Energy Strategy, building on the work that we had begun locally in our Strategic Economic Plans (SEPs) and other local strategies and initiatives. Over the past year we have worked with a range of stakeholders and experts to develop this strategy. We have engaged with over 400 people representing over 50 organisations locally to ensure that our objectives and actions have been developed and co-designed with the wide range of partners.
- 1.3 Our combined LEP area is an important part of the UK economy. Home to 3.9m people, 1.8m jobs, and with a total economic output of £98bn (6.2% of the UK total) we are home to an extremely broad range of businesses, universities, research centres and other major UK economic assets.
- 1.4 We are a significant producer and distributor of energy – the Bacton gas terminal is one of the main points for receiving gas from the North Sea whilst the Sizewell nuclear reactor supplies over a thousand megawatts to the national grid. The offshore wind farms at Sheringham Shoal, Scroby Sands and Greater Gabbard contribute a third of the UK's offshore wind power. Future planned offshore wind projects in our region will more than double UK generating capacity in this sector. We are the only part of the UK with expertise and operations in all areas of energy generation. New techniques and technologies offer major opportunities across different parts of the sector.
- 1.5 Business and political leaders in our area have high ambitions for growth, both in the energy sector and wider economy. Having the right energy infrastructure is essential for this growth, able to meet the needs of our businesses and support the development of well-functioning, attractive places to live and work. Already, there are areas where further development and growth locations are significantly constrained due to lack of electricity capacity. The expected shift towards electric vehicles (EVs) will add further pressure to the network as well as creating new opportunities. We also want to ensure that improvements in energy infrastructure benefit our residents, increasing the affordability of supply and contributing to addressing fuel poverty.
- 1.6 We are a clean growth region. We have superb natural assets and a high quality of life in our cities, towns and rural areas. Our Local Energy Strategy shows our commitment to the need to reduce carbon emissions and pollution, to improve air quality and ensure a healthy environment.
- 1.7 This strategy has been developed at a time of huge change in the way that energy is being generated, stored and distributed. New technology provides significant opportunities but also requires careful navigation and investment to maximise the potential for the LEE area.
- 1.8 To inform this strategy an online energy data-mapping portal was created using multiple layers of energy related data. The portal is able to display energy data at a granular level. Feedback from local authorities and other stakeholders so far has been very positive. The portal is a solid base to take delivery activities forward. It enables planners, developers, land owners and other strategic decision makers to better understand where the challenges and opportunities exist.

- 1.9 To accompany this strategy there is a companion Mapping Analysis Report which provides greater detail on the online energy data-mapping portal used and evidence derived from it.
- 1.10 The rest of this document is structured as follows:
- Section 2 sets out our **objectives** for this strategy;
 - Section 3 explains the broader **context** – in terms of policy, economics and wider trends;
 - Section 4 sets out our plan to achieve **clean economic growth**;
 - Section 5 describes how we will support **housing growth and commercial site infrastructure**;
 - Section 6 explains how we will support **secure, affordable, low-carbon consumption**;
 - Section 7 sets out our plans to support **clean transport networks**;
 - Section 8 explains our **future work** and how we will progress our objectives;
 - Section 9 is a **glossary of terms**.
- 1.11 Throughout this strategy there are brief case studies to highlight where a noteworthy activity in the LEE area supports a particular priority or endeavour. Case studies from outside the LEE area are also referenced where learning and delivery in another area is worth considering for replication to support a particular ambition or priority in the strategy.

2 Our objectives

- 2.1 This strategy looks forward to 2030. There will be a period of uncertainty in terms of technology, regulation and policy and climate change impacts. Our actions focus on driving clean economic growth over the next three years alongside setting the overall direction for the next decade. Doing both at once will enable us to reap the economic, social and environmental benefits of the energy revolution.
- 2.2 The principal objectives of this strategy are as follows:
- To put the region at the forefront of the UK's drive towards clean economic growth reflecting the Government's Clean Growth and Industrial Strategies;
 - To create high-value jobs in the energy sector and broader supply chain that support our wider economic growth objectives;
 - To ensure that our economy is underpinned by a world class energy system;
 - To enable local people to benefit from the many new energy opportunities that will be created over the next decade;
 - To foster innovation, both within the energy sector and across other sectors;
 - To create a dynamic, flexible energy system comprised of smart energy grids and a new distribution network that leads development;
 - To create a local energy market, where buying and selling energy locally brings improved economic resilience for residents and businesses and greater affordability of energy supply;
 - To reduce carbon emissions, in line with national targets;
 - To improve air quality in the LEE area, benefiting the health of all residents;
 - To play an active role with the new energy hub for South East England and ensure that our area attracts and benefits from available investment in energy infrastructure.
- 2.3 Following publication of the strategy, partners will develop robust targets and a supporting methodology which will enable us to monitor progress and test interventions that align with our ambitions and objectives. Our actions will comprise Direct, Indirect and Related initiatives:
- **Direct** - Endeavours such as increased renewable energy generation, storage, distribution and supply to put the LEE area in a leading position in England. This would enhance grid resilience and capacity enabling the move toward the electrification of both heating and transportation in the LEE area. By supporting this local energy infrastructure, we will work to enable new business and community energy schemes. We will also be enabling smart grid connected homes that take advantage of these new energy systems with our ambition to create leading whole energy systems region in England;

- **Indirect** - By actively leading on the direct actions we plan to reduce greenhouse gas emissions and the number of householders in fuel poverty measured against agreed targets. Air quality would also be improved. Existing and new demand reduction and energy efficiency schemes and initiatives would be promoted and supported to contribute to lower energy consumption and increase the Energy Performance Certificate (EPC) rating of homes in the region;
- **Related** - Increasing the GVA from energy sector and new jobs in the energy sector would both underpin and support our Clean Growth Ambition.

Themes

2.4 Working with partners we have identified four themes which will be central to delivering our objectives and targets. We set out the challenges and opportunities ahead and the actions we are going to take for each of these themes:

- Clean economic growth;
- Housing growth and commercial site infrastructure;
- Secure, local, affordable, low-carbon consumption;
- Clean transport networks.

2.5 Sections 4 to 7 explore each of these themes in more detail and sets out the challenges and opportunities ahead and the collective actions we are going to take.

3 Context

3.1 This section sets out:

- The global energy and wider policy context within which this Energy Strategy sits;
- Key relevant trends in local energy networks;
- The broader technological trends that will influence delivery of the strategy.

Global Energy Context

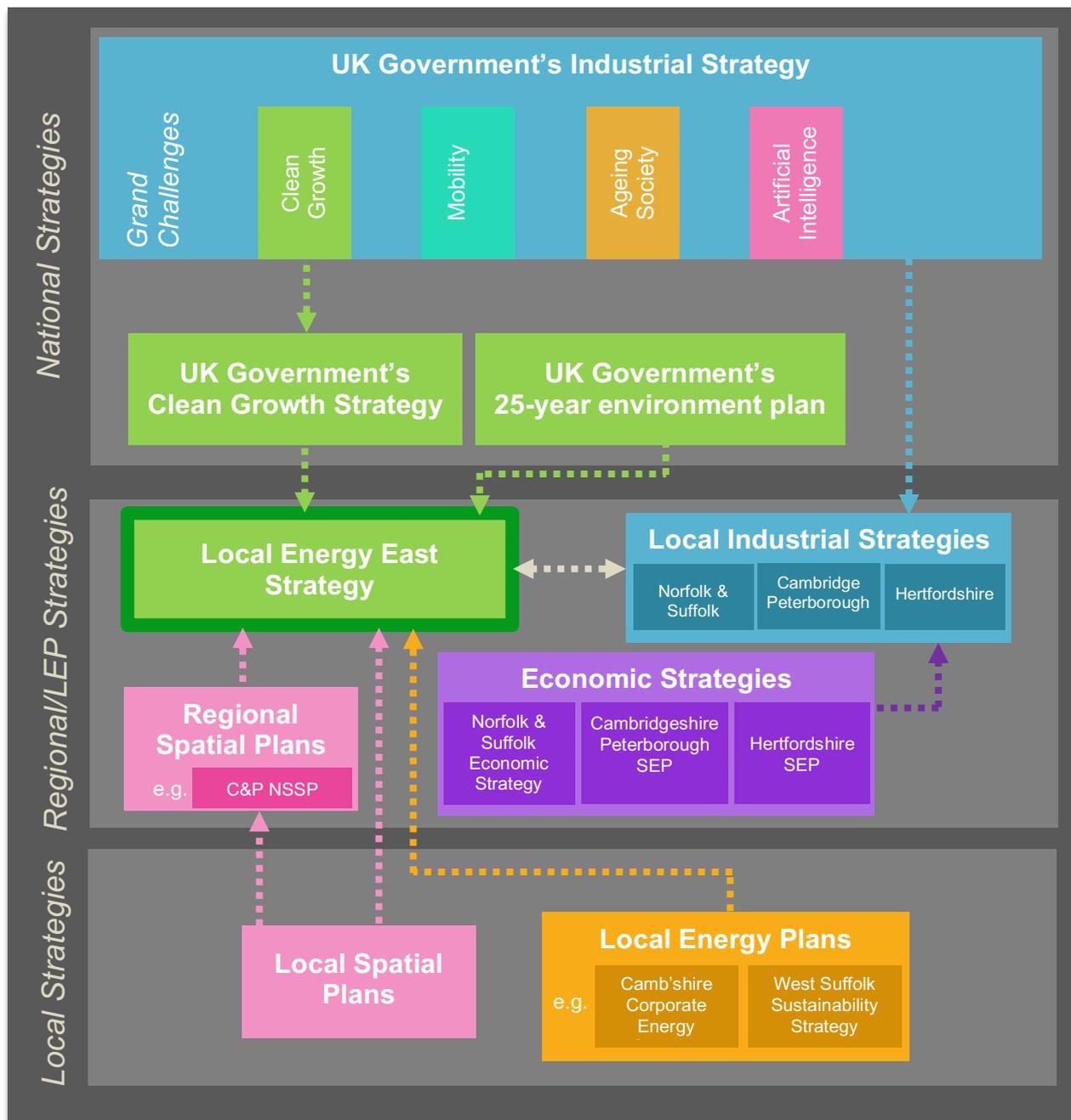
3.2 There are a few key factors which define current trends and shape future projections as the energy revolution gather pace. These include:

- Global energy demand is soaring due to the rapid growth and urbanisation in many parts of the world, particularly Asia;
- Renewable energy generation and capacity is increasing dramatically as the unit costs of generation for renewables falls with improvements in technology and scale of deployment, alongside state subsidies and support for the renewables sector;
- Improved battery technology offers the potential for increasingly distributed storage and generation, as well as better management of peak demand;
- The combination of small-scale renewable generation and improved battery technology offers the potential for distributed smart grids. This would improve the resilience of the network but would radically change the existing utility business model which is based on centralised generation and distribution;
- Perhaps the biggest change in the energy mix over the next few decades will come from the transition from petrol and diesel vehicles to electric vehicles (EVs). Significant growth in this sector is expected due to improvements in the underlying technology, the supporting infrastructure and due to government policy increasingly favouring EVs.

Policy Context

3.3 Our Energy Strategy complements and is consistent with wider policy. The diagram overleaf illustrates how our Energy Strategy sits alongside national and local strategies.

Figure 1. Policy context



The Industrial Strategy

3.4 The Government's Industrial Strategy, published in November 2017, sets out a national approach to growing and rebalancing the UK economy. The Industrial Strategy sets out five 'foundations' for growth:

- Ideas;
- People;
- Infrastructure;
- Business environment;
- Places.

