

CABINET
Thursday 21 January 2021 at 7.30 pm
Council Chamber, Civic Centre

This meeting is a virtual meeting which is being hosted on Zoom. Councillors and registered public participants will be sent access details nearer the date of the meeting.

Members of the public who wish to watch the meeting can do so via a livestream which will appear on the Council's YouTube page
<https://www.youtube.com/user/HarlowCouncil>

Members

Councillor Mark Ingall, Leader of the Council
Councillor Eugenie Harvey, Deputy Leader and Portfolio Holder for Resilience and Recovery
Councillor Mike Danvers, Portfolio Holder for Resources
Councillor Tony Durcan, Portfolio Holder for Growth and Prosperity
Councillor Danny Purton, Portfolio Holder for Environment
Councillor Chris Vince, Portfolio Holder for Community and Wellbeing
Councillor Nancy Watson, Portfolio Holder for Governance, Equality and Diversity
Councillor Mark Wilkinson, Portfolio Holder for Housing

AGENDA

1. Apologies for absence
2. Declarations of Interest

Councillors' declarations of interest (if any) in relation to any items on the agenda.
3. Minutes (Pages 4 - 12)

To approve the minutes of the meeting held on 3 December 2020.
4. Matters Arising

Any matters arising from the minutes of the previous meeting.
5. Written Questions from the Public

To receive any questions from members of the public in accordance with Rule 10 of the Council Procedure Rules.

6. Written Questions from Councillors

To receive any questions from Councillors in accordance with Rule 11 of the Council Procedure Rules.

7. Petitions

To consider any petitions that have been referred to the Cabinet under the Council's Petition Scheme.

8. Forward Plan (Pages 13 - 19)

To note the Forward Plan, which lists all upcoming Cabinet decisions and provides notice of key decisions and those expected to be taken in private session.

9. Recent Relevant Decisions Taken by The Leader, Deputy or Portfolio Holder(s)

To note recent Portfolio Holder decisions taken under delegated powers, as attached.

a) Leader of the Council - 12 January 2021 (Page 20)

10. Corporate Plan (Pages 21 - 37)

11. Medium Term Financial Strategy 2021/22 - 2023/24 (Pages 38 - 70)

12. General Fund Budget 2021/22 (Pages 71 - 166)

13. Housing Revenue Account Budget 2021/22 (Pages 167 - 181)

14. Capital and Treasury Report 2021 (Pages 182 - 225)

15. Capital Programmes 2020/21 - 2022/23 (Pages 226 - 239)

16. Appointment of Cabinet Policy Development Working Group, Panels and Partnership Bodies 2020/21 (to follow)

17. Communications from Committees/Working Groups/Parties and Panels

18. Minutes of Panels/Working Groups

To note the following draft minutes of Cabinet appointed bodies. Minutes remain draft until approved by the relevant body.

a) Minutes of meeting Thursday, 22 October 2020 of Covid-19 Recovery Working Group (Pages 240 - 242)

- a) Minutes of meeting Thursday, 19 November 2020 of Covid-19 Recovery Working Group (Pages 243 - 245)
- b) Minutes of meeting Thursday, 26 November 2020 of Cabinet Policy Development Working Group (Pages 246 - 247)
- c) Minutes of meeting Thursday, 17 December 2020 of Covid-19 Recovery Working Group (Pages 248 - 249)

19. Matters of Urgent Business

Such other business which, in the opinion of the Chair, should be received as a matter of urgency by reason of special circumstances to be specified in the minutes.

**MINUTES OF THE CABINET
HELD ON**

3 December 2020

7.30 - 9.45 pm

PRESENT

Committee Members

Councillor Mark Ingall, Leader of the Council

Councillor Eugenie Harvey, Deputy Leader and Portfolio Holder for Resilience and Recovery

Councillor Mike Danvers, Portfolio Holder for Resources

Councillor Tony Durcan, Portfolio Holder for Growth and Prosperity

Councillor Danny Purton, Portfolio Holder for Environment

Councillor Chris Vince, Portfolio Holder for Community and Wellbeing

Councillor Mark Wilkinson, Portfolio Holder for Housing

Other Councillors

Councillor David Carter

Councillor Simon Carter

Councillor Joel Charles

Councillor Tony Edwards

Councillor Andrew Johnson

Officers

Brian Keane, Chief Executive

Andrew Bramidge, Head of Environment and Planning

Simon Freeman, Head of Finance and Property and Deputy to the Chief Executive

Jane Greer, Head of Community Wellbeing

Simon Hill, Head of Governance

Andrew Murray, Head of Housing

Adam Rees, Governance Support Officer

53. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Frances Mason.

54. **DECLARATIONS OF INTEREST**

Councillor Simon Carter declared a pecuniary interest in Item 14 as a remunerated Council appointed Director of HTS (Property and Environment) Ltd. He would leave the meeting whilst the item was considered.

Councillor Eugenie Harvey declared a pecuniary in item 9a as her husband was the Chair of the Michael Roberts Charitable Trust. Having taken advice from the Monitoring Officer she would remain in the meeting whilst the item was considered.

Councillor Joel Charles declared a pecuniary interest in Item 14 as a remunerated Council appointed Director of HTS Group Ltd and HTS (Housing and Regeneration) Ltd. He would leave the meeting whilst the item was considered.

55. **MINUTES**

RESOLVED that the minutes of the meeting held on 15 October 2020 are agreed as a correct record and signed by the Leader.

56. **MATTERS ARISING**

a) **Minute 46 - Recent Relevant Decisions Taken by The Leader, Deputy or Portfolio Holder(s)**

Councillor Mark Ingall said that following the request that Essex be moved into the High Covid-19 tier, there had been further changes with a move into a national lockdown and a return to the tiered system on 2 December. The infection rate in Harlow was very high at over 200 cases per 100,000 and was rising. He said it was important that people continued to follow the Government's Hands, Face, Space advice, even with the good news surrounding Covid-19 vaccines.

57. **WRITTEN QUESTIONS FROM THE PUBLIC**

None.

58. **WRITTEN QUESTIONS FROM COUNCILLORS**

None.

59. **PETITIONS**

None.

60. **FORWARD PLAN**

RESOLVED that the Forward Plan is noted.

61. **RECENT RELEVANT DECISIONS TAKEN BY THE LEADER, DEPUTY OR PORTFOLIO HOLDER(S)**

RESOLVED that the following decision is noted.

a) **Portfolio Holder for Community and Wellbeing - 26 October 2020**

62. **TREASURY MANAGEMENT STRATEGY STATEMENT 2020/21: MID-YEAR REVIEW**

Cabinet considered a report on the mid-year review of the Treasury Management Strategy Statement 2020/21.

Proposed by Councillor Mike Danvers (seconded by Councillor Mark Ingall) it was:

RESOLVED that:

- A The Mid-Year Review of the Treasury Management Strategy, attached as Appendix A to the report, be noted and referred to Council for consideration.

63. **JOINT FINANCE AND PERFORMANCE REPORT, QUARTER 2 2020/21**

Cabinet received the quarter two joint finance and performance report for 2020/21, which set out the Council's financial and operational performance between July and September 2020.

Proposed by Councillor Mark Ingall (seconded by Councillor Mike Danvers) it was:

RESOLVED that Cabinet:

- A Noted the projected outturn position set out in sections three and four of Appendix A to the report for the second quarter (July – Sept) of 2020/21 as follow:
 - i) An adverse variation on controllable budgets of £1,455,000 representing 2.5 per cent of the gross General Fund Budget.
 - ii) A total projected overspend of £345,000 representing -0.6 per cent of the gross General Fund Budget.
 - iii) The Council performed on or above target for 41 out of 49 (84 per cent) of its monthly and quarterly performance indicators.
 - iv) The Council also successfully completed 19 (11 per cent) of its revised service milestones.

64. **HOUSING REVENUE ACCOUNT, QUARTER 2 FINANCE REPORT 2020/21**

Cabinet received a report which provided an update on the Housing Revenue Account (HRA) for the second quarter of 2020/21 and asked that

Cabinet noted variances in the HRA budget, as well as the forecast budget of the HRA and the Major Repairs Reserve.

Proposed by Councillor Mike Danvers (seconded by Councillor Mark Wilkinson) it was:

RESOLVED that Cabinet noted:

- A** The contents of the report and appendices A and B.
- B** That the forecast HRA general working balance as at 31 March 2021 will be £13.308 million and the balance on the Major Repairs Reserve will be fully utilised to finance the 2020/21 capital programme.
- C** The balance of £9.8 million of retained Right to Buy (RTB) receipts held as at 30 September 2020 in order to finance the new build capital programme and house purchase scheme.

65. **CAPITAL PROGRAMMES, QUARTER 2 FINANCE REPORT 2020/21**

Cabinet received a report which provided an update on the Council's Housing and Non Housing Capital Programmes.

Proposed by Councillor Mike Danvers (seconded by Councillor Mark Wilkinson) it was:

RESOLVED that Cabinet:

- A** Noted the progress in the delivery of the Council's Housing and Non Housing Capital Programmes as at Quarter 2 as follows:
 - i) The Housing Capital Programme (HCP) current budget is £48.642 million following the amendments approved by Cabinet in September 2020. The projected outturn is currently £31.968 million.
 - ii) The Non-Housing Capital Programme (NHCP) current budget is £15.175 million following the amendments approved by Cabinet in September 2020. The projected outturn is currently £15,124 million.
- B** Approved the inclusion in the 2020/21 HCP an additional £1.8 million to finance newly required cladding at Joyners Field Towers (61-88) and (95-122) to meet updated fire safety advice and obtain the latest fire safety certificates. This capital expenditure is to be financed from HRA making a direct revenue contribution.

- C** Approved the removal from the HCP the £1.305 million Readings new build project because it is no longer affordable and reallocate the resources to other new build projects which are being developed and submitted for approval in the future.
- D** Approved the inclusion in the 2020/21 NHCP an additional provision of £1.5 million to finance the equity shareholding and loan to HTS Ltd previously approved under delegated authority by the Chief Executive on the 24 April 2020 and reported to Cabinet on the 10 September 2020. The purpose of this expenditure being for HTS Ltd to purchase five properties for which the Council has nomination rights.
- E** Approved the inclusion in the 2020/21 NHCP an additional provision of £1 million to finance the East Gate project. This project is funded by the Ministry for Housing, Communities and Local Government Towns Fund accelerated Funding grant.
- F** Approved the inclusion in the 2020/21 NHCP an additional provision of £122,000 to finance the upgrading of the existing IT equipment which is essential to cope with the Covid-19 pandemic.
- G** Approved the inclusion in the 2020/21 NHCP an additional provision of £1.25 million to support the Future High Streets Fund bid as set out in the report.
- H** Approved the proposed re-profiling of capital budgets as set out in the report.

66. **PADDLING POOL HEALTH AND SAFETY WORKS BUSINESS CASE AWARD**

Councillors Simon Carter and Joel Charles left the meeting for the consideration of this item.

Cabinet considered a report to award a business case to HTS (Property and Environment) Ltd to carry out health and safety works on paddling pools in Harlow.

Proposed by Councillor Eugenie Harvey (seconded by Councillor Chris Vince) it was:

RESOLVED that Cabinet:

- A** Awarded the following Business Case to HTS (Property and Environment) Ltd subject to clarification and agreement on the terms and conditions, and a contract are entered into not exceeding the values set out below:

- i) Bush Fair
Sumners
Norman Booth
Town Park

Total: £333,053.26

- B** Noted that works at Staple Tye will be addressed through separate contract connected to agreed installation of a new Splash Park.

67. **SELECTION OF A CONTRACTOR FOR BUILDING NEW COUNCIL HOMES AT BUSHEY CROFT**

Cabinet received a report to appoint a contractor (subject to formal contract) to develop new Council homes at Bushey Croft.

Proposed by Councillor Tony Durcan (seconded by Councillor Mark Wilkinson) it was:

RESOLVED that:

- A** Cabinet approved (subject to formal contract) the appointment of Contractor A for Council new build works at Bushey Croft for the sum of £2,601,141 plus provision for contingency sums as contained in this report.

68. **DEVELOPMENT OF OPTIONS FOR A HARLOW METRO SYSTEM**

Cabinet received a report which sought the endorsement of the principle of establishing a sustainable transport system and to commission a first stage feasibility study.

Proposed by Councillor Danny Purton (seconded by Councillor Mark Ingall) it was:

RESOLVED that Cabinet:

- A** Endorsed the principle of establishing a sustainable transport system to meet the modal shift and climate change aspirations to support the future growth of the town.
- B** Approved, subject to C below, the commissioning of a first stage feasibility study to explore different innovative transport technologies that a 'Harlow Metro' might bring and to advise the Council on operational and business models.
- C** Delegated authority to the Chief Executive, in consultation with Leader of the Council, and Portfolio Holder for the Environment to identify a budget and scope for the first stage feasibility study

to be commissioned in conjunction with the Council's external partners.

69. **1-15 ALTHAM GROVE - EXTERNAL REFURBISHMENT OF FLAT**

Cabinet received a report to award a contract to carry out external refurbishment works at 1-15 Altham Grove:

Proposed by Councillor Mark Wilkinson (seconded by Councillor Danny Purton) it was:

RESOLVED that:

- A** The most advantageous tender in consideration of price and quality combined as submitted by Contractor A be accepted in the sum of £269,996.47 for the delivery of this external refurbishment works programme subject to contract and Leaseholder consultation.

70. **CORNER BLOCKS FULLERS MEAD ESTATE - EXTERNAL REFURBISHMENT OF THE CORNER FLAT BLOCKS**

Cabinet received a report to award a contract to carry out external refurbishment of the corner blocks at Fullers Mead Estate.

Proposed by Councillor Mark Wilkinson (seconded by Councillor Mike Danvers) it was:

RESOLVED that:

- A** The most advantageous tender in consideration of price and quality combined as submitted by Contractor C be accepted in the sum of £379,000.00 for the delivery of this external refurbishment works programme subject to contract and Leaseholder consultation.

71. **FIRE SAFETY WORKS - WILLOWFIELD TOWER, NICHOLLS TOWER AND MOOR TOWER**

Cabinet received a report which recommended the award of a contract to carry out fire safety works at Willowfield Tower, Nicholls Tower and Moor Tower.

Proposed by Councillor Mark Wilkinson (seconded by Councillor Mike Danvers) it was:

RESOLVED that:

- A** The most advantageous tender in consideration of price and quality combined as submitted by Contractor D be accepted in

the sum of £1,468,271.00 for the delivery of updated Fire Compartmentation between floors, in service duct and ventilation system, internal and front entrance fire doors programme, subject to contract and Leaseholder consultation.

72. **COMMUNICATIONS FROM COMMITTEES/WORKING GROUPS/PARTIES AND PANELS**

a) **Referral from Covid-19 Recovery Working Group - Funding Allocations: Recovery Budget**

Cabinet received a referral from the Covid-19 Recovery Working Group to approve a process for allocated funding for recovery measures.

Proposed by Councillor Eugenie Harvey (seconded by Councillor Mike Danvers) it was:

RESOLVED that:

- A** The process for the approval of the allocated funding for Recovery measures be approved as set out in Appendix A to the report.
- B** That the proposed allocation criteria, set out in Appendix B to the report, be approved.
- C** Final allocation of the recovery budget is delegated to Work Stream lead officers in consultation with Workstream appointed Councillors and the relevant Portfolio Holder.

b) **Referral from Cabinet Policy Development Working Group - Local Council Tax Support Scheme Proposals**

Cabinet received a referral from the Cabinet Policy Development Working Group. This sought a recommendation to Full Council that the Local Council Tax Support Scheme remained unchanged for 2021/22.

Proposed by Councillor Eugenie Harvey (seconded by Councillor Mike Danvers) it was:

RESOLVED that:

- A** Cabinet recommended to Full Council that the Local Council Tax Support Scheme remains unchanged for 2021/22.

- c) Referral from Cabinet Policy Development Working Group - Treasury Management Review

Cabinet received a referral from the Cabinet Policy Development Working Group which recommended that the impact of Covid-19, and changes in interest rates were considered in the development of the Treasury Management Strategy.

Proposed by Councillor Eugenie Harvey (seconded by Councillor Mike Danvers) it was:

RESOLVED that:

- A** The impact of the Covid-19 virus, and changes to interest rates be considered in the development of the Treasury Management Strategy.

73. **MINUTES OF PANELS/WORKING GROUPS**

RESOLVED that the minutes of the following meetings are noted.

- a) Minutes of meeting Tuesday, 8 September 2020 of Harlow Local Highways Panel
- b) Minutes of meeting Tuesday, 29 September 2020 of Shareholder Sub Committee
- c) Minutes of meeting Wednesday, 14 October 2020 of Safety Committee

74. **MATTERS OF URGENT BUSINESS**

None.

LEADER OF THE COUNCIL

Harlow Council Forward Plan

Published on 23 December 2020

This plan contains all decisions that the Council's Cabinet expects to take over the coming year. Where relevant, each decision has been identified as a Key Decision or as involving consideration in private session.

The definition of a Key Decision is given in Article 12 of the Council's Constitution but is also set out here for clarity.

A 'Key Decision' means a Cabinet/Portfolio Holder decision which is likely:

- a) to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates. For this purpose, expenditure or savings are deemed to be significant if they exceed £50,000
- b) to be significant in terms of its effects on communities living in an area comprising two or more wards in Harlow.

Each decision listed in this Forward Plan has been assigned an exemption status as follows:

Open – members of the press and public are expected to be allowed to attend during consideration of this matter.

Confidential – members of the press and public are expected to be excluded during consideration of this matter. The reasons for this exclusion will be stated in column 5, and relate to a lawful power to exclude the press and public when specific classes of information are being discussed, as contained in the [Local Government Act 1972](#).