3.5 The Industrial Strategy also sets out a series of ‘Grand Challenges’ for the UK economy which will enable and require it to ‘plan for a rapidly changing future, look to shape new markets and industries, and build the UK’s competitive advantage’. The Industrial Strategy includes several ways in which Government is seeking to support clean energy development, and its future role in our economy, including:

- Launching a new programme ‘Prospering from the energy revolution’ to develop world-leading local smart energy systems that deliver cheaper and cleaner energy across power, heating and transport, while creating high value jobs and export capabilities;
- Working with the energy sector to support rapid adoption of Artificial Intelligence technologies at scale to support and lead the fourth industrial revolution;
- Developing UK leadership in low carbon transport and investing in innovation to develop clean technologies across road, rail, aviation and maritime transport;
- Delivering affordable energy and keeping energy costs down for businesses through energy efficiency.

3.6 The clean growth grand challenge aims to ‘maximise the advantages to UK industry of the global shift to clean growth’. The Industrial Strategy envisions that ‘whole new industries will be created and existing industries transformed as we move towards a low carbon, more resource-efficient economy’. It sets out five initial priorities:

- Developing smart systems for cheap and clean energy across power, heating and transport;
- Transforming construction techniques to dramatically improve efficiency;
- Making our energy intensive industries competitive in the clean economy;
- Putting the UK at the forefront of the global move to high efficiency agriculture;
- Making the UK the global standard better for finance that supports clean growth.

The UK Clean Growth Strategy

3.7 Alongside the Industrial Strategy, BEIS have published a Clean Growth Strategy which commits to growing our national income while cutting greenhouse gas emissions and tackling air quality with two overarching objectives to:

- Meet domestic commitments (on Carbon dioxide (CO₂) emissions) at the lowest possible net cost to UK taxpayers, consumers and businesses;
- Maximise the social and economic benefits for the UK from this transition to a low carbon economy It will achieve this through driving the uptake of ultra-low emission vehicles including a rollout of electric vehicle (EV) charge points through a £1bn investment fund. A further £900m of public funds will be invested in smart systems for energy storage, demand response technologies, new nuclear and for reducing the cost of renewables.

3.8 The UK has demonstrated over the last thirty years that it is possible to drive growth while also significantly cutting the amount of Carbon dioxide (CO₂) emitted, in part by capitalising on the

growth of new energy industries. Hence the premise of the Clean Growth Strategy is that economic growth and cutting Carbon dioxide (CO₂) emissions are complementary objectives.

3.9 The key proposals of the Clean Growth Strategy are organised under the following headings:

- (1) Accelerating Clean Growth – becoming a world leading low carbon economy;
- (2) Improving Business and Industry Efficiency – reducing energy waste and improving efficiency through technological change;
- (3) Improving Our Homes – becoming our own mini power systems where we generate energy from micro-renewables, store energy via batteries, charge our electric cars and most importantly stop energy waste;
- (4) Accelerating the Shift to Low Carbon Transport – getting the EV infrastructure in place to support the electrification of transport;
- (5) Delivering Clean, Smart, Flexible Power – using technology to get energy where it is needed at any one time quickly and efficiently whilst minimising pollution;
- (6) Enhancing the Benefits and Value of Our Natural Resources – reducing air pollution and carbon emissions mitigates climate change;
- (7) Leading in the Public Sector;
- (8) Government Leadership in Driving Clean Growth.

The Local Energy East Strategy

3.10 The first two Clean Growth Strategy key proposals in 3.9 feed into our over-arching theme – Clean Economic Growth. The third relates to our theme of housing growth and commercial site infrastructure. The fourth directly maps onto our theme of transport electrification and hydrogen, while the fifth and sixth contribute towards our theme of secure, affordable, low-carbon consumption. The last two, on public sector leadership in the LEE area, define our approach. The creation of this strategy and its follow through, will be our way of leading in pursuing the clean growth agenda.

3.11 Our Local Energy Strategy is therefore very strongly aligned with the economic and emissions reductions aims and methods of both the Industrial Strategy and the Clean Growth Strategy.

3.12 As well as national level strategies, this strategy also supports the aims of the existing Strategic Economic Plans (SEPs) and Economic Strategies of the three LEPs and the future development of local industrial strategies in the year ahead. It also dovetails with local plans and the non-statutory spatial plan being developed by the Cambridgeshire and Peterborough Combined Authority.

Energy Networks: Challenges and Opportunities

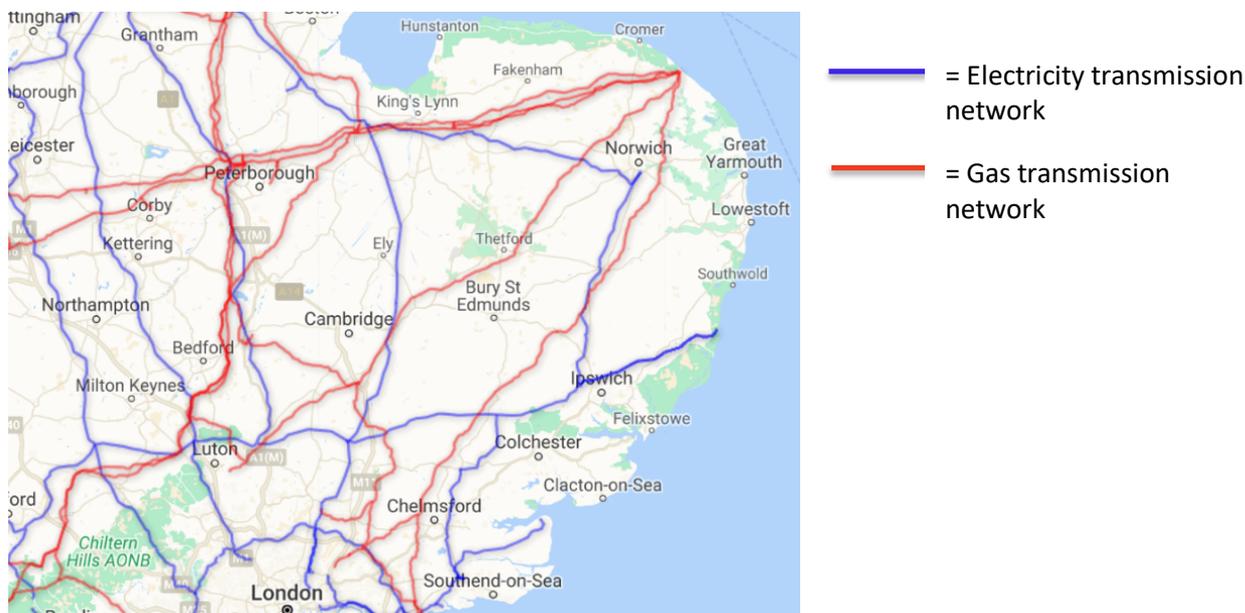
Regional Energy Networks position

3.13 The energy sector plays an important role in our economy. The East of England Energy Group (EEEGR) has estimated that 7,700 people are employed in the energy sector across the East of

England generating gross value added (GVA) of nearly £1bn. The sector is also one of the LEE area's most productive, with GVA per job of £129,000.

- 3.14 Figure 2 sets out the key electricity and gas transmission networks in our region. UK Power Networks (UKPN) are the DNO (Distribution Network Operator) for the Eastern Power Network (EPN) Region. The role of DNO is to take the energy from the **transmission network** (the network operated by the National Grid which receives energy from power stations operated by Utility companies) and distribute it (via the **distribution network**) to homes, offices and retail premises. This is done via substations, which 'step down' the voltage of the power being transmitted.

Figure 2. Electricity and gas transmission networks in our region



Source: Energy data-mapping portal.

Energy challenges to accommodate

- 3.15 Peak demand for electricity nationally is expected to increase from 60GW currently to 85GW in 2050. Current peak demand in the LEE area is 6.4GW. If our area sees similar increases to those projected nationally this would imply energy demand of approximately 9.1GW by 2050. Emerging challenges flagged by UKPN in its Long Term Development Statement for the Eastern Power Networks (EPN) region (which covers our area and beyond into Essex, Bedford, Buckinghamshire, and North London) include the loss of night-time electrical load from the increasing penetration of gas heating systems (though this may change due to the anticipated electrification of heat) increasing summer load from air conditioning and cooling equipment and the growth in demand from electric vehicle (EV) charging.
- 3.16 A need for increased efficiency of electricity usage is driving an increase in 'flexibility services' whereby electricity supply becomes more responsive to local demand. Therefore, the responsibility is changing from one of overseeing the local distribution to one of managing an intelligent, multi-input, local energy system. This means much closer matching of supply and demand will take place locally independent of the transmission network.
- 3.17 The long-term plan set out by the government is to transform DNOs into DSOs (Distribution System Operators) by 2030. This will reflect the changing nature of energy distribution driven by decentralised energy policy and more local businesses, communities and individuals becoming

‘prosumers’ – both producers and consumers of electricity. There is evidence of this change already taking place as the market share of smaller suppliers grows and the dominance of larger ones diminishes.

3.18 Nonetheless, there are currently some significant bottlenecks in connecting new electricity generation and demands onto the distribution network in parts of the LEE area. Section 5 sets out how these are currently constraining some of our biggest residential and commercial sites. Without further intervention, sustainable growth will be curtailed which could impact on the ambition of our growing economy.

3.19 Cadent are the gas distributor for the region. The National Grid has produced projections which suggest that gas demand will fall significantly over the coming decade as it becomes more expensive and more environmentally-friendly means of heating become available. However, there is a lot of legacy infrastructure for gas, from the distribution network through to individual homes and commercial premises, which means that there are reasons to doubt whether gas demand will drop off as quickly as currently envisaged by some projections. The speed of this transition will depend on movement towards a decentralised energy system where people may be able to subsidise the cost of their electric heating by generating their own energy (see point 3.14).

The clean energy opportunity

3.20 The UK is one of the leading countries in the world in the field of clean energy. The UK has the largest installed capacity of offshore wind. Across the UK as a whole, the use of solar energy is increasing. Solar generation capacity in the UK increased from less than 1 MW in 2010 to 12.3 GW in 2017, equivalent to ten Sizewell B nuclear power stations.

3.21 The East of England is one of the leading areas of the UK in the generation of renewable energy. Figure 3 below, shows that the East of England is in the top three leading regions for installed capacity, electricity generated and the number of renewable energy sites.

Figure 3. Renewable energy generation, leading regions in England 2016

Rank	Number of sites		Installed capacity MWe		Generation GWh all sources	
1	South West	113,166	Yorkshire & Humber	3,880.6	Yorkshire & Humber	19,315.3
2	South East	102,369	East of England	3,743.8	East of England	8,156.9
3	East of England	97,258	South East	3,536.7	South East	7,450.2

Source: Department of Business, Energy and Industrial Strategy.