A Decision Notice for each Key Decision is published within five days of it being made. Decision Notices and documents to be considered by decision makers are open for inspection on the Council's website www.harlow.gov.uk and at the Civic Centre, The Water Gardens, Harlow, CM20 1WG. Representations on an upcoming key decision can be made by writing to the Chief Executive, using the address above.

The current members of the Cabinet are as listed on the Council's website at the following page <http://moderngov.harlow.gov.uk/mgCommitteeDetails.aspx?ID=121>

| Ref. | Decision title | Decision Maker | Expected Date of Decision and Ward(s) affected | Key Decision and private consideration status | Documents to be considered by decision maker | Portfolio Holder and Lead Officer |
|-------------|--|----------------|--|--|--|---|
| I011 378 | Corporate Plan | Cabinet | 21 Jan 2021 | Key decision: Yes Likely exemption status: Open | Officer's report | Leader of the Council (Councillor Mark Ingall) Brian Keane |
| I011 379 | Medium Term Financial Strategy 2021/22 - 2023/24 | Cabinet | 21 Jan 2021 | Key decision: Yes Likely exemption status: Open | Officer's report | Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman |
| I011 380 | General Fund Budget 2021/22 | Cabinet | 21 Jan 2021 | Key decision: Yes Likely exemption status: Open | Officer's report | Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman |

| Ref. | Decision title | Decision Maker | Expected Date of Decision and Ward(s) affected | Key Decision and private consideration status | Documents to be considered by decision maker | Portfolio Holder and Lead Officer |
|-------------|--|----------------|--|--|--|---|
| I011 382 | Housing Revenue Account Budget 2021/22 | Cabinet | 21 Jan 2021 | Key decision: Yes Likely exemption status: Open | Officer's report | Portfolio Holder for Housing (Councillor Mark Wilkinson), Portfolio Holder for Resources (Councillor Mike Danvers) Andrew Murray, Simon Freeman |
| I011 383 | Capital and Treasury Report 2021 | Cabinet | 21 Jan 2021 | Key decision: Yes Likely exemption status: Open | Officer's report | Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman |
| I011 384 | Capital Programmes 2020/21 - 2022/23 | Cabinet | 21 Jan 2021 | Key decision: Yes Likely exemption status: Open | Officer's report | Portfolio Holder for Resources (Councillor Mike Danvers), Portfolio Holder for Housing (Councillor Mark Wilkinson) Andrew Murray, Simon Freeman |

| Ref. | Decision title | Decision Maker | Expected Date of Decision and Ward(s) affected | Key Decision and private consideration status | Documents to be considered by decision maker | Portfolio Holder and Lead Officer |
|-------------|--|----------------|--|--|--|---|
| I012 226 | Harlow Investment Fund | Cabinet | 21 Jan 2021 | Key decision: Yes Likely exemption status: Open | Officer's report | Leader of the Council (Councillor Mark Ingall) Senior Management Board |
| I011 721 | Award of Framework Agreement for Legal Services in Support of Special Projects | Cabinet | 25 Feb 2021 All Wards | Key decision: Yes Likely exemption status: Open | Officer's report | Leader of the Council (Councillor Mark Ingall) Simon Hill |
| I012 121 | Fire Safety Works - Edmunds Tower, Hugh's Tower and The Lawns | Cabinet | 25 Feb 2021 Little Parndon and Hare Street; Mark Hall; Netteswell | Key decision: Yes Likely exemption status: Open | Officer's report | Portfolio Holder for Housing (Councillor Mark Wilkinson) Andrew Murray |

| Ref. | Decision title | Decision Maker | Expected Date of Decision and Ward(s) affected | Key Decision and private consideration status | Documents to be considered by decision maker | Portfolio Holder and Lead Officer |
|----------|--|----------------|--|--|--|--|
| I011 777 | Implementation of an Article 4 Direction relating to Houses of Multiple Occupation | Cabinet | 25 Mar 2021 All Wards | Key decision: Yes Likely exemption status: Open | Officer's report | Portfolio Holder for Environment (Councillor Danny Purton), Portfolio Holder for Housing (Councillor Mark Wilkinson) Andrew Bramidge |
| I011 385 | Joint Finance and Performance Report, Quarter 3 2020/21 | Cabinet | 25 Mar 2021 | Key decision: No Likely exemption status: Open | Officer's report | Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman |
| I011 386 | Housing Revenue Account, Quarter 3 Finance Report 2020/21 | Cabinet | 25 Mar 2021 | Key decision: No Likely exemption status: Open | Officer's report | Portfolio Holder for Resources (Councillor Mike Danvers), Portfolio Holder for Housing (Councillor Mark Wilkinson) Andrew Murray, Simon Freeman |

| Ref. | Decision title | Decision Maker | Expected Date of Decision and Ward(s) affected | Key Decision and private consideration status | Documents to be considered by decision maker | Portfolio Holder and Lead Officer |
|-------------|---|----------------|--|--|--|---|
| I011 387 | Capital Programmes, Quarter 3 Finance Report 2020/21 | Cabinet | 25 Mar 2021 | Key decision: No Likely exemption status: Open | Officer's report | Portfolio Holder for Housing (Councillor Mark Wilkinson), Portfolio Holder for Resources (Councillor Mike Danvers) Andrew Murray, Simon Freeman |
| I011 388 | Debt Write Offs | Cabinet | 25 Mar 2021 | Key decision: Yes Likely exemption status: Open | Officer's report | Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman |
| I012 131 | Referral from Cabinet Policy Development Working Group - Housing Strategy | Cabinet | 25 Mar 2021 | Key decision: Yes Likely exemption status: Open | Officer's report | Portfolio Holder for Growth and Prosperity (Councillor Tony Durcan) Jane Greer |

| Ref. | Decision title | Decision Maker | Expected Date of Decision and Ward(s) affected | Key Decision and private consideration status | Documents to be considered by decision maker | Portfolio Holder and Lead Officer |
|----------|--------------------------|----------------|--|--|--|---|
| I009 925 | Regeneration Strategy | Cabinet | To be confirmed Subject to OWG approval | Key decision: Yes Likely exemption status: Open | Officer's report | Portfolio Holder for Growth and Prosperity (Councillor Tony Durcan) Jane Greer |
| I009 572 | Stewardship Arrangements | Cabinet | To be confirmed | Key decision: Yes Likely exemption status: Open | Officer's report | Portfolio Holder for Environment (Councillor Danny Purton) Andrew Bramidge |

Portfolio Holders Decision Notice

12 January 2021

(Published 12 January 2021)

This document lists the decision taken by the Leader of the Council on 12 January 2021.

A decision may be implemented with immediate effect, unless it is eligible for call-in as identified below, whereupon a decision will not be implemented until five working days have elapsed.

| Decision Taker | Decision | Reasons for Decision | Any Options Rejected | Declared Conflict of Interest? | Eligible for Call-In? |
|--|---|--|----------------------|--------------------------------|-----------------------|
| Leader of the Council Councillor Mark Ingall | <u>Appointment of Portfolio Holder for Governance, Equality and Diversity</u> RESOLVED that the Leader of the Council appointed Councillor Nancy Watson as Portfolio Holder for Governance, Equality and Diversity with immediate effect. | The Leader has the power to appoint Councillors to their Cabinet at any time. This appointment will enable the Portfolio Holder to carry out functions consistent with the Portfolio Holder Delegations 2020/21 and any wider powers granted in the Constitution and in law. | None | None | No |

REPORT TO: CABINET

DATE: 21 JANUARY 2021

TITLE: CORPORATE PLAN

PORTFOLIO HOLDER: COUNCILLOR MARK INGALL, LEADER OF THE COUNCIL

LEAD OFFICER: BRIAN KEANE, CHIEF EXECUTIVE
(01279) 446000

CONTRIBUTING OFFICERS: SENIOR MANAGEMENT BOARD (01279) 446004
POLICY AND PERFORMANCE TEAM
(01279) 446252

This is a Key Decision

It is on the Forward Plan as Decision Number I011378

The decision is not subject to Call-in Procedures for the following reason:

The decision stands as a recommendation to Full Council

This decision will affect no ward specifically.

RECOMMENDED that Cabinet recommends to Full Council that:

- A** The Corporate Plan 2020/21, attached as Appendix A to the report, is adopted.
- B** Authority be delegated to the Chief Executive, in consultation with the Leader of the Council, to make minor and inconsequential amendments to the Corporate Plan.
- C** The Chief Executive, in consultation with the Leader of the Council, prepare the proposed delivery programme for 2021-22 and therefore milestones to be monitored through regular Joint Finance and Performance Report quarterly reporting to members.
- D** The review of the Corporate Plan achievements, in future, form part of an enlarged Year End Performance report monitored by Cabinet annually.

REASON FOR DECISION

- A** The Corporate Plan provides the Council with important context for decision making and the allocation of its resources. Approval of the Corporate Plan is reserved to Full Council. There are suggested amendments to the approach to the format of the Corporate Plan to move towards alignment of annual planning cycles from 2021 and the intended earlier reporting of the Medium Term Financial Strategy in subsequent years.

BACKGROUND

1. The Corporate Plan is the corporate strategy for the Council. The Plan needs to be consistent with Medium Term Financial Strategy (MTFS) to ensure that the allocation of budgets is linked to deliver the Council's priorities and principles.
2. The current pandemic will affect targets originally set early in 2020. The quarter 3 and end of year Joint Finance and Performance Reports (JFPR) will set out where movement of milestones has been necessary and the end of year performance.
3. During the financial year 2021/22, a further review will be undertaken of the corporate strategy for the Council, which will align with the MTFS as was originally envisaged for this year.
4. The Council's corporate priorities and principles are set out in Appendix A to this report. Councillors will be aware that the Council approved the establishment of a new Corporate Priority of Resilience and Recovery as a response to the Pandemic. The agreed goals for that priority are reproduced in the Plan document.

ISSUES/PROPOSALS

5. As envisaged within the report to Cabinet last year, the Corporate Plan set goals for a forward three year period. For 2021/22 the plan contains an iteration of last year's plan with updated goals for the year. It is planned that to enable service milestones to have closer alignment to the MTFS and Corporate Plan priorities, work will take place during February and March to ensure all the goals have milestones to achieve them over the remaining term of the plan.
6. Therefore there are some changes to proposed layout and content for the Corporate Plan which:
 - a) Sets out the Council's values, priorities and principles;
 - b) Sets out, for each of the corporate priorities and principles, the Council goals for the remaining plan period and commentary from the Cabinet member.
7. This year it is proposed there be a separate Corporate Plan document and a new delivery plan which will set out the service actions (milestones) for the current year of the plan. Officers will develop the 2021-22 delivery plan between February and 31 March 2021 so that agreed Milestones can be formulated and monitored by members as part of the quarterly JFPR reports.
8. It is intended that the Council move to a position of earlier discussion of the MTFS over the summer with a view to reporting to members in the autumn to help shape future budgets and plans.

9. The narrative on what the Corporate Plan achievements for the year will be aligned to the Council's financial year will form part of an expanded end of year performance report and presented to members at the first Cabinet meeting of the new municipal year.
10. Subsequent service and team plans will be developed during February and March 2020; and will feed into the Personal Performance Plans (PPPs) process for staff from April 2020.

IMPLICATIONS

Environment and Planning (Includes Sustainability)

As contained within the report.

Author: Andrew Bramidge, Head of Environment and Planning

Finance (Includes ICT, and Property and Facilities)

The resources earmarked for delivering the Corporate Plan are detailed within the Medium-Term Financial Strategy.

Author: Simon Freeman, Head of Finance and Property and Deputy to the Chief Executive

Housing

As contained within the report.

Author: Andrew Murray, Head of Housing

Community Wellbeing (Includes Equalities and Social Inclusion)

As contained within the report.

Author: Jane Greer, Head of Community Wellbeing

Governance (Includes HR)

As contained within the report.

Author: Simon Hill, Head of Governance

Appendices

Appendix A – The Corporate Plan 2021/22

Background Papers

None.

Glossary of terms/abbreviations used

JFPR – Joint Finance and Performance Report

MTFS – Medium Term Financial Strategy

PPP – Personal Performance Plans

Leader of the Council



Mark Ingall
Leader of the Council

What a challenging year 2020 has been.

As a town we have faced unprecedented difficulties throughout the COVID-19 pandemic. Its impact has affected, and continues to affect, all our lives and the services which we as a council provide.

As a result, this latest update to the Corporate Plan will be a little different. Our vision, priorities and goals will of course continue to be worked towards, but we must acknowledge the challenges we will face in meeting them in the short and medium term. These challenges are set out in this plan and will form the basis for an action plan which we will work through to deal with them.

This plan also looks at what we have already done and what we will build on in future years. Despite the extraordinary circumstances in which we find ourselves, Harlow Council continues to deliver a wide range of services to residents, and also continue to improve those services and enhance what we do for Harlow. Sound financial management means we can do all this while living within our means. We are still investing money into things that are important to our town and that will support our residents and businesses during the pandemic and as we recover. We pledge to maintain this tight control on our finances at a time when we face ongoing economic uncertainty.

We will not be complacent. As a community leader we are determined to keep improving, keep doing things differently and better and do what is right for the people and businesses of Harlow. Our decisions are driven by our values and priorities, with fairness and equality at the heart of everything.

Harlow is a great place. We are determined that as it grows Harlow will remain a great place and continue to be a town that delivers for all. Despite all the challenges we face, we will keep doing what we can to keep Harlow working and our communities supported, each and every day.

Chief Executive



Brian Keane
Chief Executive of the Council

I always say that our best asset is our people, and this year has really put that into focus.

As we have all been forced to adapt to a new way of working brought about by coronavirus, and the new challenges that have come with it, I am extremely proud at how our staff have all risen up to the task of keeping our services going and focusing on supporting our residents and businesses.

Harlow like all other towns in the country has been hit both economically and as a community as a result of the pandemic. Therefore it is so important, now more than ever, that we continue to work as community leaders, and as a partner among many other organisations, working for the benefit of our town.

The pressure on councils to do more with less resources remains, and we will reprioritise those resources on supporting our town through the pandemic and supporting our town in its recovery. Although life is a little different at the moment, we are not letting this stop our ambitions for the future. We will continue to protect the services we provide and to make sure they are safe in the world we are currently living in. We will also continue to look at ways we can enhance our services without cutting what we do or cutting jobs. This is the very opposite to what many other councils will be doing.

Throughout this year we will continue to consider the threats and opportunities that we face from the pandemic as we work to remain focussed on our priorities. The opportunities laid out in this corporate plan can only be met by everyone working together and we all have our individual roles to play.

I know that, thanks to the hard work that all our staff put in every day no matter the circumstances, we can continue making a difference to our town.

Introduction

In 2020, we published our Corporate Plan for 2020-2021. The purpose of this update is to reaffirm our commitment to our Corporate Priorities, Principles and Goals for 2021-2022, whilst recognising and responding to the Covid 19 Pandemic, changes to legislation, government priorities and opportunities to implement innovation.

For 2021, we have decided not included a 'delivery plan' due to the rapidly changing environment the Council has to work in as a result of Covid 19. Instead, we will report and publish our achievements and performance against our goals through Cabinet and our quarterly Joint Finance Performance Reports (JFPR).

Our Corporate Plan is a central component of the Council's business planning and is underpinned by a series of strategies and plans linking key elements such as the Medium Term Financial Strategy, strategic and operational activities (service and team planning), PPPs, governance, and performance management. The Plan will be reviewed and updated annually.

The Corporate Plan forms the "golden thread" that ensures that everyone in the Council is working towards the same goals; and that corporate priorities, principles are achieved. This will be accomplished through the Council's 'business planning process', for the remaining two quarters of 2020/21 (January and March 2021), where officers will compile their Service Plans for the next financial year (2021/22)

Performance Management Framework

To ensure the Council remains on target, it is essential to monitor the progress of our priorities, principles, and goals. This is done through the Council's Performance Management Framework, which sets out the mechanisms and the range of tool utilised by Officers and Councillors in gathering and reporting the Council's quarterly performance service milestones and performance indicators.

The Council publishes a statement of its performance each quarter. These reports includes information on the milestones, performance indicators and the Council's finances. The Performance reports are presented to Cabinet and when agreed are published here.

<http://www.harlow.gov.uk/performance-reports>

Council Values

The Council strives to be an organisation where people make things happen and promote excellence, good customer service and continuous improvement. We want to ensure that all staff are consistently aware of how their role contributes to the achievement of corporate priorities and principles, are clear about what is expected and share the Council's values. The Council is committed to promoting equality, challenging discrimination and developing community cohesion.

The Council's values are:

- Integrity** Clear, meaningful and honest two way communication with staff, customers and partners.
- Value People** Treating everyone fairly, equally and with mutual respect. Investing in staff, recognising individual and team contributions to achieve success.
- Inspirational** Support and encourage accountability, creativity and innovation amongst our staff, key stakeholders and partners.

Council Priorities

In 2020, Cabinet agreed the following six priorities and three principles for the next two years.