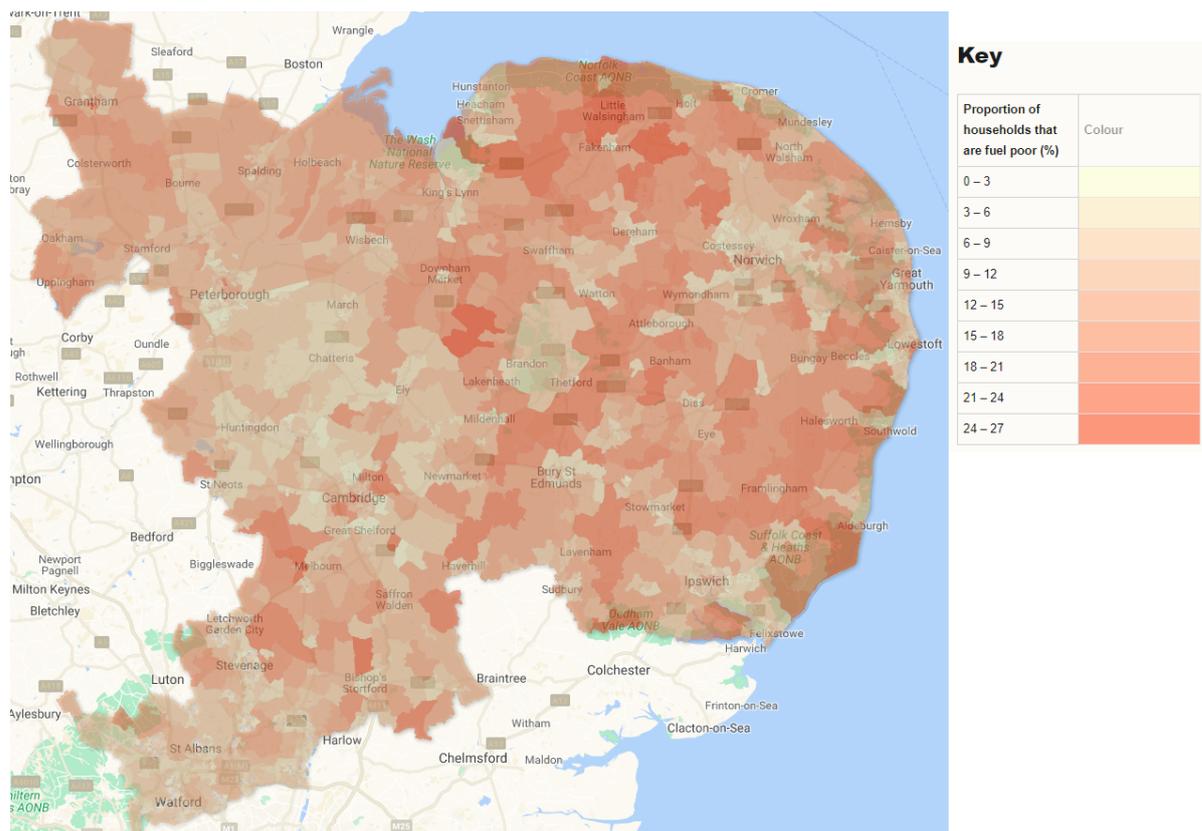
3.22 Offshore wind along the coast is a particular strength, where there are already three large windfarms and planned development of at least another ten. E.On, Statoil and SSE operate existing windfarms with new wind farms being developed by companies such as Scottish Power and Vattenfall. There will be large increases in energy generation in the LEE area as multiple offshore wind power developments come online.

- 3.23 Alongside the strength in renewables, the proposed development of Sizewell C nuclear power station is expected to create 25,000 jobs and further opportunities in the decommissioning of existing nuclear power facilities (as well as offshore installations).
- 3.24 As well as the clean energy opportunity, the Southern North Sea is one of the first regions to undertake large scale oil and gas rig decommissioning and there is real potential to create specialist skills (e.g. well-plugging and abandonment) which could be exported globally.

Fuel poverty

- 3.25 Fuel poverty is below the national average across the East of England. This is defined as the percentage of households with required fuel for heating costs above national average and who would be left with an income that puts them below the official poverty line were they to spend that amount on heating.

Figure 4. Fuel poverty (% of households that are fuel poor)



- 3.26 The fuel poverty average for the East of England region is 7.8% compared to a UK figure of 11.4%. However, the total average obscures the fact that in some areas fuel poverty is much higher, reaching a quarter of households in some parts of North and West Norfolk. To an extent, this is correlated with provision of gas, those areas where fewer people have access to the gas network end up paying more for oil or existing electricity-based heating systems. Across the LEE area, 12% of households have no access to the gas network.
- 3.27 Another challenge is that the East of England has higher Carbon dioxide (CO₂) emissions than the UK average. This is due in part to higher levels of energy use in transportation which is 20% more per person than the national average.
- 3.28 The current network and existing non-renewable sources of energy will remain an important part of the energy mix for some time. Nonetheless, the energy sector is undergoing extensive change. This

creates a range of economic opportunities to improve our resilience and energy affordability whilst reducing Carbon dioxide (CO₂) emissions. The next sections describe how we intend to address these challenges and opportunities.

4 Clean economic growth

- 4.1 The UK Clean Growth Strategy provides a framework for growing our economy and productivity whilst at the same time cutting Carbon dioxide (CO₂) emissions. The Government estimates that the UK low carbon economy could grow by an estimated 11 per cent per year between 2015 and 2030 – four times faster than the rest of the economy - and could deliver between £60 billion and £170 billion of export sales of goods and services by 2030.
- 4.2 Given the ambitious nature of our Strategic Economic Plans and Economic Strategies, as well as our existing strengths in the energy sector, we propose to build on our existing strengths through the following:
- Generating clean growth and innovation;
 - Building local energy skills;
 - Supporting diffusion of innovation into other sectors.

Generating clean growth and innovation

- 4.3 To ensure the sustainability of jobs and business in the energy sector and to continue to support reduced emissions, the LEE area needs to continue to invest in renewable energy and storage technologies, their development and installation. Renewable energy production has increased significantly over the past decade and a number of important projects will come online over the period to 2030. However, the LEE area needs to build on its strengths, to create jobs and new businesses locally and build a vibrant local energy economy/market.
- 4.4 Our area is recognised as a leader in this sector. For example, the New Anglia LEP area was selected by government as their Green Economy Pathfinder in 2012 to further develop its low carbon sector economy and develop local energy networks.
- 4.5 Two of the biggest energy business networks are based locally: EEEGr (the East of England Energy Group) is headquartered in Great Yarmouth and Orbis Energy (a hub for offshore wind energy businesses) is in Lowestoft. In Cambridgeshire the Future Business Centre (FBC), an innovation hub for low carbon business start-ups, builds on the strong clean tech and IT clusters and is networked closely with spin outs from the University of Cambridge and Anglia Ruskin University. The FBC is home to Cambridge Cleantech, the Low Carbon and Environmental Goods and Services (LCEGS) membership organisation for the East of England and internationally. The new Enterprise Zone for Enviro-Tech in Hertfordshire aims to provide infrastructure linking green research, science, engineering and technology enterprises and assists the growth of new businesses associated with green enterprise. Furthermore, the region's universities, including the University of Cambridge, Anglia Ruskin and the UEA, are leading centres for research and innovation.
- 4.6 Capital investment in clean energy worth £50 billion is planned for the region by 2020 including: The world's largest windfarm in development off the coast; the proposed development of Sizewell C nuclear power station creating 25,000 jobs and opportunities in the decommissioning of existing nuclear power facilities and offshore installations. The East Coast College Energy Skills & Engineering Centre, The Engineering & Innovation Centre at West Suffolk College and a graduate

energy engineering school at the University of East Anglia, will provide local people with routes to be involved and benefit as this cluster expands. The ambitious proposal to develop an Eastern Institute of Technology (EIoT) builds on these strong foundations and will assist in creating a skills pipeline for technical careers through the offer of attractive and aspirational career pathways. It is led by a very close collaboration of education organisations and employers from across the East and is an innovative solution to ensure our businesses have the highly skilled technical workforce they need for growth in the future.

- 4.7 Hertfordshire is home to the world’s largest independent renewable energy company with a project portfolio exceeding 13 Gigawatts and the expertise to develop, engineer, construct, finance and operate projects around the globe. RES (Renewable Energy Systems) is active in a range of technologies including onshore and offshore, solar, energy storage and transmission and distribution. Connecting these international players with emerging skills delivery and new business is mission critical.
- 4.8 Similarly, the Cambridge Norwich Tech Corridor growth opportunity offers potential for the growth of clean tech enterprises. The aims of this initiative are to: “support regional supply chains and technology convergence, drive up productivity and support clean growth across a range of sectors”¹
- 4.9 Despite these strengths, our energy economy also faces important challenges. Currently our coastal areas are not well served by rail or road links. This has an impact on commuting accessibility and supply chains. There are significant skills barriers that impact the ability of local people to access employment opportunities in the sector, particularly in rural and coastal regions (see below).
- 4.10 To meet these challenges and opportunities we will:
- Build on our existing centres of excellence and develop new ones that support sectoral growth. We will work with BEIS to develop a renewable energy office based in the LEE area;
 - Build on existing supply chain initiatives such as SCORE (Supply Chain Innovation for Offshore Renewable Energy) in order to promote opportunities for SMEs in the renewables sector;
 - Support sector funding through initiatives like the University of East Anglia’s Low Carbon Innovation Fund (LCIF);
 - Support networking across the sector through initiatives like Cambridge Cleantech and existing networks like Orbis Energy and EEEGr;
 - Invest in infrastructure needed to support the energy sector. This includes working with Highways England and local planning authorities to develop key transport links. For example, dualling of the A47 and A12 (already being developed via the Suffolk Energy Gateway project) to bring coastal energy centres into closer proximity with other major towns in the region.

¹ Cambridge-Norwich Tech Corridor Draft Strategy

Case Study: Energy storage at Hemsby

When it comes to innovation in the energy sector, we are a leading region of the UK. The first trial of renewable energy storage for distribution in the UK took place at Hemsby, near Great Yarmouth, starting in 2010. This explored how electricity could be stored to overcome the challenge of intermittent power production from renewable sources. It was designed to show the extent to which, when power generation exceeded demand, the energy could be stored. This trial demonstrated that energy storage is a technically viable smart solution that can operate autonomously.

Case Study: Renewable energy investment in West Suffolk

Toggam Solar farm near Lakenheath in West Suffolk is an example of how the public sector can invest in energy generation to create income to help fund essential council services and become a leader in carbon reduction.

As part of its renewable energy investment programme, Forest Heath District Council acquired the 12.4 MWp site in July 2016, at the time the largest district council-owned solar installation in the country. The purchase was made using capital in line with the council's capital programme.

Under local government finance rules, councils are not allowed to use capital to plug annual funding gaps as eventually the money will recede. Instead, councils can use the money to create a revenue stream which is invested straight back into local service delivery. Renewable energy generation gives the council a stable, long term investment return as well as making a significant contribution to the organisation's environmental commitments.

The site generates around 12,000 MWh of electricity annually bringing in £1.2 million of income. After taking into account the capital outlay, this delivers a net income of £308,000 to fund local services.

Along with its other assets, Forest Heath are able to offset around 4,900 tonnes of Carbon dioxide (CO₂) and providing enough power to run 3,500 homes. As a result, and with work to improve its own energy efficiency, Forest Heath District Council is now a carbon neutral organisation.

Creating jobs in the energy sector

- 4.11 The energy sector employs thousands of people in the region. As well as the renewables sector, the LEE area benefits from the nuclear industry at Sizewell C and potential for new gas extraction, together with long term decommissioning opportunities that create significant employment opportunities. The Building Research Establishment (BRE) is located in Hertfordshire and is a world

leading, multi-disciplinary, building science centre with a mission to improve buildings and infrastructure through research and knowledge generation.

- 4.12 It is essential that jobs growth in the future benefits our residents and our local places. In particular, many of our coastal towns have relatively high levels of deprivation and low skills. There is a disconnect between the high-quality jobs in engineering and manufacturing offered by the energy sector and the low-quality, often seasonal, employment that characterises many coastal areas.
- 4.13 Skills are a significant limitation for more people getting into the energy industry. For example, in 2015, 16.9% of Great Yarmouth residents had an NVQ Level 4 or higher, this compares with 33.3% for the East of England, and 36.8% for England. So, we will act to further link skills provision to business needs and to help local people better understand the opportunities that exist and access the skills needed.
- 4.14 The Hertfordshire Green Triangle is a green growth partnership between the Building Research Establishment, Rothamsted Research, The University of Hertfordshire, St Albans City and District Council and Oaklands College. The Hertfordshire Green Triangle presents a collaborative approach to raising the profile of green and environmental sectors within the county. Now in its third year the organisation strives to attract and retain skills and talent in this sector, assist the growth of green enterprise and provide infrastructure linking green research, science, engineering and technology enterprises.
- 4.15 The New Anglia Energy Sector Skills Strategy has identified a number of skills challenges in the existing energy economy:
- Across the sector, employers highlighted the growing importance of aligning advanced manufacturing and engineering with energy in the context of Industry 4.0², particularly on the back of the increasing use of digital and cloud-based technologies;
 - The workforce demands for the offshore wind industry are project cycle based from the planning, consultation stages through to new build, operations and maintenance. Key skills needs include project management skills linked to heavily oriented project-based work methods. The civil infrastructure investment stages require a mixture of key roles and trade-based skills from across construction and civil engineering, including digging, cabling/piping and onshore new build for power transmission;
 - Biomass installation usually requires a combination of gas accredited qualifications, combined with working within a 'wet' environment. HETAS (Heating Equipment Testing and Approval Scheme) provide a direct entry (with NVQ L2/3 pre-requisites) programme for biomass installation, with training available from its approved training centre in Sudbury, Suffolk;
 - NICEIC (National Inspection Council for Electrical Installation Contracting) approved short courses are the standard training route way for solar PV installation and maintenance, solar thermal and heat pump installation/maintenance activity. The training is delivered nationwide and there is a need for greater training opportunities in the LEE area;

² Industry 4.0 is a name for the current trend of automation and data exchange in manufacturing technologies. It includes cyber-physical systems, the Internet of things, cloud computing and cognitive computing. Industry 4.0 is commonly referred to as the fourth industrial revolution.