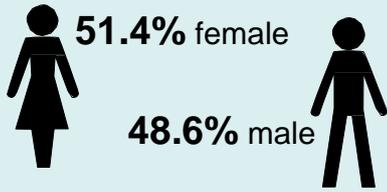
-  **Resilience and recovery**
-  **More and better housing**
-  **Regeneration and a thriving economy**
-  **Wellbeing and social inclusion**
-  **A clean and green environment**
-  **Successful children and young people**

Council Principles

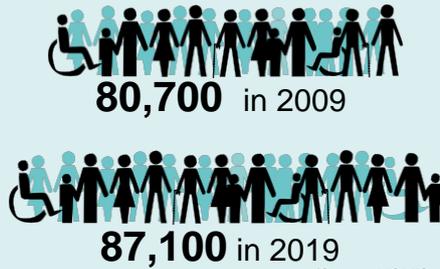
- Being the Community Leader**
- Sound Resource Management**
- Equalities and Fairness**

Harlow in Numbers

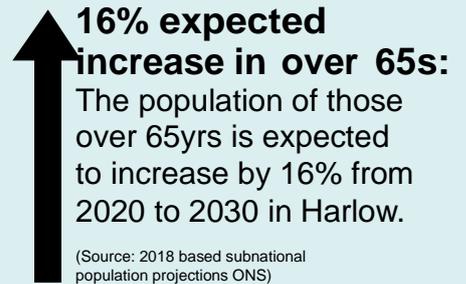
Our Community:



(Source: NOMIS December 2020)



(Source: NOMIS December 2020)



(Source: 2018 based subnational population projections ONS)

Housing:



(Source: Ministry of Housing, Communities and Local Government, table 100, updated May 2020)



40% owned outright/with a mortgage, **34%** social housing, **26%** private rented accommodation

(Source: England.shelter.org.uk Jan 19)

3,118 new homes built from 2011/12 - 2019/20

(Source: Harlow Council Planning Services December 2020)



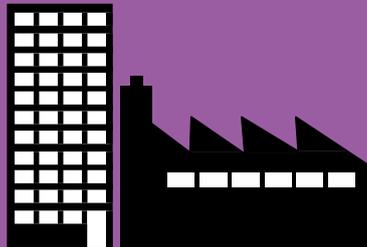
£301,707 average property price

(Source: Hometrack December 2020)

Local Economy:

Number of enterprises
2020 = **3,150**
2018 = **2,875**
increase of 275 enterprises between 2018 and 2020

(Source: NOMIS December 2020)



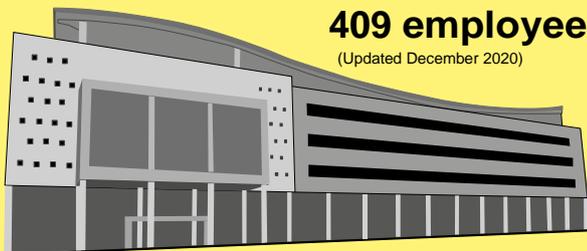
Environment:



49% of land is green space and **51%** is all other land (including built development and residential gardens.)

(Source: Harlow Local Development Plan, adopted December 2020.)

The Council:



Harlow Council has **409 employees**
(Updated December 2020)

Harlow Council has **33 Councillor Seats**

- Labour: 19
- Conservative: 12 (2 vacancy)



Annual Budget (NET) 2019/20 **£9.963 million** March 2020

Housing Revenue Account Budgeted Expenditure **£52.853 million** March 2020

Our Vision: Working Together for Harlow

Being the Community Leader



Whilst we are facing the challenges of operating differently and in innovative ways, we will continue to take a leading role in promoting the needs of Harlow and its residents.

In December we took the decision to proceed to the construction phase of more Council homes for this year which we know is important to our residents and we will continue to invest in Housing.

We will continue to work to meet those needs, to the limits of which we are able during this pandemic, to represent the community and provide high quality services through our staff, often working remotely.

This includes new ways of providing responsive services online for residents and providing absolute transparency in our decision making by having meetings online with public participation ensuring that as a council, we do what is right for our town.

We will ensure that our residents are able to access information through our communication channels in a clear and easy format that meets their needs.

I recognise the impact that businesses have in Harlow and will make sure we procure goods and services from companies that do things the right way.

Above all else, we will continue to work hard to ensure Harlow is a great place to live and work for the whole community.

Councillor Mark Ingall - Leader of Council

Our Goals

- Promote the needs of Harlow.
- Maintain the Council's role as the recognised community leader.
- Improve opportunities for Harlow residents to participate in local democracy and decision making.
- Ensure we are meeting our statutory and regulatory duties.
- Improve communication with the public through the Community Engagement Strategy.
- Increase transparency through Joint Finance Performance Reports (JFPR), the Procurement Strategy, Freedom of Information (FOI) and Environmental Information Regulations (EIR).
- Ensure the Council's procurement framework supports ethical businesses.

Recovery and Resilience



As the Town faces unprecedented times and its biggest health challenge in generations, the Council has taken the step of appointing me as a Cabinet member to focus solely on the Council's response to the Pandemic and to prepare an action plan that ensures we learn from the crisis and emerge from it stronger.

We have set ourselves a vision for the Recovery of Harlow:

"To harness the positive aspects of the community response to the Covid-19 crisis and address the

negative outcomes such that the Harlow that emerges - its residents, businesses and voluntary groups – is stronger, more resilient and poised to take full strategic advantage of the opportunities for growth and renewal.”

I am supported in my role by a cross-party working group of Councillors meeting monthly to guide our work to mitigate the effect of the pandemic on the community and businesses within our town. I am sure that our residents agree that this is a time for collaboration not division and on that basis, I thank all Members for their constructive participation.

The Council has, in its own operations, faced many challenges in order that we continue to deliver vital services to residents and businesses. We will keep these under constant review as needs and circumstances change, always with the goal of supporting you as best we can.

Our Goals, set out below, are those the Council has agreed to meet the future challenges and will steer our decision on recovery on:

- businesses and the economy
- the Voluntary Sector
- the Faith sector on Social Cohesion
- the social impact on the town’s residents as a whole and support required
- Housing, including social housing, homelessness, and private landlords
- those using accessing existing or temporary benefits

This is the greatest challenge faced by the town and the Council. Our Goals seek to secure the best possible socio-economic recovery measures and opportunities, regeneration, and infrastructure improvement outcomes for the town.

Councillor Eugenie Harvey – Deputy Leader of Council and Portfolio Holder for Recovery and Resilience

Our Goals:

- Promoting within everything that it does for the recovery of the town, the strategic priorities of its Corporate Plan
- Managing and recording Harlow Council’s recovery response to the COVID-19 pandemic to meet its priorities as a community leader and fulfil the requirements as a local authority under the Civil Contingencies Act 2004 to “take the lead in facilitating the rehabilitation of the community and the restoration of the environment.”
- Seeking to remove the barriers that keep people beyond the reach of employment, services, jobs and other socio-economic recovery measures and opportunities.
- Maximising the opportunities for innovative ways of future working across the Council and with partners, its own LATCO and other stakeholders (such as the voluntary sector) to the benefit of the local community and business sector.
- Preparation and planning to ensure, with other public sector agencies, that in the face of future outbreaks or emergencies, all residents are given the best possible health protection and outcomes, particularly those at risk of health inequalities.
- Securing the best possible regeneration and infrastructure improvement outcomes for the town across the wider HGGT area in the context that they promote residents’ health and wellbeing and economic recovery.
- Harnessing data and monitoring performance to ensure that services delivered post COVID-19, meet the changing needs of residents and businesses.

- Ensuring the community is kept informed about Council's and other related bodies' actions to keep them safe and prioritise their well-being as we adjust to a new and uncertain reality and seek to build individual and collective resilience.

More and Better Housing



Last year has seen a very challenging year as we continue to fight the Covid-19 pandemic.

This has seen major changes affect once strong performance in housing services as a result of responding to the current pandemic and against additional national, regional, and local challenges having to be faced.

Housing remains a top priority for me and the administration, recognising the need to establish our recovery from the pandemic, and remain well placed to what may come after. My top priorities remain for more and better housing with housing that is genuinely affordable, tackling homelessness, helping to improve choices for those in housing need, increasing the range and type of Supported Housing, improving residents' health and wellbeing, and the raising of housing standards. This is even more relevant following the implications locally from Covid-19.

Working in partnership with our local housing agencies has been an ongoing success story as we have had to accommodate more rough sleepers during the last year, working to receive additional grant funding to support those who are in genuine housing need. The Supported Housing service continues to be nationally recognised, being accredited by Telecare Services Association (TSA).

The Housing Revenue Account Business Plan will be reviewed in 2021 in response to the changing environment and the resources available.

Councillor Mark Wilkinson – Portfolio Holder for Housing

Our Goals:

- Invest in the housing stock.
- Delivering the house building programme with a wider choice of housing types of all tenures which include affordable, social rented and council housing.
- Work towards improving choices for those in housing need.
- Increase the range and type of Supported Housing.
- Tackle homelessness by implementing the Homelessness Strategy.
- Encourage and facilitate effective tenant and leaseholder engagement

Regeneration and a Thriving Economy



The impact of Covid-19 on the economy and prospects for regeneration are far reaching. It is in this context that the Council will continue to strive for its long term ambition to make Harlow the place of choice to do business in the UK Innovation Corridor and ensure that we lead the regeneration of key areas of our town.

We have established the Harlow Growth Board, working with all key partner organisations in Harlow and over the course of the coming year this will steer our efforts to develop our bid to Government for the funding of our Town Investment Plan, strongly focussed on the town centre, and bring a compelling voice for investment in our town. We will continue to build out the Harlow Innovation Park and welcome new occupiers, and work with our colleagues in Public Health England to ensure successful plans for their progress in relocating to

Harlow.

All of these key developments will bring new business and employment opportunities for Harlow businesses and residents and we will strive to maximise these opportunities. Delivering new quality homes will be central to our plans. The Council will continue to prioritise the delivery of homes on its pipeline of sites and influence key developments of the Harlow & Gilston Garden Town plans and delivery of critical infrastructure. We will also act to ensure that our businesses and residents access support to address the impacts of Covid and that we respond to changes that the pandemic has accelerated such as the growing importance of digital to our economy and learning, and businesses and workers seeking to move from London into more flexible workspaces.

Councillor Tony Durcan – Portfolio Holder for Growth and Prosperity

Our Goals:

- Do all we can to help address the major economic impacts of Covid-19.
- Lead the delivery of the Enterprise Zone (EZ) and Harlow Innovation Park.
- Work with Public Health England to deliver real benefits for local residents and businesses from those developments.
- Adopt science and technological innovation to support the regeneration and prosperity of the town.
- Work with others to align and develop skills of local residents to take advantage of future employment opportunities.
- Promote Harlow as an attractive, green, and sustainable location for businesses.
- Increase investment in the infrastructure required for Harlow's economic and housing growth.
- Drive forward the regeneration of the Town Centre to deliver a unified town centre re-balancing and repurposing areas of the town centre that have declined.
- Deliver more housing of all tenures to maximise the opportunity for new Council homes, social rented homes, and other forms of truly affordable housing.

A Clean and Green Environment



The principles of the original Master Plan for the New Town prepared by Sir Frederick Gibberd in 1947 have given Harlow its unique character. The Town was built around a series of neighbourhoods, separated by large areas of natural and semi-natural open spaces, now known as Green Wedges. These areas form key physical features of Harlow and have helped to shape Harlow's subsequent growth.

Just under half of all the land in Harlow is open space – a mix of designated Green Wedge, Green Belt, and other open space. The new Local Plan, which adopted in the December 2020, provides for such assets to be protected against the threat of unwarranted intrusion and inappropriate development for the benefit of both current and future generations, whilst supporting other key Council priorities. The plan sets out an aspirational vision for the town whilst preserving its character.

I know from talking to residents; and from previous budget consultations that keeping our streets and public places clean and tidy and looking after our parks and open spaces remain high priorities for Harlow residents. Improvements in street cleaning and maintenance of our green spaces have been sustained.

Looking after the Town's green spaces comes at a cost but efficiency savings have been reinvested

into extra grass cutting and green space management which has made a positive impact. I look forward to continuing to work proactively with HTS (Property and Environment) Ltd to improve the care of our green spaces and street scene.

Now that we have our new Local Plan adopted we are in a strong position to achieve the long term regeneration of Harlow, balancing the need to accommodate growth with protecting our environment. The development of the Harlow and Gilston Garden Town will move further forward this year and Harlow Council will work as a proactive member of the partnership to advance the interests and potential of the town.

Councillor Danny Purton – Portfolio Holder for Environment

Our Goals:

- Sustain the cleanliness of the Town with the maintenance and protection of open spaces.
- Continue to promote and support the Keep Britain Tidy Spring Clean Campaign 2021/22.
- Minimise domestic waste and maximise reuse and recycling.
- Invest in un-adopted roads, cycle paths and pavements.
- Implement the highest standards for the built environment.
- Improve flood defence capability and maintain waterways.
- Commence a review of Harlow's Local Plan and bring forward relevant Supplementary Planning Documents and other planning policies to deliver the objectives of the Local Plan.
- Complete the Town Centre Master Plan.
- Advance the regeneration of Harlow via the Local Plan and the Harlow and Gilston Garden Town initiative.
- Seek improvements to encourage sustainable journeys and undertake a feasibility study into the potential for a Harlow Metro System.

Wellbeing and Social Inclusion



Wellbeing and social inclusion have been seriously challenged by the Covid 19 pandemic. Inequalities have been exposed, and members of our community have been disproportionately affected by the pandemic. We will continue to work closely with our partners to understand and mitigate these impacts, learning how services can evolve to meet these challenges. We will advocate with and for our community for the resources and opportunities to enable recovery and address ongoing impacts to our resident's prosperity, health and wellbeing, and sense of community.

On a more positive note our community and voluntary sector partners have responded magnificently with more local people stepping forward to play their part in assisting our community, in partnership with public services. We can learn from this experience how to continue to strengthen this infrastructure for the challenges that lay ahead.

Our community assets have experienced a hugely difficult year at a time when people perhaps need them the most. We must prepare to bring these opportunities back at the safest and earliest moment to ensure the cultural and sporting life of our town can recover its vibrancy. We must be ready to value, protect and promote our local assets even more and seek ways to improve their resilience..

Councillor Chris Vince – Portfolio Holder for Community & Wellbeing

Our Goals:

- Achieve the key ambitions of the Harlow Health and Wellbeing Strategy Healthy Harlow and associated action plans.
- Play a leading role in tackling the underlying root causes of poor health and the issues that affect wellbeing.
- Work collaboratively with the wider partners to deliver Health and Wellbeing.
- Continue to work with partners to tackle crime, anti-social behaviour, and domestic abuse.
- Enhance and develop the town's cultural offer for visitors and residents of the town through a collaborative approach with local and regional stakeholders.

Successful Children & Young People



The Covid 19 pandemic has impacted the towns children and young people in wide ranging ways from education and mental health to employment prospects. Even just socialising and enjoying growing up have been compromised.

We will continue to work with the youth council and other young peoples' organisations and services to understand how we can bring together a coalition of support for children and young people to mitigate and move forward from the effects of the pandemic.

The Council will seek to open employment and work experience opportunities for young people to assist in countering the large increase in youth unemployment. We will continue to work in partnership to deliver support for school readiness and to ensure that lessons are learned and acted upon to ensure all your people are able to access learning. We will encourage young people's engagement with the Youth Council to ensure that there is a strong voice for youth in the town in shaping all that the Council and its partners do.

Councillor Chris Vince – Portfolio Holder for Community & Wellbeing

Our Goals:

- Help to improve outcomes for Harlow's children and young people.
- Support young people to be more involved in decision making.
- Work with partners to support families with complex needs.
- Safeguard children and young people.
- Work with partners to develop opportunities for learning beyond school age, providing a mix of further and higher education suited to the needs of residents and employers.

Sound Resource Management



The Council's financial position has and continues to be very good. Financial information is published regularly and features as part of the Council's commitment to conducting its business in an open and transparent way. External assessments of the Council's financial position remains good with unqualified Value for Money judgement being presented by its external and independent auditors BDO LLP.

2021/22 will be another challenging year for the Council's finances with the ongoing issues of Covid and the longer term impacts it may have on the economy still unclear and uncertain both nationally and locally.

With the future funding arrangements for local authorities remaining extremely uncertain Harlow

Council has ensured that over the past ten years of austerity no services have been cut or stopped despite the significant reductions in funding it has received from central government.

This is an incredible achievement and one which I continue to be extremely proud of, but it is likely to make further savings very difficult to achieve in the future especially if Government funding changes have an adverse impact for Harlow.

Councillor Mike Danvers – Portfolio Holder for Resources

Our Goals:

- Ensure the Council is economic, efficient, and effective.
- Get the best from the resources available.

Equalities and Fairness



I pay tribute to the work by the late Councillor Frances Mason during the past year who championed equalities in the Council since taking on the Governance, Equality and Diversity Portfolio. Work that she instigated will form her legacy over the coming year.

Harlow is a town that is proud of its diversity and long history of promoting fairness. The Council is committed to improving the outcomes for all and preventing any form of discrimination. The Council has implemented and proudly supported a number of schemes to achieve these aims, including a formal review of its equality arrangements this year and the bringing forward a new policy and action plan.

We continue to ensure that the Council meets all its legal duties, regarding equality and diversity. The Council will continue to work with Community Partners and its new Community Forum to develop its approach to equalities. We continue to adapt how the Council's Governance works to ensure transparency of its decision making with online meetings and will undertake a review of our Constitution to ensure good governance and fairness.

The Playhouse continues to host a wide range of events which cover issues such as mental health and has hosted a number of events ensuring that the Playhouse is accessible to all. It remains at the very heart of our diverse community providing a place to meet and celebrate the diversity of our town.

The Council is committed to ensure it takes a robust approach to slavery and human trafficking and acknowledges its statutory duties under the Modern Slavery Act 2015 and keep its processes for contracts and partners under active review. The Council sets a target to have a positive impact on the fair and safe working conditions of those working directly or indirectly for the organisation and expect its suppliers, contractors, and partners to share in this vision.

The Council will undertake further work on its procurement strategies to improve the Social Value in its contracting to promote the local economic, social, and environmental well-being of Harlow. The Council continues to do all it can to tackle domestic abuse, in which there has been a worrying increase during the pandemic. We continue to work proactively with other organisations who provide support for victims.