-
- Our area is home for large numbers of domestic renewable energy consulting businesses such as for air and ground source heating and solar installations. The workforce operating is locally sourced and is often sourced from a customer service background, up to a graduate level. There are however no specific courses available linked to the domestic energy market.
 - The nuclear industry has highlighted challenges in terms of skills supply including:
 - Control and instrument engineers;
 - Specialist safety engineers;
 - Commissioning engineers;
 - Electrical engineers;
 - Project and planning control.

Strategic leadership

4.16 The Local Energy East Strategy organisations will:

- Work with education providers and industry to mobilise industry leadership to advocate for more apprenticeships in the energy sector, particularly higher-level apprenticeships. Work with local training centres to ensure local provision of relevant skills;
- Work with schools, colleges, university and businesses to ensure that a clear pathway into the offshore energy sector is defined as the government rolls out the new T-levels. We will work to address the ‘fragility’ of skills supply;
- Develop in partnership with industry and education providers a higher technical engineering offer;
- Support ‘intra-industry’ and ‘inter-sector’ workforce transferability;
- Ensure that this agenda is reflected in the priorities of the new Skills Advisory Panels.

Case Study: SmartLIFE Construction Centres

Cambridge Regional College is home to the UK’s two leading SmartLIFE Construction Centres, used to teach the latest sustainable construction methods and renewable energy techniques.

Students learn the expertise needed for building low carbon homes and installing renewable energy systems, opening up jobs in the renewable energy and sustainable construction sectors.

Cambridgeshire Regional College also supports existing businesses looking to adapt to a low carbon economy and teach the workforce skills needed for building low carbon homes and installing renewable energy solutions. Specialist classrooms are used to teach the installation of photo-voltaic, advanced gas and solar energy systems.

Diffusion of energy innovation into other sectors

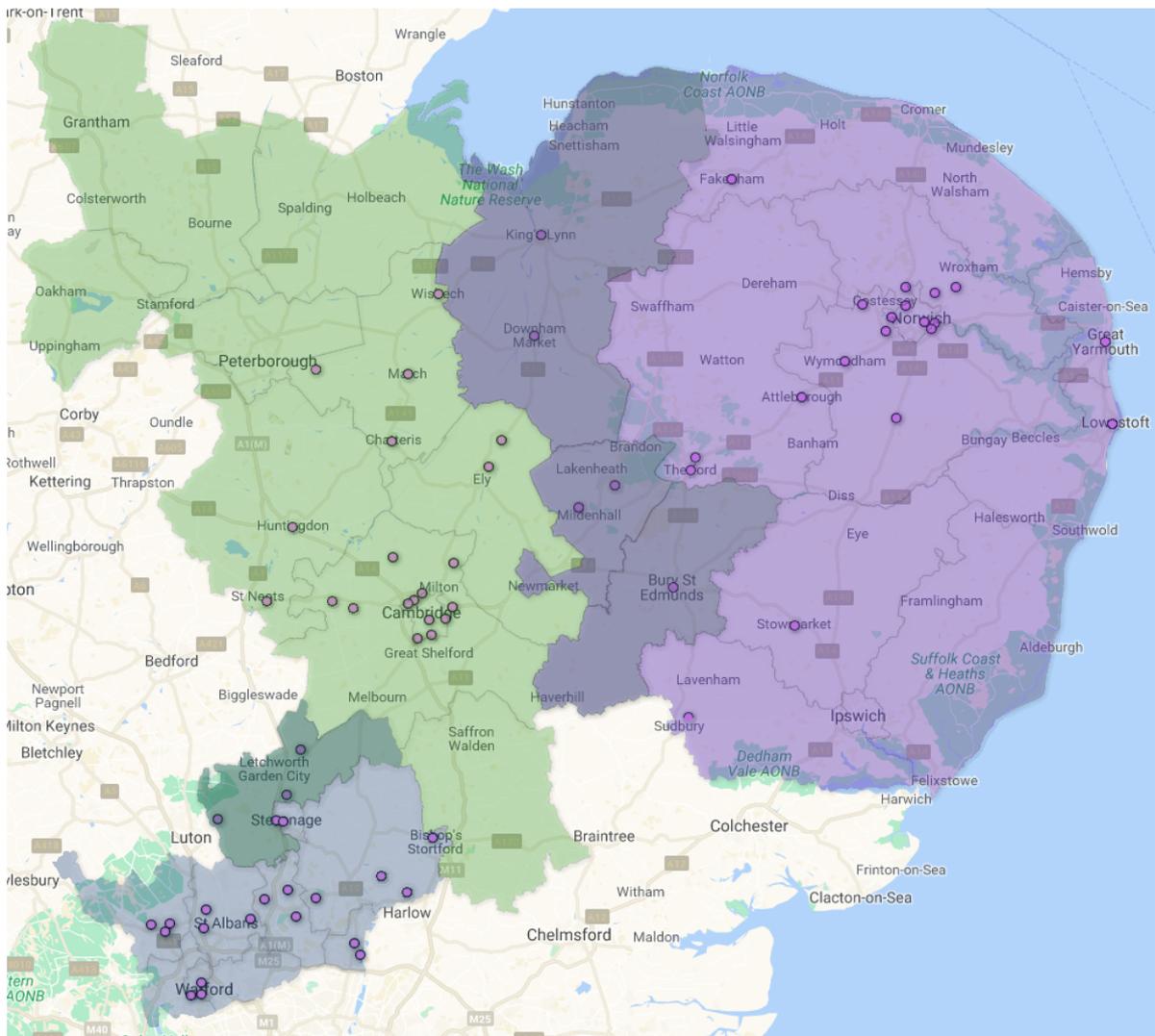
4.17 As innovation continues apace, we will examine how these benefits can be felt across other sectors. This reflects the aims of the Clean Growth Strategy. Particular areas where we will support further activity include:

- *Construction and Energy:* The design, materials and construction methods employed for domestic and office buildings has a significant impact on their energy efficiency. BRE, one of the constituent members of Hertfordshire's Green Triangle are looking into how building design can lead to better environmental outcomes. New construction methods, including off-site manufacturing, can increase productivity as well as reduce environmental / energy impact;
- *Agriculture and Energy:* AgriTech is a particular area of expertise for the East of England and a very high quantity of land is given over to agriculture. Rothamsted Research, Hertfordshire-based agricultural experts are already exploring how farming can be made environmentally friendly. We will engage farmers to trial new technologies as they develop including through our Food Enterprise Zones. We will explore the potential for agri-fuel sources that complement our AgriTech and agricultural strengths;
- *Data Science and Energy:* Data science, a speciality of the region and in particular Cambridge University, is extremely data consumptive. For this growth industry to flourish, we will need to find solutions that ensure both sufficient energy capacity and limit environmental impact;
- *Advanced Manufacturing and Energy:* Our advanced manufacturing industries, including the high-level engineering at Peterborough, comprising manufacturing in Huntingdon and TMI in Cambridge, are second to none. This industry can contribute to the development of new energy generation technology as well as transforming other products (e.g. vehicles) to become more efficient. This includes Blue Economy and Marine subsector;
- *Developing Linkages Between Regional Centres of Excellence:* Cambridge University, University of East Anglia and the Building Research Establishment work to develop the region's reputation as a centre for research, innovation and commercial development.

5 Housing growth and commercial site infrastructure

5.1 Our population is projected to grow from 3.9 million to 4.3 million by 2030. Our industries require high quality, cost-effective commercial sites to be internationally competitive. Providing an effective energy system is vital to enable housing growth and commercial land supply in our region. This section explains how we will ensure that our energy system can support our growth ambitions.

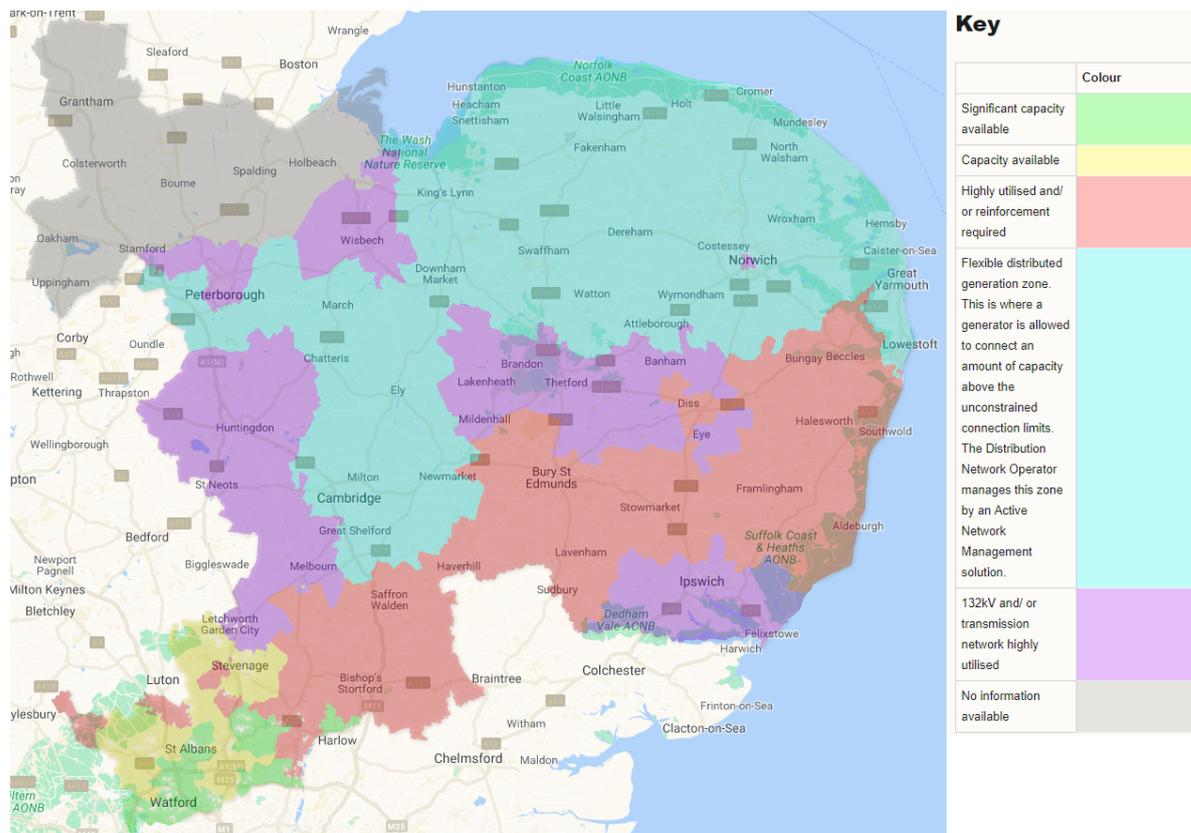
Figure 5. Major housing sites



KEY

- Purple dots denote major housing developments in the planning system.
- The shaded colour areas denote Local Enterprise Partnership (LEP) areas and areas shared by LEPs.
 - Light Purple – New Anglia LEP only.
 - Dark Purple – New Anglia LEP, and Cambridgeshire and Peterborough LEP shared area.
 - Green – Cambridgeshire and Peterborough LEP area only.
 - Dark Green – Cambridgeshire and Peterborough LEP and Hertfordshire LEP shared area.
 - Light Grey – Hertfordshire LEP only.