We do all that we can to Safeguarding our young people and vulnerable adults to keep them from

harm. We work closely with our partners to ensure we have effective policies and procedures in place and ensure that our staff and councillors receive the appropriate training to ensure every person, young or old can live their lives without harm.

Councillor Mark Ingall, Leader of Harlow Council

Our Goals:

- Ensure the Council's decision making is open, transparent, and fair and takes into account the diversity of the Town, ensuring equalities are incorporated.
- Develop and promote the diversity of Harlow.
- Support the citizen of Harlow to actively contribute and benefit from all that Harlow has to offer by fostering good relations between people who share a protected characteristic and those that do not.
- Work with residents and businesses to eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Increase public confidence in how we tackle domestic abuse.
- Enhance the quality of life and care for people with a learning disability, autism and/or mental health issues.
- Safeguarding adults whose circumstances make them vulnerable, protecting them from avoidable harm and acting in their best interests where they lack capacity.

REPORT TO: CABINET

DATE: 21 JANUARY 2021

TITLE: MEDIUM TERM FINANCIAL STRATEGY 2021/22 – 2023/24

PORTFOLIO HOLDER: COUNCILLOR MIKE DANVERS, PORTFOLIO HOLDER FOR RESOURCES

LEAD OFFICERS: SIMON FREEMAN, DEPUTY TO THE CHIEF EXECUTIVE AND HEAD OF FINANCE AND PROPERTY SERVICES
(01279) 446228

SENIOR MANAGEMENT BOARD (01279) 446004

This is a Key Decision

It is on the Forward Plan as Decision Number I011379

The decision is not subject to Call-in Procedures for the following reason:

The decision stands as a recommendation to Full Council

This decision will affect no ward specifically.

RECOMMENDED that Cabinet recommends to Full Council that:

- A** The Medium Term Financial Strategy for 2021/22 to 2023/24 (attached as appendix B to the report) is adopted.
- B** The planned Council Tax increase of 1.99 per cent for 2021/22 as set out in the Medium Term Financial Plan be approved.
- C** That an initial £155,000 is earmarked from the Governments 2021/22 Covid support funding to provide additional council tax hardship support and that up to £300,000 in total is made available should it be required in 2021/22.
- D** That a new Budget Stabilisation Fund is created as set out in this report totalling £1.363 million by utilising £1 million of the existing Severance Reserve and the balance of the 2021/22 Covid-19 funding provided by the Government.
- E** That the New Homes Bonus for 2021/22 totalling £1.079 million is contributed in full to the Discretionary Services Fund.

REASON FOR DECISION

- A** To enable Cabinet to consider the current factors influencing the three year Medium Term Financial Plan and agree the financial strategy for the period

2021/22 to 2023/24 in support of the overall financial plans of the Council over that period and the delivery of its priorities.

BACKGROUND

1. The Medium Term Financial Strategy (MTFS) provides the parameters for the Council's revenue spending and capital investment plans for the next three years. The revision of the MTFS has incorporated the one year funding announcements made by the Government for 2021/22 and has made assumptions regarding subsequent years in the absence of any longer term funding deal. The MTFS has also had to make assumptions in relation to the medium term impacts of the national Covid-19 crisis, which has been an ongoing issue during 2020/21.
2. As with the previous revision of the MTFS, there are a number of key issues which could impact upon it over the three year planning period including:
 - a) As mentioned above the medium term impacts of the Covid crisis which, as reported so far during 2020/21, has seen reduced income combined with spending pressure. Alongside this we have seen the central Government grants to support local authorities through the crisis coupled with the wider financial support administered largely by the Council but targeted at residents and local businesses;
 - b) The uncertainty regarding the Government's intentions regarding public sector funding, which has again seen just a one year financial settlement, and no longer term indications to provide clarity for planning purposes;
 - c) Any immediate and medium term impacts of the ending of the Brexit transitional process on 31 December 2020, which could be very significantly dependent upon the achievement of a trade deal and the context of that deal;
 - d) Any further Government interventions in rent setting policy in the future; and
 - e) Welfare reform and the roll out of Universal Credit full service by managed migration by 2023. it is still difficult to predict the financial costs, the community and social impacts and the future losses to the council as a result of the migration
3. As has been a consistent theme in the MTFS planning in recent years, there remains significant uncertainty with regard to the funding arrangements for the local government sector beyond 2022/23, with only a one year deal having been announced by the government for 2021/22. This ongoing uncertainty stems from both the proposals regarding the new distribution methodology and the actual level of resources to be distributed through that mechanism. Such uncertainty continues to make meaningful financial planning very difficult to predict and

forecast and even more so at the current time with the ongoing impacts of Covid-19 still unclear. Assuming that any change in funding methodology will continue to follow the proposals linked to a Business Rates Retention scheme, the economic conditions locally and regionally will play an increasingly important role in terms of the predicted business rates forecasts and the baseline funding level set by the Government. Again, medium and long term impacts of Covid-19 could well impact the baseline funding and as a consequence the funding over any period thereafter pending a baseline reset.

4. The MTFS is informed by, and supports the Council's Corporate Plan, which appears elsewhere on the Cabinet agenda. The key corporate priorities as set out in the Corporate Plan, are as follows:
 - a) Resilience and Recovery;
 - b) More and Better Housing;
 - c) Regeneration and Thriving Economy;
 - d) Wellbeing and Social Inclusion;
 - e) A Clean and Green Environment; and
 - f) Successful Children and Young People.

ISSUES/PROPOSALS

Proposed amendments to the previously approved MTFS (February 2019)

5. The key messages contained in Section 1 of the proposed MTFS continue to form the cornerstone of the Council's financial planning. Proposed changes in key assumptions underpinning the financial forecasts are set out in Appendix A to this report, and mainly relate to changes at a national level, or the content of the draft Local Government Finance Settlement announced on 17 December 2020.
6. Proposed key amendments to the Strategy are set out below:
 - a) In light of the significant impacts of the Covid-19 crisis, both short and potentially long term the use of reserves will be planned for in the 2021/22 budget and may be required beyond next financial year dependant on recovery and the local economic impacts;
 - b) In addition, the significant uncertainties surrounding the funding changes proposed for local government (Fair Funding Review and Business Rates Reform), the planning period covered by the MTFS remains restricted to three years; and

c) Changes are made to the reserves as set out in paragraphs 23-32 below.

7. The resulting General Fund Medium Term Financial Plan (MTFP) (attached as Appendix E to the report) shows that, subject to the assumptions that have been made, the Council is able to deliver a balanced General Fund budget for 2021/22 and will have forecast budget gap in 2022/23 and 2023/24 of £185,000 and £335,000 respectively with no ongoing dependency on reserves. It should be noted that the projected budget beyond 2021/22 is subject to the Government's future funding allocations to the Council, the on-going economic environment in which the Council will operate and any investment requirements needed for existing and on-going service delivery.
8. In considering the budget proposals contained within this report it is important to appreciate the savings already delivered by the Council in recent years. Table 1 below summarises the savings achieved since 2007/08.

Table 1 – Savings achieved

| | 2007/08 to 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|--------------------|--------------------------|---------|---------|---------|---------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Annual Savings | - | 1,286 | 1,000 | 605 | 422 |
| Cumulative Savings | 19,177 | 20,463 | 21,463 | 22,068 | 22,490 |

9. In light of the scale of the reductions and in the absence of any assurances that local growth in business rates will compensate for the overall reduction in the Council's Settlement Funding Assessment (SFA), the protection of services cannot be guaranteed in future years.

Council Tax Levels

10. The MTFS forms a key planning tool for budget setting purposes. Economic indicators forecast that the level of inflation will be as set out in the table 2 below. It should be noted that many forecasting sources exist and that the Council has relied upon data from the Bank of England Monetary Policy Report (November 2020) provided by its treasury management advisors Arlingclose.
 - a) The Council Tax Band D amount proposed in the 2021/22 Budget represents a 1.99 per cent increase in the district element when compared with 2020/21.
 - b) The Localism Act introduces the need to hold local referendums in relation to Council Tax increases if those increases are above the limits set by the Government. The Secretary of State announced in the draft finance settlement that the limit on Council Tax increases for 2021/22 will be two per cent or £5 (whichever is the greater) before a

requirement to hold a local referendum would be triggered. There will be no requirement to test the 2021/22 budget proposals against this requirement as the MTFS contains proposals which fall below the Government set limits.

Table 2 – Forecasted Levels of Inflation

| Index | Apr 20 | Sep 20 | 2021 |
|-------|--------|--------|------|
| CPI | 0.8 | 0.5 | 2.0 |
| RPI | 1.5 | 1.1 | 2.7 |

CURRENT ISSUES INFLUENCING THE MTFS

The Comprehensive Spending Review

11. The Government’s Comprehensive Spending Review (CSR) process has made significant reductions to the financial settlement for councils. At a local level the Council has seen reductions in its grant as shown below.

Table 3 – Grant Reduction Levels

| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 |
|------------------------|--------------|--------------|--------------|--------------|--------------|-------------|---------------|
| Grant Reduction | 14.6% | 13.7% | 14.2% | 15.9% | 10.1% | 3.5% | (1.6)% |

12. The draft settlement released on 17 December 2020 was broadly aligned to previous MTFS assumptions and confirmed that the impact of falling in to a negative Revenue Support Grant scenario (which the Council did) has been met within the settlement and has therefore removed this potential pressure for 2021/22. However, the risk of reduced income from the collection of business rates is still an issue under the current funding arrangements and as such, a medium term priority is to ensure that sustainable budgets can be delivered in future years with Business Rates and Council Tax forming the two key revenue streams for the Council. The release of the draft settlement has also confirmed that the funding available under the Government’s one year deal, will only be applicable to the 2021/22 financial year leaving the later years of the MTFS planning period very uncertain and difficult to predict.
13. The proposals contained within the MTFS and the General Fund Revenue Budget 2021/22 report elsewhere on the Cabinet agenda will be sufficient, if agreed, to deliver a projected balanced budget for 2021/22 financial year.

Business Rate Retention (BRR)

14. The BRR Scheme has operated since 2013 and, as previously reported will increasingly feature as the core source of direct Government funding within SFA if the new government agrees to continue with the plans for local government finance reform. The BRR Scheme was intended to see a simplification of Council funding arrangements and to incentivise Councils to encourage

economic growth in their areas. In return, this would improve the business rates collectable and therefore the funding retained locally through the new funding arrangements.

15. The new funding system still retains the RSG system within the SFA which in itself is extremely complex and assesses a Council's funding need on four key formula driven elements. It is very much a mechanism which can be used by the Government to influence Council funding at a national level. The forward forecast of funding received through the RSG element of SFA has now reduced to a negative sum. As mentioned in paragraph 12 above the Government has given a commitment to all local authorities placed in this position by the funding formula to fund the negative element of RSG through the central share of business rates which will leave no impact locally for Councils.
16. As previously reported, BRR is not only more complex than had been envisaged and includes the transfer of risks to councils, but it also introduced the redistribution of significant proportions (50 per cent) of locally collected business rates directly back to the Government.
17. Whilst progress had been made in relation to the development of the full business rates retention proposals much of the momentum has been lost initially due to the focus on the Brexit and European trade negotiations and now in 2020 by the national Covid-19 crisis. In the absence of primary legislation the Ministry for Housing, Communities and Local Government (MHCLG) are considering ways in which the Government's manifesto commitment to give local Government greater control over their income can be taken forward and have committed to restart the work on Business Rates reform and the Fair Funding Review during 2021.

Business Rates Pooling

18. A business rates pool has operated within Essex during 2020/21. The major benefit of being in a pool is the reduced levy rate applied to the local business rates growth achieved in the year. It is anticipated that pooling and therefore the Essex pool will continue in to 2021/22 subject to any further information which may become available alongside the finance settlement. However the benefits of pooling are not likely to be achieved as planned in 2020/21 and as a result this remains a significant risk area for the budget in 2021/22

Welfare Reform

19. As previously reported, the Localism Act 2011 contained a number of provisions which impact on the Council and its financial position. One of the key changes was the localisation of the previous national Council Tax Benefit Scheme. The Council continues to work hard to ensure that the impact on local residents resulting from the introduction of the Local Council Tax Support Scheme (LCTSS) and the funding cut implemented by the Government is minimised as far as possible. It is also anticipated that there will be some form of additional support for those impacted by the Covid crisis next year in a similar way to the additional £150 contributions made in 2020-21. Details of how the funding can

be used and the actual allocations have not been released within the draft settlement but nationally the funding totals £670 million.

20. The Council has once again worked with the major precepting bodies to ensure that the Hardship Fund, established to support the most vulnerable within the local community, will continue in 2020/21. The Fund has been fully utilised in each of the years since it was established and is likely to be so again in 2020/2021. In light of the Covid-19 situation and subject to approval of the recommendations set out in this report up to a further £300,000 will be made available to deal with hardship cases in 2021/22 To provide as much stability as possible to those households impacted by the introduction of the LCTSS, the Council's scheme will again remain unchanged in 2021/22, as agreed by Full Council at its meeting on 10 December 2020.

The Economic Conditions

21. The current economic situation is more volatile and unpredictable at the time of planning the 2021/22 budget than at any time since the 2008 financial crisis. The impacts of Covid-19 and the ongoing crisis that has materialised following the first national lockdown in March 2020 have had a variety of impacts on the Council's financial position. These impacts which include volatility in income streams, including business rates, Council Tax and housing rents have been reported during 2020/21. There have also been additional expenditure pressures directly linked to Covid-19 in dealing with Personal Protective Equipment (PPE), technology including the equipment required to enable staff to work from home, the installation of new and additional signage, providing Covid-19 updates to residents, providing staffing for the reopening of the high street and managing the enforcement of Covid-19 guidance issued by the Government, and the implementation of platforms to enable virtual meetings to work effectively. With a high degree of uncertainty in relation to the national and local economic performance moving in to 2021/22 it is likely that impacts will continue to be felt for the next twelve months and potentially across the period of the MTFS.
22. The Council's budgets, particularly its income budgets, will be susceptible to variation as we have already seen in the first nine months of 2020/21. Further expenditure pressures are also likely but are currently difficult to predict with any accuracy. These factors combined with the likelihood that there will be significant reductions in the government's support for local government as we move in to 2021/22 all combine to make setting a budget and forecasting the MTFS with any degree of certainty extremely difficult. Despite this the good financial management across the Council's budget continues and has ensured that the overall budget has remained, and is projected to remain under control despite the significant Covid-19 impacts. Updates are and will continue to be reported to Cabinet on a quarterly basis throughout each financial year to ensure that the Cabinet is fully engaged with the financial management of the Council. In view of the economic climate, and to ensure that the Council's budgets are set at realistic levels without unnecessarily making service reductions in a situation where data is still limited and there is high uncertainty regarding the progress of the crisis over the next six to twelve months the MTFS makes assumptions regarding the management of the situation for 2021/22.

Reserves

23. A key aspect to the management of risk and service transformation or transition is to establish appropriate and effective reserves to help the Council work through funding changes in a planned way.
24. Some of the services supported by the Discretionary Services Fund (DSF) have now been returned to core funding including the Playhouse, Pets Corner and the Community Safety Team thus removing their reliance on the DSF for their ongoing financial support. This programme of returning services to core funding will continue in future years subject to the ability to contain the costs within the general fund budget without the need for other service cuts.
25. In terms of responding to Covid-19 and its impacts locally the provisional local government settlement has detailed some ongoing support packages to help local authorities deal with the ongoing crisis;
 - a) For 2021/22 the Government has earmarked a further £1.55 billion of financial support. Based on the initial allocations within the draft settlement the Council is projected to receive £517,920 from this unringfenced Covid-19 support grant, similar to the funding received during 2020/21;
 - b) A new one off funding for lower tier authorities “Lower Tier Services Grant” which will provide one off funding in 2021/22 of £132,794 for Harlow.
 - c) Funding will be provided in respect of assisting to help meet the costs of the increased Local Council Tax Support caseloads. The indicative allocations show that Harlow will receive £191,000 from this unringfenced grant in 2021/22
 - d) The Sales Fees and Charges support is also planned to continue for the first quarter (April – June 2021) only. It is not yet possible to determine how much support this will provide locally but claims for any qualifying lost income will be made at the appropriate time and reported through the in-year budget monitoring process; and
 - e) The Government has also outlined proposals to help meet up to 75 per cent of the costs of unrecoverable Council Tax and Business Rates income. The scheme has been outlined but allocations of funding will not be available until late in 2021/22 due to the nature of the scheme being outlined and the data sources it will rely on to determine those allocation.
26. The schemes and funding flowing from them will be allocated appropriately during 2021/22 to help meet the ongoing pressures facing the council as a result of the crisis. With regard to the unringfenced Covid-19 funding (see 25a) above) it is proposed that, whilst it is not sustainable to freeze council tax over the medium to long term, an initial sum of £155,000 of the grant allocation

(equivalent to the sum generated by the proposed 2021/22 council tax increase) will be earmarked specifically to provide hardship funding to support those local residents most significantly impacted by the crisis and least able to meet their council tax payments. This will be kept under review during 2021/22 with up to a further £145,000 to be allocated from the proposed Budget Stabilisation Fund if necessary to create a total maximum hardship fund of £300,000 in addition to existing hardship support.