Figure 6. Capacity availability and constraints



5.2 Specific examples of projects that are being put at risk as a result of energy infrastructure challenges include the following:

North West Cambridge and West Cambridge developments

5.3 The North West Cambridge project is the University of Cambridge’s flagship mixed-use development comprising housing, academic and commercial research space. In response to planning requirements the scheme will be an exemplar of sustainable living. However, as a result of lack of grid capacity, the University has faced some restrictions on the use of photovoltaic panels and may not be able to switch on its Combined Heat and Power unit until additional capacity within the grid can be supplied.

The Southern Cluster, Cambridge employment site

5.4 The Southern Fringe is the focus for growth in biomedical and high technology research, and includes development at Addenbrooke’s Hospital, the Cambridge Biomedical Campus and other research parks in South Cambridgeshire (e.g. Spicers, Babraham Research Institute, Granta Park and the Genome Centre) and development at Marshalls (residential development).

5.5 To support the expansion plans within the Cluster over the period up to 2027 requires an additional 89 MVA (Mega Volt Amps) against 2 MVA of spare capacity available currently at the substation serving the Southern Cluster area. Work is underway to bring forward the grid infrastructure reinforcement needed to the Fulbourn grid to increase supply capacity. This supply capacity is not guaranteed for individual organisations but available on a first come, first served basis.

5.6 It is anticipated that the upgrade of the Fulbourn Grid will take three years to design and deliver. There will still be a need to carry out additional works to link new developments to the Fulbourn

Grid, and the design of these works will only take place once applications to connect have been submitted by individual developments. All of this adds additional time, costs and risk to this strategically important development and harms the competitiveness of our region.

The Greater Norwich Partnership

- 5.7 The Greater Norwich Partnership of Broadland, Norwich City, and South Norfolk Councils, representing 400,000 residents, plans, plan to build over 30,000 new homes in the next 13 years and is implementing a network of electric vehicle charging points. Commercial growth is already limited by a lack of energy capacity at key employment sites (including Norwich Research Park, Broadland Northway and Hethel Technology Park) whilst . the existing power distribution network does not align well with areas of growth within the partnership area. There is clearly a need to map anticipated power requirements and develop a plan to ensure capacity is available. This plan needs to both integrate and balance the power requirements of each member of the partnership. It's an opportunity to base a future on innovative solutions and sustainably sourced renewable energy generated locally and to minimise overall energy requirements.

Capacity mapping of sites not deemed to be under stress

- 5.8 Some areas, such as parts of Hertfordshire, have been assessed as having sufficient grid capacity. This however doesn't necessarily mean that multi-thousand new development sites such as those in Gilston, Brookfield Farm in Broxbourne, Welwyn Garden City and Bishops Stortford will necessarily be unrestricted when connecting to the grid when they are developed. One key priority of this strategy is to not only deal with current issues but strategically understand and plan for emerging and known future grid constraints. By taking this approach, new domestic and commercial developments should not be hindered by the grid status at the time they wish to connect.

Decommissioned military bases

- 5.9 There are now many disused military bases across the LEE area, particularly old air bases. These are ideal locations for development as they do not require construction on greenfield sites and already have much of the existing infrastructure required. Local authorities are developing these in some areas, such as at Coltishall, where Norfolk County Council has set up the Scottow Enterprise Park, which contains one of the largest solar farms in the UK. The solar farm is providing rental income to Norfolk County Council.
- 5.10 However, the energy capacity requirements of new housing and commercial developments tend to exceed what was needed previously and therefore to achieve their potential extra capacity must be installed. As the case studies demonstrate, this has often proven to be a time consuming and difficult affair.
- 5.11 Allowing long periods of time to elapse before sufficient capacity can be provided at these sites is not an acceptable outcome as they provide much needed rural jobs and business locations. Jobs and businesses tailored specifically to rural areas are essential in ensuring that rural areas retain and attract young business people. This will help to address a typical migratory pattern of young people moving to urban areas and big cities. The common challenge with all sites discussed is the provision of adequate energy capacity in order to fuel the potential economic development of the site. The. The opportunity presented is to develop increased grid capacity and/or renewable-based solutions.

- 5.12 We will discuss with UK Power Networks what a ‘standard approach’ to decommissioned military base redeployment would look like, creating a framework that will allow issues to be navigated quickly. By rolling out a similar approach across sites, we will bring benefits of infrastructure scale, procurement and connectivity. In doing this we will draw upon the expertise of those involved in the negotiations around the current sites and investigate to what extent onsite generation could meet capacity shortfalls.

Case Study: Bentwaters

Bentwaters is an ex-RAF/USAF base located just to the east of Woodbridge in Suffolk. The base was closed by the MoD in 1993. It was then purchased primarily by two landowners with the intention of developing the site as a diverse business location. The site went through many years of challenging planning scenarios to develop its current diverse business basis.

Central to this development was the development of a source of renewable energy on site. Given the agricultural nature of the surrounding area, the use of anaerobic digestion was chosen and after a protracted period of feasibility and planning a plant was established.

The location has also become attractive to companies that are active in the low carbon sector such as a local energy company specialising in the provision of renewables, plus many other companies in a diverse range of sectors. Current plans for the further development of ‘Bentwaters Parks’ are ambitious and consistent with local growth plans but will require further energy capacity.

Improving collection and dissemination of information by UKPN

- 5.13 We have a strong partnership with UKPN and stakeholders have been at pains to recognise that UKPN is responsive to information requests. Nonetheless, there are fundamental challenges associated with getting information that supports our development ambitions and those of private sector developers.
- 5.14 Currently, UKPN often either lacks information about energy capacity or is only able to share the information it has with local authorities and developers on a reactive or piecemeal basis. This is partly because UKPN itself is restricted in its ability to reinforce grid connections until planning permission is agreed.
- 5.15 Without the information on energy infrastructure, planners and developers cannot be certain if the development plans are feasible. This can cause delays, cost increases, and ultimately creates excessive risk which in some instances cause developments not to proceed. Even when information is provided, it is often late on in the planning process and often only covers the site in question and not surrounding areas, which might also be affected if development goes forward.
- 5.16 As noted in the case study below, some DNOs in other parts of the country have established stronger data-gathering infrastructure and more proactive measures of information sharing.

Ultimately though, it is important to remember that DNOs are regulated entities and that national regulations must support the local planning system.

Strategic leadership

5.17 Three actions are proposed:

- We will work with UKPN to consider how best to increase available information and ensure that this is available in real time as much as possible;
- We will work with UKPN and National Grid to consider how the current regulatory system can be improved in order that necessary information is available on-demand;
- Further to the above, we will look to integrate an improved information source with our on-line energy data-mapping portal to ensure that our partners have access to this information to support growth.

Case Study: Differences of approach between UK DNOs

Different Distribution Network Operators (DNOs) around the country provide differing levels of information. Some examples of this include:

- UK Power Networks (UKPN) provide an interactive map and RAG rating for substations (not sites) and focus on the potential for connecting distributed generation;
- Western Power Distribution (WPD) have invested in deploying large numbers of sensors around the network and thereby have a better idea of what kind of headroom is available on individual substations for both demand and generation. They offer an interactive map which has a figure for headroom as well as a RAG rating for different areas;
- Northern Powergrid (NP), Scottish and Southern Electricity Power Distribution (SSEPD) and Scottish Power Energy Networks (SPEN) provide an interactive map showing details on the current performance of substations and a RAG rating for potential future connections;
- All of the above provide details for what the technical reason for any constraint is e.g. fault level or thermal;
- Electricity Northwest offer downloadable PDFs giving RAG ratings for connecting generators of 10 MW or above at 33 kV and High Voltage (HV).

These are good examples of investment and more proactive provision of information by DNOs. We will encourage this in our region and work with government to build upon this through supportive regulation.

Investing in upstream reinforcements in the grid

5.18 Where the grid is insufficient to support proposed levels of development, this can create major problems. Sites are not always adjacent to the distribution network, and DNOs are not allowed to invest in network upgrades (i.e. super-grid transformers) without an outline planning permission or

the costs of the upgrades picked up by an external funder. This is to prevent costs of stranded assets being picked up by bill payers.

- 5.19 The result is that unless developers are prepared to take the cost and risk in paying for the whole upgrade up-front (including those elements which don't directly benefit their site), development projects will stall. Whilst local government and LEPs can choose to foot the bill (and seek to recoup the costs over ten years from developers), this simply transfers risk and cost to the public sector and is often simply not practical.
- 5.20 In some areas covered by the strategy, such as Norfolk, on the one hand housing and employment growth is constrained by limited grid capacity, while on the other, nationally significant offshore energy projects are being developed to supply renewable and low carbon energy direct to the national grid. At present local communities do not directly benefit from the energy generated by these schemes, or indeed benefit from connecting to these enhanced grid connections via local energy schemes. Therefore, opportunities should be explored with relevant public and private sector partners to facilitate secondary interconnection between the Offshore Transmission Operator (OFTO) and local distribution networks as an innovative means of overcoming capacity constraints and enabling growth. In addition, opportunities should be explored for local economic benefits to be maximised from these nationally significant projects through provision of high quality jobs, supply chain opportunities, longer term jobs related to operations and maintenance and the creation of apprenticeships and training opportunities working with local schools and colleges.

Strategic leadership

- 5.21 To address the aforementioned challenges, we will do the following:
- Work with UKPN and the National Grid to consider how the current regulatory system can be improved in order that DNOs are able to provide necessary infrastructure investment up-front and make representations on this to Government;
 - Make use of national funds to address site-based infrastructure issues. In particular, we will support and lead on Housing Infrastructure Fund (HIF) bids that deliver energy infrastructure to support site development;
 - Work across the LEPs and local planning authorities to consider how a dedicated revolving fund can be used to address these and other site-based issues that prevent or slow development.

Case Study: Ebbsfleet Development Corporation

The Ebbsfleet Development Corporation (EDC) has worked with UKPN to purchase the design and build of two substations and associated cabling that will provide network capacity to support the development of Ebbsfleet Garden City, a new settlement of 15,000 homes and up to 30,000 new jobs.

Ebbsfleet Development Corporation will become owners of the energy infrastructure when it is built. This allows UKPN to charge for the grid connections and repay Ebbsfleet Development Corporation. Over time, the investment and a small profit to pay for administration will be paid

back. As the EDC is able to take a long view on financial returns, they have been able to get the infrastructure in place for new development without delay.

Whilst the development corporation model may not be suitable for the LEE area (though it may be for some sites), the ability to take a long view on investment and returns is essential to addressing the infrastructure barriers to development.

Case Studies: Achieving an increase in energy capacity

Thetford Northern Sustainable Urban Extension

A planned new development north of Thetford, to include 5,000 new homes, three new primary schools and developments of local transport systems, has required the upfront reinforcement of power supplies to progress. A bid for funding from the Housing Infrastructure Fund (HIF) has secured £9.9 million to provide this and bring a supply of potable water to the development.

Given the Government's enthusiasm for homebuilding at present, bids such as these, which show a credible ambition to develop large areas of housing, may be able to attract funding in further HIF funding rounds, particularly if they include smarter means for generating and distributing energy.