27. To supplement the government announce support and in light of the impacts on the Councils finances in 2020/21 £1 million of the Council's Severance Reserve will be reallocated, along with the balance of the government Covid-19 funding detailed at 25a) above in to a new Budget Stabilisation Fund giving an available finance of £1.363 million to support the Council next year should it be required. The creation of the fund will remove the need to make short term decisions related to potential budget reductions especially related to income from both fees and charges and business rates/council tax over the next twelve months while the General Fund balance is restored. It will also provide resilience whilst the council builds its understanding of the medium to long term impacts on the local economy and residents' behaviour moving forward.
28. As a result of the good financial management demonstrated across all services in recent years the Council was able to take advantage of utilising its General Fund balance to help finance the Council's pension fund payments in advance for 2020/21, 2021/22 and 2022/23. This has enable significant savings to be achieved across the three financial years and for the General Fund balance to be restored over the same period to a level in excess of its minimum recommended level. The results of the good financial management in recent years has also enabled one off projects such as the Environmental Project to be funded and for money to be set aside to support future developments such as the investment in the Council's paddling pool facilities and estates parking schemes. Moving forward in to 2021/22 and beyond there remains a high degree of uncertainty as already detailed in this report and for this reason it is intended that the General Fund balance will, by 2022/23 be restored to a balance at or around £4 million to provide sufficient scope to manage any long term impacts of Covid-19 and/or the transitional phase of the proposed new finance system for local government to enable funding reductions to be managed.
29. Further details of the reserve's movements are set out in the General Fund Budget report, which features elsewhere in the Cabinet's agenda.
30. As part of the revision of the MTFP and in light of changes introduced through the Localism Act 2011 this report reaffirms the commitment to:
 - a) The on-going receipt of New Homes Bonus payments from the Government with planned allocations being applied to the DSF in 2020/21 and future years should they continue under the new funding arrangements; and

b) The General Fund Reserve minimum balance being maintained at £2.5 million to enable the Council to manage future short term volatility in resources. Although this is the recommended minimum working balance for the General Fund, it is recommended that the actual balance is maintained above this minimum to enable the Council to operate flexibly and manage its risks without contravening the minimum level, especially during the period of major uncertainty over the next two to three years in light of the governments funding review and the possible ongoing implications of Covid-19.

31. In moving forward, Cabinet should be aware of the considerable potential pressures on the uncommitted level of reserves as follows:

- a) The possible exposure to fluctuations in Council Tax and rent income as a result of the ongoing impacts of the Covid-19 crisis and employment in the local economy;
- b) The need to review the reserve in order to counter the risk of not being able to accurately predict Housing Benefit subsidy due to the complexity of calculations and the impact of small variations in accuracy and collection rates on the subsidy receivable. Variations can also potentially occur each year between the returns the Council must submit and the audit of those returns.
- c) The ongoing risks associated with the new grant mechanisms and the volatility which could be experienced in core funding as a result. Although the potential inclusion within the Essex business rates pool will reduce the levy rate paid there is a risk to all councils in that pool should the economy take time to recover from the downturn caused by the pandemic and the closures of businesses in the various tiers of restrictions. The pool must bear the costs of councils within it falling below their baseline funding level – as is expected to be the case in 2020/21. With the ongoing uncertainties of the Covid-19 and the ending of the European Union transition period on 31 December 2020 there is a potential risk that the economy could have ongoing adverse impacts on the pool.
- d) The need to work above a reasonable buffer between the minimum recommended level and the actual level of reserves so that the Council is able to work ‘comfortably’ above the minimum level. Given the challenges outlined in this report this may prove to be very difficult in future years.
- e) The need to be able to finance one-off expenditure from reserves should the need arise.
- f) The increased risks associated with the Council’s treasury management activities and the changes introduced by the Government that would expose the Council to higher risks that previously experienced.

32. The Cabinet's attention is also drawn to the risks identified in section 10 of the MTFS, as well as the Council's strategic risks which are reported to Cabinet and the Audit and Standards Committee. Such risks and the impact of those risks on the MTFS will need to be closely monitored during the year.

Capital

33. A five year projection of capital expenditure and capital financing is set out at Appendix C. The funding projections reflect a prudent assessment of asset sales which will help support the programme and help meet the repayment of internal borrowing which has been undertaken in anticipation of receipts. Accumulated internal borrowing is forecast to stand at £18.2 million by the end of 2020/21 and whilst asset sales are forecast to continue during 2021/22 they will not be sufficient to support the Non Housing Capital Programme. The Council's MTFP includes a revenue provision sufficient to fund external borrowing of £3 million per annum. The Non Housing Capital Programme continues to be developed within the available funding envelope.
34. The Housing Capital Programme had been developed in light of the increased funding and flexibilities offered as a result of the introduction of the self-financing model in 2013 as well as the more recent lifting of the HRA borrowing cap. The Government's imposition of the annual one percent reduction across the four financial years 2016/17 to 2019/20 has had a major impact on the account and the council's position in relation to the repayment of debt.

Conclusions

35. The proposed MTFS provides a reasoned and prudent basis for financial planning and management, creating the context for the delivery of the Corporate Plan and for the formulation of the annual budgets.
36. The MTFS will continue to be reviewed at least annually during the budget setting process.

IMPLICATIONS

Environment and Planning (Includes Sustainability)

As contained within the report.

Author: Andrew Bramidge, Head of Environment and Planning

Finance and Property (Includes ICT)

The MTFS is a key component in the efficient and effective management of the Council's financial resources. Financial implications are contained within the report.

Author: Simon Freeman, Deputy to the Chief Executive and Head of Finance and Property Services

Housing

None specific. Housing finance changes are covered fully in the report Housing Revenue Account Budget and Housing Revenue Account Business Plan elsewhere on the Cabinet Agenda.

Author: Andrew Murray, Head of Housing

Community Wellbeing (Includes Equalities and Social Inclusion)

None specific.

Author: Jane Greer, Head of Community Wellbeing

Governance (Includes HR)

The General Fund Revenue Budget 2019/20 report elsewhere on the Cabinet agenda details the main human resource implications associated with the proposed Council budget. Subsequent years will be addressed in a similar way at the time.

Author: Simon Hill, Head of Governance

Appendices

Appendix A – Changes to the MTFS assumptions

Appendix B – Harlow Council's Medium Term Financial Strategy 2020/21 to 2022/23

Appendix C – Capital Programme Medium Term Financial Plan (MTFP) 2020/21 – 2022/23

Appendix D – Housing Revenue Account Medium Term Financial Plan (MTFP) 2020/21 – 2022/23

Appendix E – General Fund Medium Term Financial Plan (MTFP) 2020/21 – 2022/23

Background Papers

None.

Glossary of terms/abbreviations used

BRR – Business Rates Retention

CSR – Comprehensive Spending Review carried out by the Government in relation to the local government funding arrangements

DSF – Discretionary Services Fund

HRA – Housing Revenue Account

LDF – Local Development Framework

LCTSS – Local Council Tax Support Scheme.

MTFP – Medium Term Financial Plan is the General Fund budget projections over the 5 year period of the MTFS)

MHCLG – Ministry for Housing, Communities and Local Government

MTFS – Medium Term Financial Strategy is the full financial plan across five years that considers the General Fund, HRA and Capital budgets

MRP – Minimum Revenue Provision

RSG – Revenue Support Grant

SFA – Settlement Funding Assessment

Appendix A
General Fund Budget Parameters 2021/22 – 2023/24

| January 2020 Assumption | | Proposed Change |
|---|--|---|
| Costs | | |
| Pay inflation | 2.0% per annum onwards in line with government Announcements. | No Change. |
| National Insurance | Rates were increased effective from April 2016 | No Change |
| General inflation | Only applied where contractually/statutorily required | No change |
| Staff vacancy savings target | 2% p.a. | No change. |
| Pension Fund triennial revaluation March 2017 | 2019 review incorporated in to the MTFP and budget including option to make one off deficit payment for period 2020/21 – 2022/23 | No Change. |
| Income | | |
| Fees & charges | Income budgets to increase in line with price inflation where possible and budgets increased accordingly | No Change. |
| Council Tax increase (for financial planning purposes only) | 1.99 % increase in each year across the MTFP period | No Change |
| Other Assumptions | | |
| Government Funding Revenue Support Grant increase | One year deal for 2020/21 reflected in MTFP and small 1% annual reduction assumed thereafter pending BRR review announcements | No change – further 1 year deal for 2021/22 announced in draft settlement on 17 December 2020 |



Harlow Council

***Medium Term Financial
Strategy***

2021/22 to 2023/24

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MEDIUM TERM FINANCIAL STRATEGY

1. KEY MESSAGES

- 1.1. This document sets out the Council's approach to its medium term financial planning. It builds on and rolls forward the current Medium Term Financial Strategy (MTFS) agreed for the planning period 2020/21 to 2022/23 in January 2020.
- 1.2. The Council's current MTFS is underpinned by the following priorities:
 - **Resilience and Recovery**
 - **More and better housing.**
 - **Regeneration and a thriving economy**
 - **Wellbeing and Social Inclusion**
 - **A clean and green environment**
 - **Successful children and young people**
- 1.3. The General Fund finances must continue to be managed so that for the planning period commencing 1 April 2021:
 - a) General Fund revenue reserves are maintained at or above the approved recommended minimum level of £2.5m, with an aim to operate above this level to provide flexibility in managing the Council's budget throughout the year and over the MTFS planning period.
 - b) General Fund uncommitted revenue reserves are not used to support the budget except for funding one-off and exceptional items of expenditure.
 - c) Any increase in Council Tax shall be no greater than the maximum permissible under the Localism Act 2011, which is announced annually by Government. This will ensure that increases are maintained at a reasonable and affordable level whilst avoiding the need to undertake a costly local referendum.
 - d) Revenue funds are reallocated from low to high priority areas as necessary.
 - e) The Council's Fees and Charges Policy forms part of its wider income strategy. An annual review of fees and charges will be carried out.
 - f) In setting the following year's General Fund budget there must not be any unidentified savings.
- 1.4. As required, the Council must continually seek to secure savings or introduce new ways of working to ensure it can deliver sustainable budget proposals in line with the MTFS and provide finance for investment in priority areas

wherever possible against a backdrop of ongoing Government funding reductions.

- 1.5. The Medium Term Financial Plan (MTFP), the General Fund element of the MTFS, produced at Appendix E, is to be reviewed at least annually by the Cabinet.
- 1.6. The Council's Housing Revenue Account will be managed in line with the principles contained within the HRA Business Plan including:
 - a) The uncommitted HRA Working Balance must be maintained at or above a minimum level of £2.5 million.
 - b) In setting the following year's HRA budget there must not be any unidentified savings.
 - c) Rent levels will be set in line with Government guidelines and/or legislation, as appropriate.
 - d) There must be sufficient investment in the housing stock to maintain the Decent Homes Standard.
 - e) 50% of the proceeds from Right-to-Buy sales will be used to fund the Non Housing Capital Programme.
- 1.7. The Capital Programme must align with the Council's priorities and:
 - a) The Council will use prudential borrowing to fund its Housing and Non Housing Capital Programme if necessary but utilising internal borrowing wherever possible.
 - b) In view of the limited resources available for capital investment the Council will seek to categorise surplus assets in to the "Opportunity Asset" category as defined within the Non Housing Asset Management Strategy. At the appropriate time these assets will then be considered for disposal to help sustain ongoing non housing capital investment and reduce revenue costs incurred by the Council wherever possible or for wider community benefit.
 - c) The total cost of the Capital Programme will not exceed a realistic and affordable assessment of the capital finance available to fund it.
 - d) The projects in the Capital Programme will cover at least a three-year planning horizon and will be reviewed at least annually to ensure that schemes within the programme continue to support the priorities of the Council.
 - e) The Council will comply with the Treasury Management Code of Practice and Prudential Code. Borrowing undertaken to finance capital expenditure will be prudent and affordable in terms of the impact on the revenue budget.

APPENDIX B.

- 1.8. The Council will seek to develop existing partnerships and forge new ones to achieve further benefits for the local area, particularly in its priority areas.
- 1.9. The Council will continue to evaluate and manage the financial and operational risks it faces.

2. INTRODUCTION

- 2.1. This document sets out the Council's approach to its strategic medium term financial planning and provides an operational framework for both Councillors and Officers to ensure economic, efficient and effective financial management by the Council on behalf of its residents, taxpayers and other stakeholders. It is a document that also identifies the processes that are used to link corporate priorities to resources and forecast the level of resources needed and available over a number of years.
- 2.2. The document links to the Council's other corporate and financial strategies, and in particular supports the following:
 - a) The Council's Corporate Plan.
 - b) The Council's priority areas.
 - c) The prudential regime for capital finance in local government.
 - d) The Council's Asset Management Strategies.
 - e) The Council's Service Plans.
- 2.3. The Council's strategic financial objective is to ensure access to sufficient financial resources, applied efficiently, effectively and economically to enable it to meet its corporate priorities and service objectives. The means for achieving this aim are set out in the Key Messages section above.
- 2.4. In developing a balanced General Fund, HRA and Capital budget for 2021/22:
 - a) The proposed net budget for General Fund services is £11.154 million.
 - b) Total gross expenditure on the Housing Revenue Account will be £54.997 million, which will be funded from rents, service charges and interest.
 - c) The Council's total planned capital expenditure will be £44.139 million, split between £26.319 million allocated for housing and £17.820 million allocated for other services including the Enterprise Zone developments.

3. General Fund

- 3.1. General Fund revenue expenditure is incurred on the day-to-day services the Council provides other than those provided through the HRA. General fund expenditure incurred by the Council falls into two main categories:
 1. Statutory services which the Council is legally obliged to provide or commission, such as refuse collection.
 2. Discretionary services i.e. those, which the Council is empowered

but not legally obliged to provide or commission.

General Fund revenue expenditure is currently financed from:

- a) Council Tax.
 - b) Fees and charges.
 - c) Settlement Funding Assessment (SFA) which combines Revenue Support Grant and retained Business Rate income.
 - d) Other specific and non-specific grants.
- 3.2. The Council receives Government financial support towards its General Fund budget through the local government finance settlement which sets out the Government's assessment of the Settlement Funding Assessment (SFA) for Harlow along with all other local authorities in England.
- 3.3. The General Fund MTFs for 2021/22 incorporates the government funding allocations in line with the announcements contained within the Provisional Local Government Finance Settlement made on 17 December 2020. These assumptions are aligned with the one year funding deal announced in the chancellors Autumn Statement and Spending Review 2020. Given the ongoing funding review taking place regarding Business Rates Retention there are currently no indications of funding levels relating to 2022/23 and beyond but the planning assumption included in future forecasts is for a one per cent annual reduction beyond 2021/22.
- 3.4. Through the changes introduced as a result of the move to Settlement Funding Assessment (SFA) and Business Rate Retention, the Council carries the risk of the volatility in local business rates and will be reliant on the growth in the local economy for future increases in funding.
- 3.5. The Council operates some of its discretionary services through the use of the Discretionary Services Fund. A key funding stream for the fund is the money received by the Council as part of the New Home Bonus scheme (NHB). In the draft Local Government Finance Settlement the Government has indicated that the annual payment in 2020/21 will be £1,079,239. The full amount received will be contributed to the reserve in 2021/22.

4. Housing Revenue Account (HRA)

4.1. Revenue expenditure within the HRA is incurred on:

1. The day-to-day services provided in maintaining and managing the Council's housing stock.
2. Contributions towards capital expenditure that is not funded from usable capital receipts, or other capital funding sources.

The expenditure is financed from:

- a) Rents charged for Council dwellings and garages.
- b) Charges made to leaseholders.
- c) Investment income.

4.2. The Housing Revenue Account Business Plan sets out the Council's priorities for its housing stock and reflects the changes which took place with effect from 1 April 2012 as the existing housing subsidy system was replaced by Self-Financing. The priorities for the Council's housing in the town are driven by national, regional, sub-regional and local housing priorities. They are also informed by the views and perspectives of stakeholders, especially tenants and leaseholders with whom the Council undertakes ongoing engagement and consultation. In addition, local housing priorities are driven by the Local Plan, Community Plan and the Corporate Plan.

4.3. Details of the medium term financial planning and financial projections and outcomes are included in the HRA Business Plan. The HRA Business Plan also contains an action plan that sets out responsibilities and timescales for the delivery of the key housing priorities. Despite the introduction of Self-Financing in 2012/13, and the significant borrowing undertaken by the Council in March 2012, there have been significant changes to the HRA financial arrangements announced by the government which continue to have long-term impacts on the HRA including the enforced reduction of rents over the period 2016 - 2020.

4.4. Although the Council must account for its General Fund services and Housing-related services separately by law, there are major areas where Housing activity and finances interact with General Fund activity and finances:

- a) The HRA is a user of support services from the rest of the Council for which appropriate charges are levied.
- b) The allocation of investment and borrowing interest from the General fund to the HRA based on the net indebtedness position of the HRA.
- c) Harlow Trading Services (Property & Environment Ltd) undertakes a wide range of work that impacts on these activities.

- d) The HRA services manage a proportion of the non HRA garage stock including the capital repairs programme associated with them.

5. Fees and Charges.

- 5.1. The Council obtains income from fees and charges levied for providing certain services. The Government determines some of these charges but there are a number of areas where the Council has discretion as to whether to levy a charge and, if it decides to do so, the level of that charge.
- 5.2. In carrying out the annual review of fees and charges, existing charges are:
 - a) compared against the legally permissible maximum as well as local and national market rates,
 - b) compared against the cost of providing the service,
 - c) compared against the objective for this charge (i.e. charge to make a surplus/ breakeven/ subsidise).
- 5.3. The annual review of fees and charges will seek to identify areas where charges could be made where currently it is not the Council's policy to do so. It will also consider the timing of the introduction of any changes.
- 5.4. For 2021/22 fees and charges proposals have once again taken into account the ongoing economic conditions and their impact upon income streams, existing income targets and the wider impact of increases in businesses and residents.

6. Capital Expenditure and Treasury Management

- 6.1. Capital expenditure is essential to the successful delivery of the Council's priorities and is financed from capital receipts, capital grants, revenue contributions and long-term borrowing under the Prudential Code, in accordance with the Council's Capital Strategy, treasury management and annual investment strategies. These are reviewed annually.
- 6.2. The Council is, however, currently restrained by the limited availability of capital and revenue resources to finance capital spending. Under Government capital receipt pooling regulations, 75% of sale of Council house capital receipts under Right-to-Buy, and 50% of other housing asset disposal capital receipts, have to be paid over to the Government "pool".
- 6.3. The projects in the Capital Programme (as summarised at Appendix C) help to meet the Council's priorities as set out in the Corporate Plan within

available and affordable resources.

- 6.4. The Local Government Act 2003 brought about a new statutory borrowing regime for councils known as The Prudential Code. This arrangement gives the Council much greater flexibility and freedom to borrow without Government consent, as had previously been the case, as long as it can afford to repay the amount borrowed.
- 6.5. The aim of the Code is to support councils when making capital investment decisions, to ensure that capital investment plans are affordable, prudent and sustainable and that treasury management decisions are taken in accordance with good professional practice and in line with the Council's Corporate Plan.
- 6.6. The Code was updated from 2017 and there is now a requirement to present a Capital Strategy for approval by Council in advance of the 2021/22 financial year. The Strategy has been prepared and is presented elsewhere on the Cabinet agenda alongside associated reports on investment and Treasury Management as part of the Capital and Treasury Report.
- 6.7. The Code requires councils to determine a set of prudential indicators that are intended to determine and measure the financial strength of their investment and treasury plans. It prescribes some of these prudential indicators that must be used and the factors that must be taken into account in order to show that the Council has fulfilled its objectives. They are not used to compare performance between Councils but to measure an individual Council's performance over a period of time. The Code also lays down clear procedures for setting and revising the prudential indicators with the Council's Head of Finance responsible for ensuring that the Council has taken into account all matters specified in the Code, and for monitoring compliance with the established limits approved by the full Council before the start of each financial year. Prudential indicators relating to borrowing and investments are now contained within the revised Treasury Management Code of Practice, rather than the Prudential Code of Practice.
- 6.8. The Council has customarily considered and approved an annual Treasury Management Strategy Statement as required by the CIPFA Code of Practice on Treasury Management (revised 2011). The Prudential Code referred to above introduced new requirements for the management and reporting of borrowing and investments.
- 6.9. The Council made provision to enter into borrowing to fund the Housing Capital Programme from 2008/09 onwards, and for the Non- Housing Capital Programme in 2008/09 and 2009/10, on a short term basis only, pending securing capital receipts from planned asset sales. The borrowing

to fund the Non-Housing Capital Programme was anticipated to have been repaid in full once the capital receipts are realised. However, as a result of the reduced asset base available for disposal and the current market conditions the MTFP contains provision to finance borrowing of up to £3m per annum for non-housing capital investment in each year of the planning period. This limit was increased by £1m per annum from 2020/21 to accommodate the need for additional investment in the non-housing asset portfolio and to enable the outcomes of the non-housing stock condition survey to be accommodated within the capital strategy of the council. Limited short-term borrowing for cash flow purposes has also been authorised under the Code. It had been envisaged that Self Financing for the HRA would enable the investment levels in the housing stock both for major repairs programmes and for the potential building of new affordable homes within Harlow. The changes announced by the Government on the rent reduction proposals particularly have changed this significantly and this is covered in more detail within the HRA Business Plan.

- 6.10. An Annual Investment Strategy is drawn up as required under the Code. At present the Council has a considerable sum invested - £20.5m as at 31 December 2020.
- 6.11. The investments are handled by the Council's own staff. The investments are managed so as to secure the best possible return with the minimum of associated risk as set out in the principles of the Treasury Management Strategy Statement.

7. Annual Revenue Budgets and Medium Term Financial Plans.

- 7.1. The Council's HRA and General Fund budgets represent the Council's expectation of the cost of providing its ongoing services in a year. As such they are integral parts of the MTFP, reflecting the financial implications of the Council's aims and objectives for the year.
- 7.2. The Council has worked extremely hard to ensure that it sets realistic and achievable budgets. Over the years 2007/08 to 2020/21 it has achieved General Fund savings of over £22 million to ensure that this objective is achieved and has sensibly and prudently reviewed and replenished reserves as appropriate whenever possible. Given the significant level of savings already made by the Council and the on-going funding reductions measures being implemented by Government, it is proving extremely difficult for the Council to sustain ongoing budget reductions whilst protecting service provision unless there is an improvement in the Councils funding through the anticipated introduction of 75% Business Rates Retention Scheme now expected in 2022/23.

- 7.3. Like all other Councils, in planning its finances, the Council recognises that there will be changes that will affect it financially, but over which it has little, or no, control. Some of those facing the Council in the medium term include:
- a) The medium to long term impacts of the Covid crisis.
 - b) National and world wide economic environment including the end of the transition period from the European Union.
 - c) New, or changes to existing, legislation and changes to the operation of Government policy.
 - d) Changes in Government grant and the anticipated formula review.
 - e) Pay and price variations.
 - f) Movements in the costs of employee pensions.
 - g) Variations in asset disposal values and volumes.
 - h) Changes in interest rates.
- 7.4. Each year the Council is required by law to approve balanced budgets, which means that planned levels of expenditure on services, after taking into account government grant income and contributions from reserves, must be covered by the budgeted amount of Council Tax income (for the General Fund) and rent income (for the HRA). In doing so the Council has to decide upon:-
- Competing demands for additional expenditure.
 - The level of investment required in priority areas.
 - The level of, and the areas in which, savings can be made.
 - The level of rents and council tax to be levied.
- 7.5. The Council operates a budget monitoring system, which involves monthly reports to the Corporate Management Team and quarterly reporting to the Cabinet. The Council has tightened its fiscal policy in the light of the considerable challenges it faces over the medium-term. Accordingly, a key strategic financial objective within the MTFS is that annual Council Tax increases shall be no greater than the Government prescribed limit before a referendum would be triggered. The revised MTFP at Appendix E shows the net reduction in General Fund expenditure over each of the subsequent two financial years required to maintain a balanced budget. For illustrative purposes Appendix E is based on an assumed Council Tax increase of 1.99% across each of the financial years of the MTFS period as previously agreed.
- 7.6. Work will be required during the early part of 2021 to engage with the Governments latest and ongoing consultations in relation to the future

proposals for local government funding arrangements. Having developed the current three year MTFP proposal as set out in Appendix E to this report it will now be extremely important to focus resources on the engagement with the Governments formal and any informal consultation in order to try to influence changes which could have a significant impact upon Harlow.

- 7.7. The Plan is a key component of individual service plans and a major objective for the Council's Senior Management Board. In drawing up their service plans each Head of Service must set out the extent to which their proposals assist the Council in achieving its financial targets and priorities over the next three years. The service plans include proposals for capital and revenue growth bids, savings, reallocation of resources and additional income.
- 7.8. The total planned cost of the Capital Programme must never exceed a realistic and affordable assessment of the capital finance available to fund it. Where this is not achievable the programme will either be reduced or the costs of external borrowing will be considered. Where necessary, borrowing to fund the programme will be undertaken within the parameters agreed in the Council's Prudential Borrowing Strategy and as a result of declining receipts from the disposal of surplus assets the MTFP reflects the need to finance borrowing costs.
- 7.9. Financial projections for the HRA covering the period 2021/22 to 2023/24 are set out in the HRA Medium Term Financial Plan, attached at Appendix D.
- 7.10. A summary of the revised General Fund Medium Term Financial Plan for 2021/22 to 2023/24 is attached at Appendix E. The details set out in the appendix show that given the assumptions regarding Council Tax levels, Government funding the General Fund budget is well placed as the Council moves towards a fundamental change to local government funding over the next two years.

8. Reserves

- 8.1. The Council's statutory finance officer, the Deputy to the Chief Executive and Head of Finance and Property Services, is required to consider the adequacy of reserves when the budget and Council Tax are set. This assessment distinguishes between committed or earmarked reserves and general or uncommitted reserves.
- 8.2. Levels of the Council's earmarked reserves are reviewed on an on-going basis as part of the annual budget process and through the preparation of the Council's Statement of Accounts.

- 8.3. The minimum level of general or uncommitted reserves for the General Fund and HRA, as currently assessed by the Head of Finance, are to be £2.5million each. The projected level of actual uncommitted reserves balances held over the 3-year period of the MTFFS are set out in the General Fund Medium Term Financial Plan at Appendix E, and the HRA financial plan at Appendix D, respectively.
- 8.4. In order to benefit from an option to pay the councils assessed pensions deficit in one single payment covering the full three year actuarial review period it was agreed as part of the 2020/21 budget process that £1.6m of the General Fund balance would be used to unlock the pension deficit savings. Replenishment of the balance is being made over the 2021/22 and 2022/23 financial years as previously approved.

9. Key Partnerships

- 9.1. The Council is committed to working in partnership with local community groups, the voluntary sector, the private sector and other service providers so that, as far as possible, the co-ordination of services with community needs is realised and also with a view to maximising economy and efficiency and securing additional funds for the benefit of the local community.
- 9.2. As part of this strategy the Council seeks to develop existing partnerships and forge new ones to achieve further benefits for the local area, particularly in its priority areas.
- 9.3. With regard to working with the voluntary sector, the Council is anxious to achieve value for money from the grants that it provides to these organisations. Partners applying for financial support are required to demonstrate efficiency savings comparable to the targets that the Council has to meet, and work towards achieving the Council's priorities.
- 9.4. The Council has safeguarded the provision of some of its discretionary services through the funding allocated to its Discretionary Services Reserve. In light of the current market position with regard to services such as the Playhouse and Pets Corner and the importance of the services delivered by Community Safety the MTFP has been adjusted in previous years to enable these services to be reintroduced back in to the Council's core base budget. Those services which remain dependent upon the reserve for ongoing funding will be supported until at least the 2024/25 financial year by which time it is anticipated that arrangements for the remaining services to be reintroduced to the base budget will also have been identified.

10. Risks

- 10.1. The Accounts and Audit Regulations 2003 state that the Council should ensure that its accounting control systems include measures to ensure that risk is appropriately managed.
- 10.2. The Audit Commission's Code of Audit Practice makes it clear that it is the responsibility of the audited body to identify and address its operational and financial risks, and to develop and implement proper arrangements to manage them, including adequate and effective systems of internal control. The financial risks to the Council should be assessed in the context of the Council's overall approach to risk management. Risk management continues to be a key area of focus for the Council and is now regularly reported to the Audit & Standards Committee.
- 10.3. In order to manage and mitigate risk in the Council it includes a statement on the system of internal control with its Annual Statement of Accounts. This review and reporting mechanism incorporates a broader statement of corporate governance than had previously been required as set out in the CIPFA/SOLACE Corporate Governance Framework. Under this framework the Council must review both its internal controls as well as its wider governance arrangements, and publish an Annual Governance Statement as part of the Accounts.
- 10.4. The Council is very aware of the need for effective risk management and considers that the assessment and minimisation of all types of risk to be vital. It has an adopted Risk Management Strategy in place, the aim of which is 'for the systematic identification and control of risks, hazards and losses, to reduce the impact of risk upon Council decision making. The MTFP supports this aim through the continued provision of financial resources to enable this work to be progressed particularly in relation to insurable risks.
- 10.5. The Deputy to the Chief Executive and Head of Finance and Property Services as the Councils appointed Section 151 officer has identified the risks set out in Appendix D of the 2021/22 General Fund Revenue Budget report, which appears elsewhere on the Cabinets agenda, as the most significant for the MTFS. The mitigation of these risks is an integral part of the Council's performance management framework.

Capital Programme MTFP 2021/22 -2023/24

| | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 |
|---|------------------|------------------|------------------|
| CAPITAL FUNDING | | | |
| <u>HOUSING CAPITAL PROGRAMME</u> | | | |
| <u>Resources</u> | | | |
| Othe Housing capital receipts | 1,257 | 1,200 | 1,200 |
| Major Repairs Reserve | 10,736 | 10,864 | 10,946 |
| Revenue Contributions | 6,559 | 856 | 2,961 |
| Retained RTB receipts | 2,330 | 2,400 | 900 |
| Prudential Borrowing | 5,437 | 5,600 | 2,100 |
| Total | <u>26,319</u> | <u>20,920</u> | <u>18,107</u> |

Expenditure / Bids

| | | | |
|--------------------------------|---------------|---------------|---------------|
| Housing Core Capital Programme | 18,552 | 12,921 | 15,107 |
| Building Council Homes | 7,767 | 7,999 | 3,000 |
| Total | <u>26,319</u> | <u>20,920</u> | <u>18,107</u> |

| | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 |
|---|------------------|------------------|------------------|
| <u>NON HOUSING CAPITAL PROGRAMME</u> | | | |
| <u>Resources</u> | | | |
| Retained RTB Receipts | 1,263 | | |
| Earmarked Capital Reserves | 466 | | |
| Other Capital Receipts | 650 | | |
| SELEP Getting Building Fund Grant | 3,360 | | |
| Disabled Facilities Grants | 500 | 500 | 500 |
| Other Earmarked Grant Funding | 20 | 20 | 20 |
| Direct Revenue Financing | 362 | 156 | 156 |
| Home Renovation Loan Repayments | 5 | 5 | 5 |
| Prudential Borrowing | 11,194 | 3,732 | 2,133 |
| Total | <u>17,820</u> | <u>4,413</u> | <u>2,814</u> |

Expenditure / Bids

| | | | |
|-------------------------------|---------------|--------------|--------------|
| Non Housing Core Programme | 5,249 | 4,413 | 2,814 |
| Building Council Homes | 4,211 | | |
| Enterprise Zone | 3,360 | | |
| Town Regeneration Partnership | 5,000 | | |
| Total | <u>17,820</u> | <u>4,413</u> | <u>2,814</u> |

APPENDIX D

HOUSING REVENUE ACCOUNT MEDIUM TERM FINANCIAL STRATEGY 2021/22 - 2023/24

Operating Account

| | 2021/22 Estimates £'000 | 2022/23 Estimates £'000 | 2023/24 Estimates £'000 |
|---------------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <u>Expenditure</u> | | | |
| General Management | 10,295 | 10,397 | 10,500 |
| Special Management | 8,418 | 8,300 | 8,383 |
| Repairs | 11,262 | 11,487 | 11,716 |
| Rents, Rates, Taxes & Other Charges | 87 | 88 | 90 |
| Supporting People Transitional Relief | 5 | 5 | 5 |
| Provision for Bad & Doubtful Debts | 357 | 360 | 365 |
| Major Repairs Reserve Contribution | 10,736 | 10,864 | 10,946 |
| Direct Revenue Financing | 6,559 | 856 | 2,961 |
| Debt Management Expenses | 17 | 18 | 18 |
| Capital Financing Charges | 7,261 | 7,460 | 7,535 |
| | <u>54,997</u> | <u>49,835</u> | <u>52,519</u> |
| <u>Income</u> | | | |
| Dwelling Rents | (43,763) | (45,075) | (46,427) |
| Garage Rents | (1,081) | (1,135) | (1,191) |
| Other Rents | (65) | (66) | (67) |
| Service Charges: Tenants | (1,175) | (1,198) | (1,221) |
| Service Charges: Leaseholders | (2,434) | (2,482) | (2,531) |
| Other Charges for Services | (2,340) | (2,386) | (2,433) |
| Transfers from General Fund | (623) | (630) | (64) |
| Interest on Revenue Balances | (32) | (35) | (72) |
| | <u>(51,513)</u> | <u>(53,007)</u> | <u>(54,006)</u> |
| Balance at 1 April | (5,991) | (2,508) | (5,680) |
| (Surplus) / Deficit for year | 3,483 | (3,172) | (1,487) |
| Balance in hand at 31 March | <u>(2,508)</u> | <u>(5,680)</u> | <u>(7,167)</u> |

Major Repairs Reserve

| | 2021/22 Estimates £'000 | 2022/23 Estimates £'000 | 2023/24 Estimates £'000 |
|-----------------------------|-------------------------------|-------------------------------|-------------------------------|
| <u>Expenditure</u> | | | |
| Capital Programme Financing | 10,736 | 10,864 | 10,946 |
| | <u>10,736</u> | <u>10,864</u> | <u>10,946</u> |
| <u>Income</u> | | | |
| Transfer from HRA | 10,736 | 10,864 | 10,946 |
| | <u>10,736</u> | <u>10,864</u> | <u>10,946</u> |
| Balance at 1 April | 0 | 0 | 0 |
| Surplus for year | 0 | 0 | 0 |
| Balance in hand at 31 March | <u>0</u> | <u>0</u> | <u>0</u> |