Snetterton Heath

Snetterton is a partly developed ex wartime air base situated close to the A11 on the Norwich to Cambridge Corridor. Businesses located on the site, landowners, the district council and UKPN have been engaged in years of negotiation to fully develop the site and to overcome the main obstacle to development – a lack of energy capacity.

Despite the location of a biomass energy plant on the site the energy capacity has not been provided to fully develop the business potential of the location. Protracted negotiation has been hampered by multiple land ownership issues, the need for a strategic lead body, lack of finance and a lack of strategic agreement on the sites development across the main partners. Current actions, including £2.65 million of Growth Deal funding from New Anglia LEP, lend weight to optimism that the site will now be fully developed but there are clearly lessons to be learnt from years of protracted negotiation at this site.

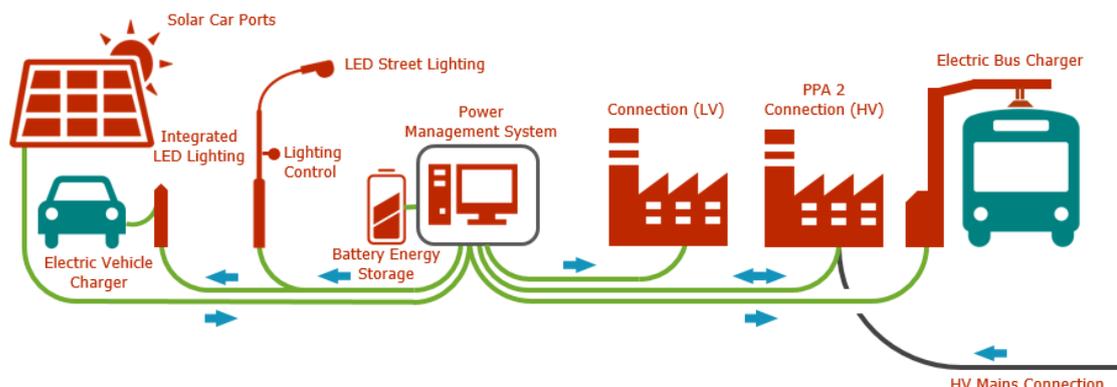
Decentralising the energy network

- 5.22 As well as seeking to make the current energy provision mechanism work as best we can, we should be seeking to take advantage of new decentralised methods of distributing energy. Not only will this enhance the sustainability and resilience of the network, it will also incentivise the development of small-scale renewable projects in the knowledge that these will have a ready market for surplus energy.
- 5.23 Large parts of Norfolk and Cambridgeshire and Peterborough are part of 'flexible distributed generation zones' in which UKPN offers Active Network Management services. These allow the connection of additional generation to the distribution grid where ordinarily this would not be

possible. This is backed by an innovative commercial arrangement wherein UKPN can require generators to curtail their output on the few days a year it would cause network issues and considerably reduces the cost and time to set up a new connection. UKPN has indicated that it will roll this practice out to the rest of its region over time which will create opportunities for further connecting in small-scale generation.

5.24 The diagram below illustrates how decentralised energy networks can operate.

Figure 7. Illustrative example of local decentralised energy network



Source: Bouygues Energies and Services, St Ives Park and Ride, Smart Energy Grid, MLEI Cambridgeshire.

5.25 These transformations apply to heat as well as power. The development of ‘heat networks’, linked into Combined Heat and Power (CHP) will allow for retention and transfer heat without its being wasted, making it possible to balance heat demands on the electricity network as heat is electrified. With take-up in heat pumps increasing there will be a higher incidence of people generating their own heat. Our energy data-mapping work has shown a number of major heat loads throughout the LEE area meaning there is a real opportunity.

Strategic leadership

5.26 In order to advance the roll-out and adoption of decentralised energy networks we will:

- Support localised pilots of decentralised energy generation and distribution. We will monitor and evaluate these to understand the long-term options for support and roll-out;
- Work with planning authorities and developers to encourage the development of smart energy grids as islands with the longer aim to connect these smart energy islands together, thus growing the energy system with smart technologies. For example, new major/strategic developments could have their own smart energy grids to balance supply and demand across a community and extend to other smart energy islands if required;
- Develop smart grid programmes within existing business and residential communities located in highly constrained areas of the power network;
- Work with local partners, including local authorities and businesses, to develop bids for funding to help produce innovative solutions to grid capacity constraints in order to unlock growth. For example, Innovate UK funding linked to the Industrial Strategy Challenge Fund and future rounds of the Housing Infrastructure Fund;

-
- Explore local peer-to-peer trading of generation and consumption capacity to reduce network imbalances, the need for re-enforcement and to retain local value;
 - Work with planning authorities and others to bring forward heat networks.

Case Studies: Smart energy in the Scilly Isles

The Smart Energy Islands project aims to enable the transition to a low-carbon, sustainable and resilient community on the Isles of Scilly. The project is led by Hitachi Europe Ltd. and supported by the European Regional Development Fund (ERDF). The Council of the Isles of Scilly, the Duchy of Cornwall and the Tresco Estate.

By implementing a set of interconnected projects, the Smart Energy Islands programme aims to cut electricity bills by 40%, meet 40% of energy demand through renewables and see electric and low-carbon cars make up 40% of vehicles. Investments include rooftop solar PV for 10% of households and two 50 kWp solar 'gardens'.

This is underpinned by an Internet of Things platform (a network connecting appliances, lighting, and local power generation, such that they can "talk to each other") that will monitor electricity loads in houses and businesses, as well as electric vehicles, home batteries, smart heating technologies and other infrastructure, to optimise local energy use.

Free support provided to businesses includes: an energy audit, an energy monitor and tablet, analysis of a firm's energy use and a training community to help businesses implement the recommendations.

This project provides an example of what can be achieved on a small community scale for homes and businesses. We will follow the results closely to learn how some of these ideas could be applied to new developments and existing communities.

6 Secure, affordable, low-carbon consumption

- 6.1 While the LEE area is incredibly energy-rich, many of the financial benefits of producing so much energy are not experienced by local communities. In particular, fuel poverty is very high in some parts, especially those that are not connected to the gas grid, as residents are forced to rely on more expensive sources, e.g. oil and electricity, for their heating.
- 6.2 This divergence between the area's energy strengths and the day-to-day experience of energy costs for our residents and businesses, requires a joined-up approach. The development of an Energy Hub for the South East will provide a locus for some of this activity, which has already been occurring through multiple initiatives and uses of government funding. We will also look at developing a dedicated vehicle for this activity in the form of a Multi-Utility Service Company (MUSCo), see Section 8.
- 6.3 To address fuel poverty, we will support a further wave of Energy Company Obligation (ECO) type measures. These measures oblige energy companies to spend a fixed proportion of profits improving the energy efficiency of customers' homes, by installing insulation, replacing inefficient boilers, etc. and are targeted in particular at lower income consumers, thereby tackling fuel poverty and reducing emissions. They have a long history under various names (e.g. the CERT, CESP, EEC and EESoP schemes)³.
- 6.4 The government has already signalled that some sort of ECO equivalent obligation will continue up to 2022. We are keen that future ECO measures are universal, to encourage wider roll-out, rather than means-tested which has historically reduced uptake. It is important that future initiatives are stable, predictable and accessible to improve their impact.

Strategic leadership

- 6.5 Therefore, to address fuel poverty the following activities could be considered by the LEE Network of organisations:
- Support further universally available ECO-type measures;
 - Bid for available Government funding that addresses fuel poverty;
 - Support improved energy efficiency measures (see below);
 - Support community scale energy schemes as part of new developments where these are commercially viable;

³ Details of these schemes can be found at: <https://www.ofgem.gov.uk/environmental-programmes/eco/overview-previous-schemes><https://www.ofgem.gov.uk/environmental-programmes/eco/overview-previous-schemes>

- Develop local time of use tariffs and feasible smart metering to allow consumers benefit from changing their consumption behaviours;
- Support more equitable tariffs for vulnerable householders on pre-payment meters;
- Develop off-gas grid low carbon heating projects in rural areas.

6.6 We also want to support communities to benefit from local renewable energy generation. We want to consider a range of actions to do this, potentially including:

- Supporting the development of new community owned schemes, which cut bills for people and gives them ownership over their local energy production. This could either be done by creating energy “clubs” (see Bethesda Case Study) or by local government owning schemes and where necessary, procuring the finance to deliver them (see Soham Solar Park case study);
- Supporting the development of local smart grids, see Section 5;
- Developing a dedicated vehicle for generating local energy in a way which benefits communities. Specifically, we will review the potential for a MUSCo, either on a site-by-site basis or on a broader basis;
- Working with our local authority partners to explore the potential for pooling energy related business rates retained at a local level and using this funding to reinvest in building efficiency and renewable energy.

6.7 We will consider where targeted pilots could help us explore these kinds of initiatives and will look to learn from other leading areas / schemes.

Case Study: Schemes guarantee benefit to local populations

Bethesda Hydroelectric Power

In Bethesda, a small village in North Wales, 100 households have joined together to create an ‘energy club’ to ensure residents benefit from their location, close to Snowdonia and the fast-flowing River Berthen. By partnering with Co-op Energy and Energy Local, residents have had smart metres installed to show them when the energy being produced by the HEP station is most abundant, meaning they can get lower prices for their energy at these times. When energy supply is lower, and more is consumed than produced, it gets sold to them at the normal rate. By reducing the distance the energy has to travel the cost is reduced, with consumers paying 7p/kWh for their energy, about half of the national average.

Soham Solar Park, Cambridgeshire

Cambridgeshire County Council was the first Local Authority in England to receive Contracts for Difference (CfD) for its solar park. Contracts for difference is a finance incentive run by Government where projects compete to deliver renewable energy based on price. The Soham Solar Park will create £1 million of revenue a year from an initial investment of £9 million and will provide an income for the council offsetting the need to make cuts.

Project	Soham Solar Park, Cambridgeshire	
Savings	<ul style="list-style-type: none"> £1 million annual gross revenue benefit per annum Total net cash flow of more than £10 million 	<ul style="list-style-type: none"> 135,170 tonnes of Carbon dioxide (CO₂) cumulative over 25 years Simple payback of 11.1 years 12,000 MWh generated per annum
Timescales	<ul style="list-style-type: none"> The build took 16 weeks and the solar farm began feeding electricity to the grid in Spring 2017 	
Statistics	<ul style="list-style-type: none"> 206 rows of solar panels across 70 acres More than 45,000 panels connected by over 430,000 metres of cabling Eight nationalities on the installation team 	

Improving energy efficiency

- 6.13 The LEE area contributes a higher level of Carbon dioxide (CO₂) emissions per capita than the national average, largely as a result of high levels of transport emissions reflecting the rural nature of many parts of our area. Reducing Carbon dioxide (CO₂) emissions can be expected to happen as a result of increasing investment in renewable energy sources (see Section 4) and the shift towards electric vehicles, see Section 7. However, further to this, there is more that we can do to invest in improving energy efficiency, in homes, commercial premises and public-sector buildings.
- 6.14 The importance of this is reflected in the ‘energy hierarchy’, a conceptual method of thinking about the most environmental approach to power. Before considering how to improve energy *supply* (through renewable energy generation), we should think of how to reduce energy *demand*, through improving the efficiency of our houses. This reduces the need for alternative methods of energy generation, though of course, these go hand in hand.
- 6.15 To do this, we will improve the skills of those with professions in the built environment, including plumbers, builders, and electricians, to ensure they have employ the most environmentally friendly approaches when constructing or altering housing.

Strategic leadership

- 6.16 The Local Energy East organisations will:
- Work with planning authority partners to review mechanisms to either ensure high levels of energy efficiency/carbon reduction as standard in new development and/or to raise money for retrofitting activities. These could include the development of a Carbon Offset Fund, similar to the approach in Milton Keynes, see the case study over leaf;
 - Work with planning authorities to develop robust planning policies targeting energy performance across all sectors of development (housing, commercial development, transportation and other infrastructure) to achieve carbon emissions reductions targets;
 - Consider a pilot programme to invest in energy efficiency that also supports our fuel poverty aims;
 - Work with sustainable transport-related action not about EVs – change the tenure model for ownership to point of use hire, e.g. car clubs, logistics sharing;

-
- Develop financial instruments to promote commercial energy efficiency – not grants but loans & energy performance contracts;
 - Develop and simplify the supply chain to make it easier for business to invest in energy efficiency facilitated by public sector buying power.