**GENERAL FUND MEDIUM TERM FINANCIAL PLAN
2020/21 to 2022/23**

| | 2021/22 £'000 (Revised) | 2022/23 £'000 | 2023/24 £'000 |
|--|-------------------------------|------------------|------------------|
| A RESERVES | | | |
| Brought Forward | 2,250 | 3,398 | 4,201 |
| Adjustments: | | | |
| Pensions Fund Cash Flow adj | 803 | 803 | |
| Used for budget - one-off items | | | |
| In year contributions | | | |
| Budget carry-overs | | | |
| Transfers to (from) earmarked reserves | | | |
| Carried Forward | 3,053 | 4,201 | 4,201 |
| | | | |
| Approved Budget | | | |
| Budget from previous year | 12,199 | 12,770 | 13,090 |
| B BUDGET CHANGE PROJECTIONS | | | |
| B1 STANDSTILL PRESSURES | | | |
| Pay awards | 230 | 230 | 230 |
| Price increases | 216 | 200 | 200 |
| Total Inflation | 446 | 430 | 430 |
| Pension fund re-valuation | 0 | 0 | 0 |
| Interest costs | 0 | 0 | 0 |
| Interest costs EZ | 150 | 150 | 150 |
| HB/council tax admin subsidy | 0 | 0 | 0 |
| Capital funding (MRP Provision) | 150 | 150 | 150 |
| Sub-total | 746 | 730 | 730 |
| | | | |
| B5 ADDITIONAL PRESSURES AND SAVINGS | | | |
| Efficiencies and Service adjustments | 344 | | |
| Savings proposals | (294) | | |
| Additional income/recharges | | | |
| Garage rent increases | (75) | (75) | (75) |
| EZ Investment Financial Support | (150) | (150) | (150) |
| Living Wage | | | |
| Homelessness | | | |
| Commercial Properties | | | |
| IT Licensing/Telephony | | | |
| Sub-total | (175) | (225) | (225) |
| | | | |
| | 12,770 | 13,275 | 13,595 |
| | | | |
| B6 ONE-OFF ITEMS | | | |
| BUDGET FOR YEAR | 12,770 | 13,275 | 13,595 |
| Contribution to / (-)from Reserves: | | | |
| One-off use of reserves items | 604 | | |
| Pensions Saving yr 2 and 3 | (1,449) | (1,449) | (600) |

APPENDIX E

| | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 |
|--|------------------|------------------|------------------|
| Contribution to/(from) Gen Fund Reserve | 803 | 803 | |
| Other reserve movements | (1,310) | | |
| Transfers to earmarked reserves | (264) | (264) | (264) |
| BUDGET REQUIREMENT FOR YEAR BEFORE SAVINGS | 11,154 | 12,365 | 12,731 |
| C SAVINGS NEEDED | | | |
| Savings needed to achieve 1.99% increase in Council Tax (Harlow Element) | 0 | (185) | (335) |
| BUDGET REQUIREMENT AFTER SAVINGS | 11,154 | 12,180 | 12,395 |
| | | | |
| 1% Council Tax increase = | -73 | -73 | -73 |
| | | | |
| D EXTERNAL FINANCE AND COUNCIL TAX | | | |
| INCOME from RSG and BRR | 2,949 | 2,920 | 2,890 |
| Section 31 Grant | 604 | 764 | 764 |
| Covid funding | 650 | 0 | 0 |
| Homeless Grant included in base budget | 169 | 166 | 166 |
| Council Tax Collection fund (deficit)/surplus | 0 | 0 | 0 |
| Business Rates Collection Fund (deficit)/Surplus | (1,310) | | |
| Business Rates Pooling | 180 | 180 | 180 |
| Council Tax total | 7,912 | 8,150 | 8,395 |
| TOTAL EXTERNAL FINANCE AND COUNCIL TAX | 11,154 | 12,180 | 12,395 |
| | | | |
| Council Tax Band D | 289 | 295 | 301 |
| <i>Increase in Council Tax</i> | 1.99% | 1.99% | 1.99% |

REPORT TO: CABINET

DATE: 21 JANUARY 2021

TITLE: GENERAL FUND BUDGET 2021/22

PORTFOLIO HOLDER: COUNCILLOR MIKE DANVERS, PORTFOLIO HOLDER FOR RESOURCES

LEAD OFFICER: SIMON FREEMAN, DEPUTY TO THE CHIEF EXECUTIVE AND HEAD OF FINANCE AND PROPERTY SERVICES
(01279) 446228

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This is a Key Decision

It is on the Forward Plan as Decision Number I011380

The decision is not subject to Call-in Procedures for the following reason:

The decision stands as a recommendation to Full Council.

This decision will affect no ward specifically.

RECOMMENDED that Cabinet recommends to Full Council that:

- A** The General Fund estimates for 2021/22, as set out in Appendix A to the report, are approved.
- B** The proposed transfers between the General Fund and Earmarked Reserves, referred to in paragraph 27, Table 3 of this report and set out in Appendix C to the report, are approved.
- C** The proposed Fees and Charges, as set out in Appendix E to the report, are approved.
- D** The Pay Policy Statement, as set out in Appendix G to the report, is approved.
- E** The Council's Band D Council Tax for 2021/22 is set at £288.90 representing an increase in Council Tax of 1.99 per cent for the forthcoming year.

REASON FOR DECISION

- A** The Council must approve an annual budget and Council Tax charge for the forthcoming year under legislation.

BACKGROUND

1. The 2021/22 General Fund Budget is prepared alongside the Medium Term Financial Strategy (MTFS). The MTFS covers the period 2021/22 to 2023/24 and was considered as an earlier item on the agenda for this meeting. It draws upon the fiscal backdrop set out in that report, sets the detailed budget requirement for the forthcoming financial year and proposes the resulting Council Tax charge required to maintain a balanced budget for the year.
2. In formulating spending priorities reflected in the MTFS and the 2021/22 budget, the Administration and Senior Management Board have been mindful of protecting front line services and key operations carried out by the Council whilst mitigating against the impact of the Covid-19 pandemic and the continuing uncertainties surrounding Brexit. Despite the challenge the 2021/22 budget, the proposals set out within this report represent no direct service reductions to users. The Corporate Plan 2021/22, featuring elsewhere on the agenda, has set priorities and the budget proposals continue to underpin the delivery of those priorities.

Government Grant

3. The 2021/22 draft finance settlement was announced on 17 December 2020 and the details have been incorporated into this report. The settlement is for one year only and future years remain uncertain.

Proposed General Fund Budget 2021/22

4. In January 2020, the Council approved an MTFS which assumed a 1.99 per cent increase in the level of Council Tax in 2021/22 and 2022/23 which resulted in no in-year savings for 2021/22 and £471,000 for 2022/23.
5. The Council's latest MTFS shows projected General Fund expenditure and funding over the three year period 2020/21 to 2022/23. The budget for 2021/22 shows details for every service and reflects continuing pressures on the Council's finances.
6. Meanwhile, work to deliver a balanced budget for 2021/22 has identified a small number of areas of the Council's budget where further savings can be delivered. These are detailed in Appendix B to this report.
7. The table in Appendix A shows a summary of the proposed budget for 2021/22, together with the budget for the current year approved last February. The summary shows the budgets for each service together with other key estimate headings and contributions to and from reserves.
8. The main changes in the proposed 2021/22 budget compared with the January 2020 MTFS are shown in Table 1 below.

Table 1 – Changes in 2021/22 Budget Compared with Assumptions in MTFs (as originally approved in January 2020)

| | £'000 | £'000 |
|---|-------|--------------|
| Original MTFs Savings Target (January 2020) | | 0 |
| Changes from January 2020 assumptions: | | |
| Growth in Taxbase | (50) | |
| Net Payroll change | 52 | |
| | | 2 |
| Updated budget gap | | 2 |
| Budget Pressures/Savings since budget setting: | | |
| New Pressures/Savings | | |
| New Telephony Licenses | 70 | |
| Additional revenue costs of new HR System | 7 | |
| Implications of not charging for Sams Place | 35 | |
| Network rationalisation | (71) | |
| Insurance savings | (193) | |
| Contingency (see Appendix B) | 150 | |
| Total Pressures / Savings | | (2) |
| Covid Pressures | | |
| Loss of Essex Business Rates Pool Payment | 180 | |
| Loss of car parking income | 100 | |
| Staff car parking | 20 | |
| Total Covid Pressures | | 300 |
| Budget Stabilisation Reserve contribution | (300) | |
| Reserve contributions to GF Budget 2021/22 | | (300) |
| Revised Budget Gap | | 0 |

9. The main variations are as follows.
10. The pay award for 2021/22 has not yet been finalised and the budget has therefore allowed for an increase of two per cent.
11. There are a number of new pressures and savings which have emerged during the period since the approval of the previous iteration of the MTFs. These

essentially offset each other and relate to IT upgrades and savings as a result of the re-tendering of insurance.

12. Provision has been included in individual budgets for anticipated price changes in Business Rates, energy costs and external contracts. In accordance with the normal practice, supplies and services budgets have not, in general, been increased to allow for inflationary increases in costs. Instead, managers are required to meet these increases from within their existing budgets, where it is possible to do so, as the Council continues to deliver ongoing efficiencies in the way it conducts its day to day business.

Council Tax

13. The MTFS agreed by Full Council in January 2020 was based on a 2020/21 Council Tax increase of two per cent and an assumption that future years' increases would be no greater than the maximum amount permissible as determined by the Government. The Local Government Finance Settlement (LGFS) published on 17 December 2020 has confirmed that the maximum permissible increase will be two per cent for 2021/22.
14. The Council's 2021/22 tax base (the number of Band D equivalent dwellings in the area), which is used to determine the level of Council Tax charged to each dwelling by the Council and the preceptors, has been calculated as 27,386 (2020/21 26,943).
15. The Council is required to forecast the surplus or deficit on the Council Tax element of the Collection Fund (the account which contains the amounts collected from taxpayers and distributed to local authorities) at 31 March 2021. This amount, forecast at a £0.5 million surplus, will be distributed to/made up by the Council (£79,000) and the preceptors. In light of the impact of Covid-19 on collection rates, the Government has amended the local taxation regulations to allow any in-year deficit from 2020/21 to be spread over the next three financial years - the spreading of the deficit is mandatory.

Business Rates

16. The Council is also required to forecast the surplus or deficit on the Business Rates element of the Collection Fund at 31 March 2021. The forecast deficit at 31 March 2021 of £7.4 million will need to be made up by the Council (£2.9 million), the Government and the precepting authorities. The same amendment to allow spreading of the deficit referred to in paragraph 15 has also been applied to business rates. Therefore, the amount the Council will need to make up in 2021/22 will be around £1.8 million.
17. Cabinet has previously been advised of the high risk of year on year income variations in Business Rates income, and the Council has established a reserve to mitigate against such volatility. Funding is proposed to be drawn down from the reserve in 2021/22 to offset the impact of the accumulated deficit detailed in paragraph 16 above.

Income

18. As part of the 2021/22 budget setting process, income has been reviewed and the income budgets for next year have only been increased where it is absolutely necessary or there is a national/legal requirement to do so. The proposals are set out in Appendix E to this report.

Pay Policy Statement

19. Incidental to the Council's staffing budgets is the Council's Pay Policy Statement which must be prepared annually and approved by the Council before the 31 March of the preceding financial year. The statement relates to the remuneration of chief officers and of the lowest-paid employees; and the relationship between the remuneration of chief officers and of all other staff. The statement is attached as Appendix G to the report.

Robustness of Estimates

20. The Council's Head of Finance is required by statute to report to the Council, when it is considering the budget and level of Council Tax, on the robustness of the estimates made. The Council must have regard to the report when making its decisions.
21. The Council's Head of Finance reports that, following consultation with senior officers of the Council, it is his view that the estimates contained in this report are reasonable, robust and based on prudent assumptions. Nevertheless, as outlined in Appendix D to the report, there are a number of risks and opportunities that will require careful and ongoing management.

Discretionary Services Fund

22. The Discretionary Services Fund (DSF) is a reserve which provides time-limited funding to support discretionary services pending the identification of alternative means of provision and/or sources of finance.

New Homes Bonus

23. The actual amount to be received will be included in the LGFS referred to above. The amount currently forecast for 2021/22 is £1.079 million (2020/21 – £1.066 million) which will be transferred into the DSF as set out in the MTFS report elsewhere.

General Fund Reserve

24. Table 2 shows the position for the uncommitted General Fund Reserve taking into account in-year changes arising from consideration of the 2019/20 Final Accounts report in September 2020 and the budget monitoring position reported to Cabinet in December 2020.

Table 2 – Uncommitted General Fund Reserve

| | £millions |
|---|--------------|
| Balance at 1 April 2020 | 4.513 |
| Approved by Cabinet / Council - budget carry forwards from 2019/20 | (0.163) |
| Creation of Covid Reserve (September Cabinet) | (0.150) |
| Pensions drawdown | (1.605) |
| Forecast budget variations in 2020/21 | (0.345) |
| Projected balance at 31 March 2021 | 2.250 |
| Reimbursement of General Fund re Pensions Upfront Payment | 0.803 |
| Adjusted Balance at 1 April 2021 | 3.053 |

25. The Council's Head of Finance is required by statute to report to the Council on the adequacy of its reserves when the Budget and Council Tax are set. The report is attached as Appendix D. It recommends that the minimum level of the uncommitted Reserve (the General Fund balance) is set at £2.5 million to reflect adequate provision to meet known or potential future risks. Uncommitted reserves after the approved pensions reimbursement at 1 April 2021 are currently forecast at £3.053 million.

Earmarked Reserves

26. The Council has both General Fund and HRA earmarked reserves. Full details of all General Fund reserves are in Appendix C to this report. A summary of proposed movements in those reserves for 2020/21 (updated) and 2021/22 are in Table 3 below for approval,

Table 3 – Summary of Proposed Movements on General Fund Earmarked Reserves

| Earmarked Reserves | Net Movement To/ (From) Reserves | | Details |
|--|----------------------------------|------------------------------|--|
| | 2020/21 Revised Budget £ | 2021/22 Original Budget £ | |
| Perpetuity Reserves | 5,420 | (1,069) | Routine property maintenance funding obligations. |
| Debt Financing Reserve | 237,840 | 237,840 | Set aside for debt financing costs and to support anticipated non-housing capital programme needs. |
| Discretionary Services Fund | 627,810 | 641,438 | Drawn down to cover cost of discretionary services, net of NHB grant. |
| Budget Stabilisation Reserve | 0 | 1,363,000 | As set out within the MTFS |
| Hardship Fund | 0 | 155,000 | As set out within the MTFS |
| Environment Reserve (previously Energy Fund) | (4,022) | 520 | Reserve replenishment programme and interest allocation. |
| Enterprise Zone Disregard Reserve | 0 | (1,175,875) | |
| Environmental Urgent Works & Improvement Reserve | (1,295,090) | 1,690 | To facilitate urgent works and improvements across the whole town. |
| The Harlow & Gilston Garden Town Funding Reserve | (178,963) | (13,540) | To support the delivery and achievement of the HGGT. |
| Insurance claims - GF | 50,000 | 50,000 | Self-insurance. |
| Insurance Fund - GF (see Note 4.) | 122,210 | 122,820 | Self-insurance. |
| Invest To Save & Improve Reserve - see Note 5. | 1,140 | 1,150 | Utilised for JVCO demobilisation. |
| Planning Reserve | (50,000) | 0 | Applied for Local Development Framework |
| Regeneration Reserve | (282,742) | 0 | Financing of fixed-term brand and marketing budget. |
| Regeneration & Enterprise Reserve | (53,296) | (57,470) | Indicative NHB balances set aside for town development. |
| Severance Reserve | 0 | (1,000,000) | As set out within the MTFS |
| Splash Parks Reserve | (151,939) | (465,980) | To support project to introduce new splash park facilities. |

Council Tax Levels

27. The proposed budget for 2021/22 is based on an increase in the Council's portion of Band D Council Tax of 1.99 per cent, from £283.26 in 2020/21 to £288.90. This will be considered by Full Council on 28 January 2021.
28. The final composite level of Council Tax depends on decisions by Essex County Council and the Essex Police, Fire and Crime Commissioner. Both bodies are due to meet to set their elements of the Council Tax on dates after the Cabinet meeting. Full Council will meet again on 25 February 2021 to approve the composite Council Tax and the formal Council Tax resolution.

IMPLICATIONS

Environment and Planning (Includes Sustainability)

As contained within the report.

Author: Andrew Bramidge, Head of Environment and Planning

Finance & Property (Includes ICT)

Implications are contained within the report.

Author: Simon Freeman, Deputy to the Chief Executive and Head of Finance and Property Services

Housing

Increase demand for housing (homelessness support) has been identified during 202, increased responsibilities following implications of Covid-19. Whilst we await further additional Government grant support this has not covered increased costs and any approved Housing Revenue Account growth bids will impact on costs to the general Fund for homelessness support in line with Council policy. In addition, implications for Covid-19 and associated restrictions has meant a reduction in forecasted supported housing income, which will need to be drawn from any contingency established for Covid-19.

Author: Andrew Murray, Head of Housing

Community Wellbeing (Includes Equalities and Social Inclusion)

Implications are contained within the report.

Author: Jane Greer, Head of Community Wellbeing

Governance (Includes HR)

Implications are contained within the report. Consultation with unions will continue on employee related issues.

Author: Simon Hill, Head of Governance

Appendices

Appendix A – General Fund Budget Summary

Appendix B – Efficiency savings (B1) and schedule of pressures (B2)

Appendix C – Projected Earmarked Reserves balances

Appendix D – Statement of the Chief Financial Officer
Appendix E – Analysis of Fees and Charges 2021/22
Appendix F – Detailed budget analysis
Appendix G – Pay Policy Statement 2020/21

Background Papers

None.