Case Study – Milton Keynes Carbon Offset Fund

Milton Keynes is a pioneering local authority, which has managed to improve energy efficiency in existing housing stock and incentivise the creation of energy efficient new housing stock. It has done this through the Carbon Offset Fund, launched in 2008, which required developers to contribute £200 per tonne of carbon expected to be emitted by the home in the first year of its usage. This goes into a fund, which has been used for replacement of boilers and support of the older population in using energy more efficiently. This has proved very successful – for example, approximately 15% to 20% of the boilers replaced in the period since the scheme was launched have benefitted from the funding.

7 Clean transport networks

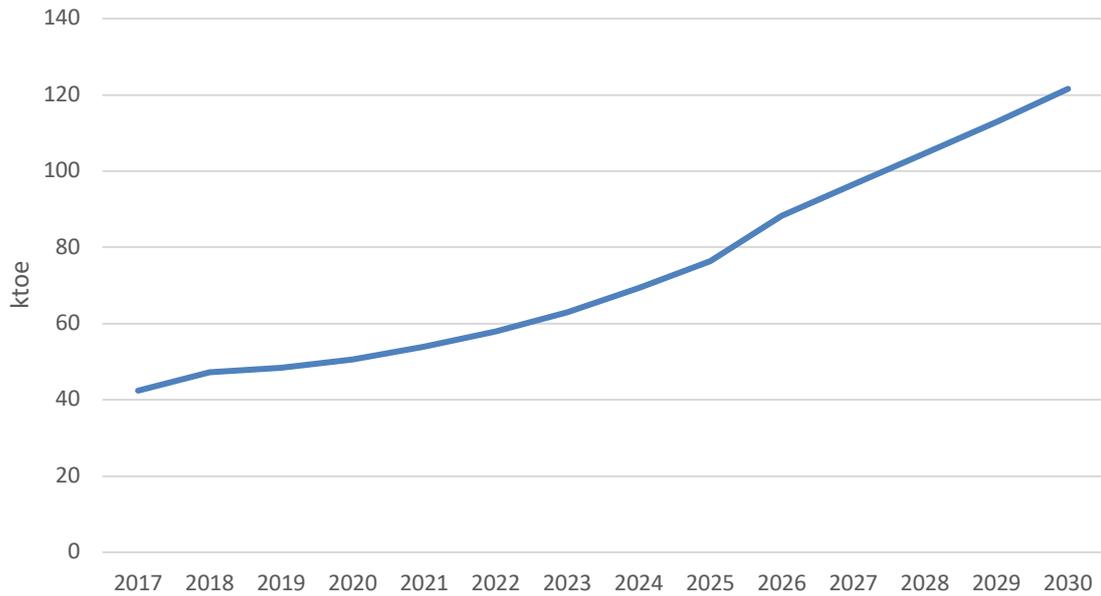
- 7.1 To achieve our environmental objectives and growth ambitions, a focus on transforming our methods of transportation is essential. The Government’s policy limiting fossil fuel-based vehicles in favour of electric vehicles coupled with vehicle manufacturers’ pledges to shift to EVs by as early as 2019 means significant infrastructure change to support is essential.
- 7.2 The LEE area has major ports, such as Ipswich, Great Yarmouth and Felixstowe, meaning lots of freight passes through it. The agricultural industry is transport intensive and there are major logistics hubs at Peterborough due to its location on major national transport corridors. Finally, the rural nature of much of the area necessitates travel for many residents to access essential goods and services.
- 7.3 There will be significant changes in how transport networks consume energy over the next decade. In the longer-term, it is possible that hydrogen technology will become the norm but over the next decade, it is likely that EVs will be the most widespread form of renewable transport energy in use. This section considers the implications of this and sets out how we and partners will work to take best advantage of this technological shift.

Enabling the large-scale roll-out of electric vehicles

- 7.4 Today, there are already at least 30,000 electric vehicles in the region. This is forecast to increase to between 1.2 million and 1.9 million by 2030, according to UKPN, mirroring similarly large increases across the rest of the country. At present, transport in the East of England⁴ accounts for roughly 10% of transport energy consumption in the UK, or approximately 42 ktoe (kilo-tonne oil equivalent) of electricity consumption. The graph below shows that this figure is expected to triple by 2030, reflecting the expected high uptake of electric vehicles.

⁴ Figures are not available for the Local Energy East area.

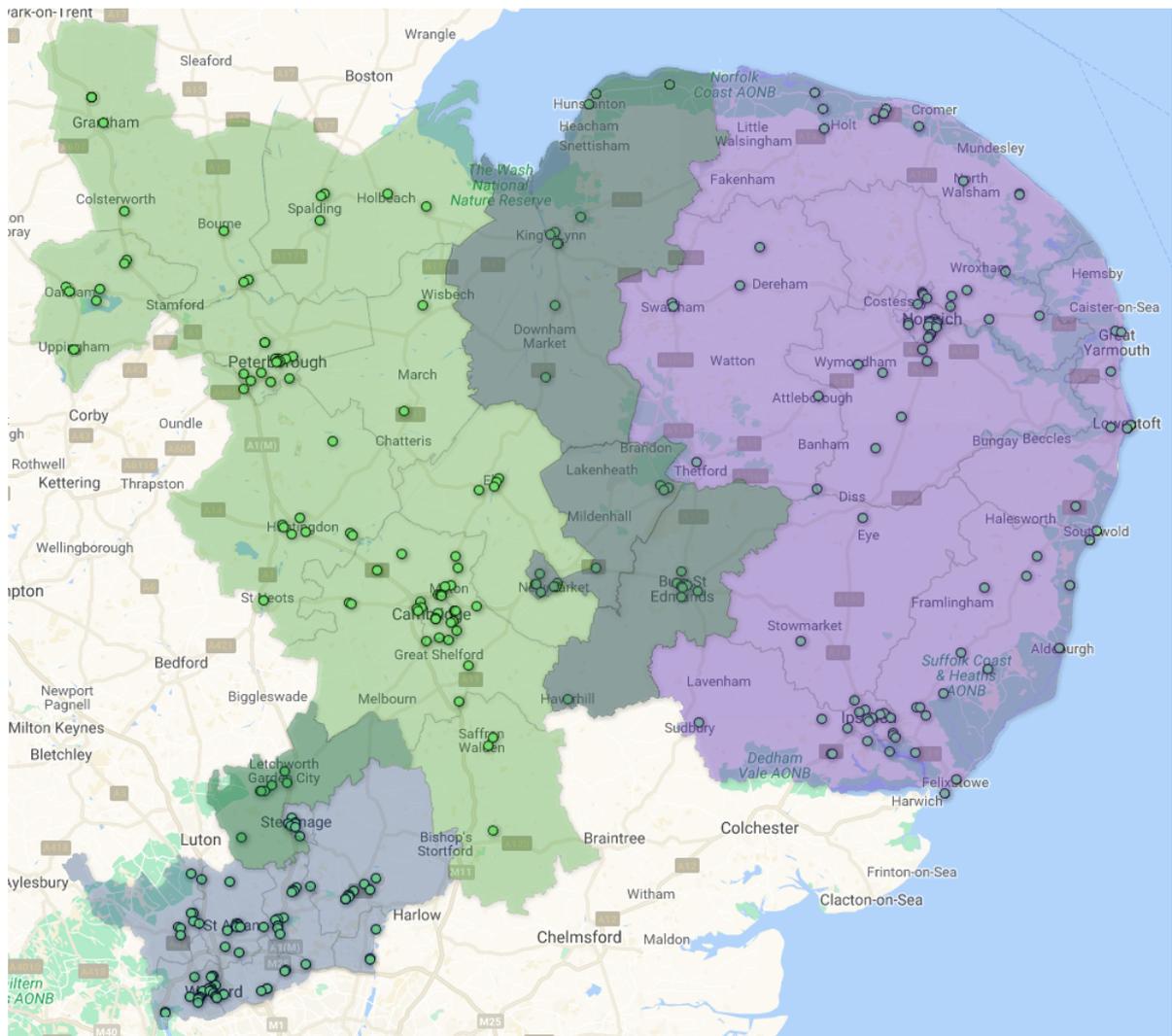
Figure 8. East of England projected electricity consumption in the transport sector



7.5 This increase in electricity demand will place strain on our energy system if planning for this change isn't developed at a pace that matches the predicted change. This is particularly true of domestic charging points but also applies to commercial chargers as well. Therefore, to prepare the LEE area for the impacts of increased EV activity we will:

- Work with UKPN and others to undertake a review of the implications of EV charging roll-out for our network, to identify any bottlenecks in the infrastructure;
- Continue to follow developments in automated vehicle technology and the surrounding legal context, to understand how these will affect spatial deployment of charging points and any technical changes that may need to be made to them.

Figure 9. EV charging point distribution at present



KEY

Green dots denote EV charging points.

The shaded colour areas denote Local Enterprise Partnership (LEP) areas and areas shared by LEPs.

Light Purple – New Anglia LEP only.

Dark Purple – New Anglia LEP, and Cambridgeshire and Peterborough LEP shared area.

Green – Cambridgeshire and Peterborough LEP area only.

Dark Green – Cambridgeshire and Peterborough LEP and Hertfordshire LEP shared area.

Light Grey – Hertfordshire LEP only.

- 7.6 Supporting the scale of increased demand requires a different kind of distribution network (see Section 5, above) and specific investments in the charging point infrastructure that will enable uptake. Distribution of existing petrol stations suggests that, left to the market, the allocation of rapid charging points may end up being socially suboptimal – clustering in cities and along major highways, but poorly serving rural areas.
- 7.7 The shift from internal combustion engine to electric motor vehicles will have a positive impact on urban air quality but it may mean that the overall impact on vehicle emissions will be muted as rural dwellers may choose not to switch to electric transport and continue to make longer journeys (to work, amenities, cultural sites, etc.) using petrol or diesel vehicles. Conversely, if we are able to

ensure EV charging provision in rural areas is strong, a lack of petrol stations in these areas will make the switch to EVs more appealing as will increased vehicle range.

Strategic leadership

7.8 Therefore, the Local Energy East organisations will:

- Work with partners to support and finance the installation of EV charging points at strategic locations, where people visit regularly and for a sufficient amount of time to charge, such as supermarkets, places of employment and town centres as well as ensuring independent Smart Energy grids can support EVs;
- Work with planning authorities to encourage the installation of charging points in new homes where feasible (and associated grid reinforcement activities) and collaborate with employers to install EV charging points in staff car parks. We will also encourage car clubs with shared electric vehicles and charging bays;
- Support the work of Highways England to install EV charging points on the strategic road network, building on local partners' existing work in this area;
- Develop a long-term investment-financial return model that facilitates early expansion of the EV charging network based on likely spatial and temporal demand;
- Support a programme of engagement and promotion of EV to stimulate the passenger and commercial fleet markets.

Introducing electricity and hydrogen power into public and freight transport

7.9 Much of the road network in the East of England is being upgraded currently or is in the pipeline to be upgraded. This includes the multiple lane and intersection improvements on the A14 between Huntingdon and Cambridge, future ambitions for the A47, A10 and potential extension of the M11. These roads, particularly the A14, are very important for heavy goods transport. Therefore, we will:

- Work with Highways England and local highways authorities to ensure these roads have capability to support rapid EV charging for larger vehicles;
- Work with local logistics businesses to understand the longer-term potential for hydrogen refuelling facilities.

7.10 Local government can directly influence the energy usage of public transport. The Park and Ride station at St Ives (see Case Study, below) is an example of a local authority delivering a UK leading renewable-based smart energy system. The Greater Cambridge Partnership and the Energy Investment Unit at Cambridgeshire County Council have been researching ideas to electrify buses across the Greater Cambridge area. A concept for a network of smart energy grids, similar to St Ives Smart Energy Grid is set to be developed around the City and along the public transport corridor to St. Ives.

7.11 More broadly, we will:

- Work with local authorities and public transport concession holders to consider opportunities for supporting electric and hydrogen-based charging systems. We will develop business cases and pilot projects, building on the success of the St. Ives case;
- Assess how electrification of transport projects can improve air quality, building on work done by Transport for London on the electrification of buses.

Case Study: St Ives Park and Ride

The Smart Energy Grid comprises a 950kW solar PV carport with integrated LED lighting, 10x electric vehicle chargers and an electric bus charger, smart street lighting, a battery energy storage system and private wire connections to local customers. This enables the generation, storage and distribution of renewable energy to the various end users, namely the electric vehicles, the site's electrical infrastructure and local customers to buy the electricity directly from the scheme. This helps build local resilience to energy cuts and keeps the energy economy local.

Changing behaviours to promote other low-carbon forms of transport

7.12 While there are many promising and innovative solutions to be pursued in moving towards a lower carbon transport system, encouraging walking and cycling in the place of driving is also important to reduce Carbon dioxide (CO₂) emissions, improve air quality, enhance public health and contribute to well-being. We will continue to support local behavioural change programmes and systems which encourage walking and cycling.

Case Study: Liftshare - Matching drivers and passengers

This innovative car sharing service was founded in 1998 and is headquartered in Norwich. Liftshare locally helps over 8,000 members – including employees in the two County Councils, West Suffolk NHS, University of East Anglia and EDF Energy – to get around the East by sharing journeys. The service is free and is available to all who live, work and travel in and around the county and matches potential drivers and passenger partners to share car journeys as little or as often as they like.

Liftshare currently provides services to almost 700 clients in the public and private sectors including some of the UK's biggest businesses. The platform has achieved impressive success with one of the most notable being its work with Jaguar Land Rover. Ten thousand staff members have registered on the platform and five thousand of these have confirmed as sharing their journeys on a daily basis.

8 Future work

- 8.1 This strategy sets out our ambitions and actions that collectively the LEPs and local authorities in the Local Energy East area wish to pursue, in partnership with UK Power Networks and with the support of BEIS, to ensure that we remain at the forefront of Clean Growth in the UK and grasp the opportunities ahead.
- 8.2 Collaboration is our key to success and will ensure that our economy grows cleanly, promising developments have the energy required to prosper, consumers can enjoy an affordable low-carbon supply and that our transport will be electrified effectively.
- 8.3 This strategy will not be delivered by one partner alone or by one strand of investment or action. Our ambition and direction is set, the next step is to make it happen. We are fortunate to have a new human and financial resource with which to support our endeavours, the Greater South East Energy Hub.

The Greater South East Energy Hub

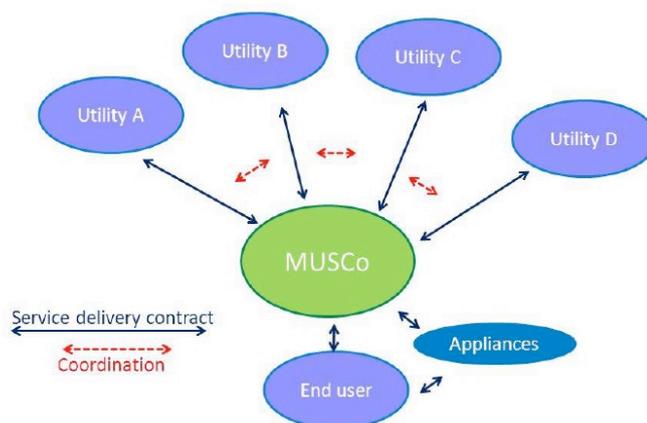
- 8.4 In the Autumn of 2017 BEIS offered LEPs the opportunity to develop five new 'Local Energy Hubs', which will support local energy projects across England. Acknowledging that Local Energy Strategies created by LEPs would need to be supported by human and financial resources in order to identify need, overcome barriers and create investment ready projects, BEIS offered funding for two years to kick start activity.
- 8.5 The East of England, Greater London, the South East and the Oxford to Cambridge Growth Corridor including Milton Keynes and parts of Northamptonshire were identified as a connected area that a Hub could support. The 11 LEPs with some of their constituent local authorities formed a partnership to respond to BEIS' offer and quickly develop a basis which to collaborate and work together for the Greater South East, the Hub area.
- 8.6 Within the Hub area there will be six new Local Energy Strategies. Two multi-LEP projects of three LEP areas and utilisation of the Greater London Authority's existing energy plans to inform the work of the new Hub. The Hub is being set up managed by the Cambridgeshire and Peterborough Combined Authority on behalf of all 11 LEP areas which includes 16 counties and London. The dedicated Hub team will seek to identify need from these strategies and deliver local energy projects that unlock sustainable economic growth whilst piloting innovative financial, technical and operational methods of delivery.
- 8.7 The Hub will optimise funding options such as green bonds and crowd funding to respond to a highly dynamic, fast growing sector which maximises potential to scale up pilot and test projects across the substantial geography of the Hub.
- 8.8 The Hub's activities are likely to include:
- Supporting those with aligned project aims;
 - Bringing forward a pipeline of projects aligned to the strategic aims and objectives;
 - Helping to identify and remove barriers to opportunities;

- Spotting opportunities and synergies across administrative geographies and sectors;
- Measuring progress against key KPIs;
- Helping to provide strategic direction to a wide range of stakeholders, delivery agents and new project proposers seeking to invest in the LEE area.

Developing delivery vehicles and funding mechanisms

- 8.9 We will carry out an assessment of possible delivery vehicles to understand what model can best take forward our ambitions. In particular we will look at the option of establishing a MUSCo, a Multi-Service Company.
- 8.10 A MUSCo is essentially a Special Purpose Vehicle created to manage one or more of the utilities at a given site or sites. This is usually delivered in conjunction with a private sector partner, de-risking the process, but enabling the development. With local authorities being an active participant, it is also has the potential to generate a financial return alongside supporting local authority concerns around low carbon development, energy security and fuel poverty. As far as local authorities are concerned this is a relatively untapped area to date, with East Hampshire District Council the only authority to create its own MUSCo called RegenCo.
- 8.11 The diagram overleaf shows the possibilities around managing a number of interconnected sites/utility services.

Figure 10. Example of MUSCo structure



- 8.12 We will also explore the potential for revolving fund mechanisms that address the challenge of forward-funding infrastructure.

Developing energy systems to support public transport Systems

- 8.13 We will support the development of a network of smart energy grids based at transport hubs/interchanges around Cambridge and other urban centres across the LEE area which can generate renewable energy, store energy and charge EVs, buses, metros and light freight.

Housing and Commercial Developments

- 8.14 We will support demonstrator projects for the delivery of larger smart energy grids for major new developments to help build new energy system infrastructure fit for the future and that can be linked to other smart energy grids or the distribution network if required. These may include MUSCOs, serving as trials for a possible expansion of the MUSCO model.
- 8.15 We will submit bids to Innovate UK and other sources for match funding and build consortiums of businesses to help make this happen. For example, in the Southern Cluster Cambridge we will look to develop a demonstrator smart energy grid to facilitate commercial development.
- 8.16 All our ambitions and priority areas of work are summarised in the Future Plan below.

Figure 11. The Local Energy East Strategy Future Plan



9 Glossary of terms

- **CERT** – Carbon Emissions Reduction Target – Government funding scheme that expired at the end of 2012.
- **CESP** – Community Energy Saving Programme – Government funding scheme that expired at the end of 2012.
- **Clean Growth Strategy** – A document published by the UK Government, building upon the Industrial Strategy. It sets out policies to deliver Clean Growth for the UK, including setting up a Green Finance Taskforce, improving business efficiency, and investing over £1bn to make cycling and walking the natural choice for shorter journeys.
- **Decentralised Energy** – Electricity generation and storage performed by a variety of small, grid-connected devices. These may instead be directly connected to local sources of power generation, particularly renewables.
- **Distribution Network** – The network which takes power from the transmission network, and distributes it to homes, offices, and other premises.
- **DNO – Distribution Network Operator** – These companies oversee the distribution network and are responsible for upgrades to it.
- **EEC** – Energy Efficiency Commitment – Government energy efficiency programme in operation between 2005 and 2008.
- **EESoP** – Energy Efficiency Standards of Performance – Government domestic energy efficiency programme in operation between 1994 and 2002.
- **ECO** - Energy Company Obligation – Measures which oblige energy companies to spend a certain amount on improving the energy efficiency of homes. These measures are particularly targeted at individuals on lower incomes.
- **Energy Data-Mapping Portal** – A system developed by the Local Energy East (LEE) team to map key data relating to the strategy’s aims. This includes data on sites of constrained energy.
- **Energy Storage** – Technologies that store energy (energy must otherwise be used as it is produced). Storing of energy enables more balancing between the demand for energy and supply of energy, as supply can be ‘released’ to respond to demand. Battery storage stores electricity specifically using battery technology.
- **Flexible Distribution** – Distribution which balances supply and demand, using energy storage to regulate supply, and better consumer information to regulate demand.
- **Fuel Poverty** – A household is in fuel poverty if it has required fuel for heating costs above national average and who would be left with an income that puts it below the official poverty line were they to spend that amount on heating. (A previous definition stated that households were fuel poor if they spent more than 10% of their post-tax income on fuel for heating).

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- **GVA** – Gross Value Added – A measure of the value produced by the local economy.
 - **HEP Station** – Hydro Electric Power Station – used to generate energy from the natural flowing of water.
 - **HIF** - Housing Infrastructure Fund (**HIF**) – A government capital grant programme of up to £2.3 billion, which Local Authorities can apply to for funds to deliver the infrastructure needed for new housing developments.
 - **Hydrogen Fuel Cell** – Hydrogen fuel cells convert hydrogen into energy and could in future be used to power cars. There are some of these vehicles in development, but there are challenges around economic viability at present.
 - **Industrial Strategy** – A document published by the UK Government in November 2017. It outlines four ‘grand challenges’ for UK industry – Ageing, Artificial Intelligence, Clean Growth, and Mobility.
 - **MUSCo** - Multi-Utility Service Company – A company that is created to deliver and manage many utilities a given site, or sites. This is usually delivered in conjunction with a private sector partner, de-risking the process, but enabling the development.
 - **MWp** – Mega Watt peak – a unit for measuring the maximum output of power for a given power plant or system.
 - **MWh** – Mega Watt hour – a unit for measuring power over time.
 - **National Grid** – The transmission network for electricity in the United Kingdom, and the name of the company which operates it.
 - **Peer-to-Peer Trading** – When householders in a locality can trade energy between themselves, particularly if many of them are generating their own energy.
 - **Prosumers** – A conceptual notion of how people will consume and produce energy in future, being both givers to and takers from the energy network.
 - **Renewable Energy** – Energy that doesn’t deplete its source when it is generated, e.g. solar energy, which does not ‘use up’ the sun’s energy.
 - **Smart Grids** – Newer energy networks which can intelligently manage consumption to reduce peak demand when required, and effectively inform consumers of their energy costs. These grids may also receive energy from small-scale generation.
 - **Smart Meters** – Appliances which inform consumers of their energy consumption in a way which is easy to understand.
 - **Substation** – A set of equipment ‘stepping down’ the high voltage of electrical power transmission to that suitable for supply to consumers.
 - **Transmission Network** – The network which takes energy from large-scale energy generation, such as coal and gas power plants, and transfers it to substations, where its voltage can be reduced before being transferred to the distribution network.



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