Glossary of terms/abbreviations used

DSF – Discretionary Services Fund
LGFS – Local Government Finance Settlement
MTFS – Medium Term Financial Strategy
NHB – New Homes Bonus

GENERAL FUND BUDGET SUMMARY

| | 2019/20 Actual | 2020/21 Original Budget | 2021/22 Budget |
|--|-------------------|-------------------------------|-------------------|
| | £ | £ | £ |
| HEAD OF SERVICE | | | |
| Chief Executive | 5,370 | 3,900 | 5,740 |
| Community Wellbeing | 2,812,250 | 3,657,980 | 3,858,310 |
| Finance | (130,730) | 508,000 | (2,033,240) |
| Governance | 2,040,330 | 2,167,440 | 2,202,070 |
| Housing | 1,271,400 | 1,879,390 | 1,971,780 |
| Environment and Planning | 6,680,110 | 8,474,090 | 7,358,930 |
| Total | 12,678,730 | 16,690,800 | 13,363,590 |
| Contingency | 0 | 335,600 | 0 |
| Capital charges | (2,084,100) | (1,971,380) | (1,964,140) |
| Interest Receivable | (313,280) | (214,820) | (75,000) |
| Interest Payable | 594,210 | 805,490 | 805,490 |
| Minimum Revenue Provision | 230,000 | 305,000 | 500,000 |
| Provision for bad debts | - | 0 | 0 |
| Essex Council Tax Collection Sharing Agreement | (400,000) | (400,000) | (400,000) |
| Section 31 Grants | - | 0 | 0 |
| New Homes Bonus Grant | (867,610) | (1,065,630) | (1,079,239) |
| Enterprise Zone Disregard | - | 1,175,875 | 1,175,875 |
| Expenditure Before Use Of Reserves | 9,837,950 | 15,660,935 | 12,326,576 |
| Contribution to / (from) Earmarked Reserves: | | | |
| Perpetuity Reserves | 8,020 | 5,420 | (1,069) |
| Insurance Fund | 110,180 | 134,020 | 122,820 |
| MMI | 50,000 | 50,000 | 50,000 |
| Invest to Save | 3,250 | 2,720 | 1,150 |
| Environment Reserve | 1,770 | 1,480 | 520 |
| Debt Financing Reserve | 698,603 | 237,840 | 237,840 |
| Discretionary Services Fund | 247,770 | 642,810 | 641,438 |
| Planning LDF | (200,000) | (50,000) | 0 |
| Regeneration & Enterprise Reserve | (50,500) | (61,840) | (57,470) |
| Revenues & Benefits Service Structural Process Rev | - | 0 | - |
| Environmental Urgent Works and Improvement Rese | - | (1,292,060) | 1,690 |
| Risk Reserve | - | 0 | - |
| Splash Parks Reserve | - | 0 | (465,980) |
| Street Lighting | (13,850) | 0 | - |
| The Harlow & Gilston Garden Town Funding Reserv | 0 | (171,560) | (13,540) |
| Volunteering Support Reserve. | 0 | 0 | - |
| Regeneration Reserve | - | (262,500) | - |
| Severance Fund | 0 | 0 | (1,000,000) |
| Hardship Fund | 0 | 0 | 155,000 |
| Budget Stabilisation Reserve | 0 | 0 | 1,363,000 |
| Enterprise Zone Disregard Reserve | - | (1,175,875) | (1,175,875) |
| Grants Reserves (for deferred payments) | 136,620 | (2,152,470) | (1,834,139) |
| Contribution to / (from) General Fund Reserve | - | (1,605,650) | 802,820 |
| Budget Requirement | 10,829,813 | 9,963,270 | 11,154,781 |

HARLOW COUNCIL'S ELEMENT OF THE COUNCIL TAX

| | 2019/20 Actual | 2020/21 Original Budget | 2021/22 Budget |
|---|-------------------|-------------------------------|-------------------|
| | £ | £ | £ |
| Budget Requirement | 10,829,813 | 9,963,270 | 11,154,781 |
| Less Formula Grant comprising: | | | |
| Settlement Funding Assessment | (2,901,913) | (2,949,190) | (2,949,190) |
| Lower Tier Services Grant | - | - | (132,794) |
| Covid Support Grant | - | - | (517,920) |
| Homelessness Grant | (166,282) | (168,990) | (168,990) |
| Collection Fund Deficit / (Surplus) | (351,080) | 1,571,060 | 1,310,204 |
| S31 Grant | - | (604,276) | (604,276) |
| Essex Business Rates Pooling | (65,000) | (180,000) | (180,000) |
| Business Rates Retention Levy Account Surplus | (47,071) | - | - |
| Council Tax Requirement | 7,298,467 | 7,631,874 | 7,911,815 |
| Divided by: | | | |
| Taxbase | 26,279.00 | 26,943.00 | 27,386.00 |
| Band D Council Tax | 277.73 | 283.26 | 288.90 |

GENERAL FUND 2021/22 BUDGET

EFFICIENCY SAVINGS

The following table provide details regarding the significant efficiency gains, proposed to be made as part of the 2021/22 General Fund budget. As with any proposed reductions in expenditure there are implications for service provision. There are also implications for the budget if those savings are not met.

| ACTIVITY | AMOUNT OF PROPOSED EFFICIENCY SAVINGS | DETAILS |
|---|---------------------------------------|---|
| | £ | |
| | | |
| Network Circuits | 71,000 | Network Circuit rationalisation to create large pipeline through fewer contracts. |
| Insurance Premia | 193,000 | Savings in the cost of insurance premia following a tendering exercise |
| Lower Non-Pay Inflation | 30,000 | Application of inflation is lower than anticipated for contractual commitments. |
| Sub-Total | 294,000 | |
| GRAND TOTAL FOR EFFICIENCY SAVINGS | 294,000 | |

**GENERAL FUND 2021/22 BUDGET
PRESSURES**

The following table provide details regarding the funding adjustments to be made as part of the 2021/22 General Fund budget.

| ACTIVITY | AMOUNT OF PROPOSED SERVICE INVESTMENT | DETAILS |
|--|---------------------------------------|--|
| | £ | |
| 2020/21 additional pay award (0.75% above budgeted) | 82,000 | 2020/21 pay award was higher than budgeted. This addresses the shortfall in the budget. |
| Possible reduction in Essex County Council support for Sam's Place | 35,000 | Part year impact (Oct -Mar) of non charging policy under ECC service contract |
| IT costs of Payroll | 7,000 | Ongoing maintenance costs of new HR/Payroll system |
| Additional telephony licensing | 70,000 | Licencing for the App based telephony system |
| Contingency | 150,000 | Allowance to help meet issues such as costs of Homelessness once new grants are known. |
| Sub-Total | 344,000 | |
| Covid Related | | |
| Loss of Essex Pool Tariff saving | 180,000 | Likelihood that the pooling benefit will not be achieved in 21/22 due to Covid and economic conditions |
| Covid impact on income - Car Parks | 100,000 | Risk - especially linked to car parking permits not being renewed in 1st Qtr 2021 |
| Staff Car Parking | 20,000 | No charges linked to Covid and no usage for the Apr - Sept period. |
| Sub-Total Covid Related | 300,000 | |
| GRAND TOTAL FOR PRESSURES | 644,000 | |

Proposed Movements on Earmarked Reserves - 2020/21 and 2021/22

| Earmarked Reserve | 2020/21 | | | 2021/22 | | | Balance as at 31 Mar 2022 |
|--|---------------------------|------------------------|------------------------------|---------------------------|------------------------|--------------------|---------------------------|
| | Balance as at 31 Mar 2020 | Add To Reserve Balance | Use of Reserves (see Note 3) | Balance as at 31 Mar 2021 | Add To Reserve Balance | Use of Reserves | |
| | £ | £ | £ | £ | £ | £ | £ |
| GENERAL FUND RESERVES | | | | | | | |
| Perpetuity Reserves | 960,130 | 4,780 | (5,731) | 959,179 | 4,790 | (5,859) | 958,110 |
| Debt Financing Reserve | 2,701,402 | 237,840 | | 2,939,242 | 237,840 | | 3,177,082 |
| Discretionary Services Fund | 1,675,838 | 1,065,630 | (437,820) | 2,303,648 | 1,079,239 | (437,801) | 2,945,086 |
| Budget Stabilisation Reserve | 0 | 0 | 0 | 0 | 1,363,000 | 0 | 1,363,000 |
| Environment Reserve (previously Energy Fund) - see Note 5. | 108,974 | 530 | (4,552) | 104,952 | 520 | | 105,472 |
| Enterprise Zone Disregard Reserve | 1,175,875 | | | 1,175,875 | | (1,175,875) | 0 |
| Environmental Urgent Works & Improvement Reserve | 1,632,510 | 4,910 | (1,300,000) | 337,420 | 1,690 | | 339,110 |
| Hardship Fund | 0 | | | 0 | 155,000 | | 155,000 |
| The Harlow & Gilston Garden Town Funding Reserve | 497,340 | | (178,963) | 318,377 | | (13,540) | 304,837 |
| Housing Benefits Subsidy Reserve | 693,107 | | | 693,107 | | | 693,107 |
| Insurance claims - GF | 697,394 | 50,000 | | 747,394 | 50,000 | | 797,394 |
| Insurance Fund - GF (see Note 4.) | 1,634,488 | 122,210 | | 1,756,698 | 122,820 | | 1,879,518 |
| Invest To Save & Improve Reserve - see Note 5. | 228,677 | 1,140 | | 229,817 | 1,150 | | 230,967 |
| New Burdens Grant Reserve | 223,240 | | | 223,240 | | | 223,240 |
| Partnership Fund | 200,000 | | | 200,000 | | | 200,000 |
| Planning Reserve | 215,383 | | (50,000) | 165,383 | | | 165,383 |
| Regeneration Reserve | 558,733 | | (282,742) | 275,991 | | | 275,991 |
| Regeneration & Enterprise Reserve | 4,134,025 | | (53,296) | 4,080,729 | | (57,470) | 4,023,259 |
| Residual Land Transfer | 130,988 | | | 130,988 | | | 130,988 |
| Risk Management Reserve - GF | 311,441 | | | 311,441 | | | 311,441 |
| Severance Reserve | 2,120,335 | | | 2,120,335 | | (1,000,000) | 1,120,335 |
| Splash Parks Reserve | 720,339 | | (151,939) | 568,400 | | (465,980) | 102,420 |
| Standards Committee Contingency Reserve | 50,461 | | | 50,461 | | | 50,461 |
| | | | | | | | |
| Total General Fund | 20,670,680 | 1,487,040 | (2,465,043) | 19,692,677 | 3,016,049 | (3,156,525) | 19,552,201 |
| HRA RESERVES | | | | | | | |
| Perpetuity Reserves | 1,395,776 | 208,512 | (435,938) | 1,168,350 | 229,412 | (450,433) | 947,329 |
| Housing Insurance Property Reserve | 40,111 | 10,000 | | 50,111 | 10,000 | | 60,111 |
| Insurance claims - HRA | 617,006 | 50,000 | | 667,006 | 50,000 | | 717,006 |
| Insurance Fund - HRA (see Note 4.) | 2,155,087 | 222,550 | | 2,377,637 | 223,670 | | 2,601,307 |
| Risk Management Reserve - HRA | 448,140 | | | 448,140 | | | 448,140 |
| | | | | | | | |
| Total HRA | 4,656,120 | 491,062 | (435,938) | 4,711,244 | 513,082 | (450,433) | 4,773,893 |

NOTES

- The above is a list of the Council's usable earmarked reserves. Transactions that add to and reduce the balances of each reserve relate to both the General Fund revenue account and the Housing Revenue Account.
- Balances as at 31 March 2020 are stated in the Council's final accounts as at that date. Transactions shown since then represent proposed movements into and out of the earmarked reserves as contained within the proposed budgets.
- Movements into and from reserves in 2012020 represent proposed revised movements for the year, and do not necessarily equate with the original budget reported in the budget summary for that year.
- The balance shown in respect of the Insurance Fund, above, reflects the cash balance of the fund. The Insurance Fund's Actuary assesses the adequacy of the Fund to meet its annual liabilities (including payments not yet made and an expectation for forthcoming claims not yet received). The amounts added to the Insurance Fund balance in each of the two financial years above include contributions required to ensure that the fund can adequately meet the assessed liabilities. Use of the insurance reserve in both years cannot be accurately estimated because the value required is governed by the number and value of claim excesses that the funds are required to settle.
- The Invest To Save and Improve Reserve and the Environmental Reserve operate under a special mechanism whereby drawings relate to successful efficiency scheme applications made during the year. Amounts added back to the reserves reflect the repayment of these drawings in some instances and are derived from the revenue savings resulting from schemes that have been financed through the reserve.
- The schedule excludes Earmarked Grants reserves, which exist as an accounting mechanism for the carry-over of grants

ASSESSING MINIMUM WORKING BALANCE IN THE GENERAL FUND REVENUE ACCOUNT

The Deputy to the Chief Executive and Head of Finance and Property Services (s151 Officer) as the Chief Financial Officer has a statutory responsibility to ensure that the Council holds an adequate level of balances, and that there are “clear protocols for their establishment and use”. Guidance notes, published by the Chartered Institute of Public Finance and Accountancy (CIPFA), list a number of factors which should be considered in determining a minimum working balance. The table below lists these factors and officers’ response.

| Factor | Response |
|--|---|
| Budget assumptions. | |
| The treatment of inflation and interest rates | Included in the report. |
| Estimates of the level and timing of capital receipts. | <p>This is also covered in the reports on Non Housing Capital Programme and Treasury Management.</p> <p>Major risk includes the revenue implications arising from adverse cash flow management and is referred to in the risk section below.</p> <p>The Non-Housing Capital Programme (NHCP) has been developed in a way to minimise expenditure, so largely only essential expenditure is included.</p> <p>The NHCP programme will continue to be monitored regularly by Senior Management Team/ Heads of Service as well as the Cabinet. Wherever possible expenditure will be incurred only when there is sufficient funding in place. The MTFS includes Minimum Revenue Provision allowance to support the likely borrowing requirements for the NHCP in 2020/21.</p> |
| The treatment of demand-led pressures. | In-year unplanned budget pressures will be dealt with through the budget monitoring process and reported to Cabinet if necessary. The Council has an excellent track record of effectively managing within its overall approved budget and has |

| Factor | Response |
|--|--|
| | <p>anticipated future years' savings proposals within the in-year budget monitoring process wherever possible.</p> <p>An ongoing area of specific concern remains in relation to the changes introduced by the Government from April 2018 in relation to Homelessness responsibilities. There is a growing national and local trend relating to residents presenting as homeless and whilst the General Fund and HRA have estimated the financial impact of these changes it is likely that ongoing pressures will continue to be a factor during 2021/22 and future years. Government funding announcements made at SR20 indicate additional funding to be made available but at the time of setting the budgets there have been no specific announcements made in relation to this funding or its allocation.</p> <p>A possible further rea of pressure relates to the Careline service where a ECC lead procurement could lead to in year pressures in 2021/22.</p> |
| <p>The treatment of planned efficiency savings / productivity gains.</p> | <p>Service savings of £294,000 are factored into the 2021/22 budget.</p> <p>The Council continues to utilise its Invest to Save and Improve Reserve to implement any opportunity associated with delivering efficiency savings which may require an initial investment.</p> <p>The Council continues to explore all avenues to ensure efficiencies are maximised and delivered. In the 2021/22 budget proposals the savings and efficiencies are largely outside of direct service delivery.</p> |
| <p>The financial risks inherent in any significant new funding partnerships, major outsourcing arrangements or major capital developments.</p> | <p>The Council's biggest/ major contracts or partnerships are in respect of its wholly owned subsidiary HTS and with Veolia. These are referred to below.</p> <p>Whilst HTS Group is projected to generate financial returns to the Council as sole</p> |

| Factor | Response |
|---|--|
| | <p>shareholder these have been factored in to the MTFS and General Fund budget in such a way as to exercise caution.</p> <p>The Council has a contractual arrangement with a private sector operator of the Parndon Wood Cemetery and Crematorium. The contract operates on a profit share basis.</p> <p>Other than the items referred to in the Housing and Non Housing Capital Programme, there are currently no other major capital developments funded by Council's resources.</p> <p>The Council, alongside the HCA, entered into Loan agreements in respect of the Enterprise Zone to enable significant private sector funding to be levered into the project. The first loan advance of £1million was advanced in March 2016 with the second advance of £1.5 million made in March 2017. Both advances were made only when it was demonstrated that there was sufficient capital value in the assets against which the Council will hold a property charge to secure the debt.</p> <p>Cabinet approval has already been agreed for the council lead developments on is EZ land holdings and the financing of these will be met from agreed funding made available through SELEP.</p> |
| <p>The availability of reserves, government grants and other major funds to deal with major contingencies and the adequacy of provisions.</p> | <p>The Council's MTFS continues to stress the importance of using general reserves only for one-off items of expenditure, i.e. not to support on-going expenditure. In view of the changing funding arrangements and welfare benefits reforms by the Government, the MTFS assumes an on-going minimum General Reserve balance of £2.5million and recommends that the Council operates at a level above this to allow flexibility. The General Reserve is projected to be at a level of £3.0m at 31 March 2021.</p> |

| Factor | Response |
|---|--|
| | <p>The General Reserve was utilised in 2020/21 to facilitate the advance payments of the Council's required pension's deficit to the Essex Pensions fund. The reserve will be replenished in over the MTFS period with the advance payment having generated a saving to the Council of £600k over the three years.</p> <p>The Council also holds a Severance reserve to help to meet any severance costs that may arise as a result of service changes or transformation. In light of the Covid Crisis the MTFS report and appendices makes a recommendations for £1million of the Severance reserve along with the 2021/22 planned government Covid grant to be used to establish a new Budget Resilience Fund. This proposal is made in recognition of the possible medium to long term impacts that may arise from the national crisis and to help to manage any budget shocks that may result. The fund will hold an estimated opening balance of £1.36million subject to formal approval.</p> |
| <p>Financial standing and management</p> | |
| <p>The overall financial standing of the authority (level of borrowing, debt outstanding, Council Tax collection rates, etc).</p> | <p>The Council's level of general reserves is forecast to be above the revised minimum recommended level of £2.5m for 2021/22.</p> |
| <p>The authority's track record in budget and financial management including the robustness of the medium term plans.</p> | <p>The Council uses a three-year MTFS as a tool for prudent financial planning and management. The 2021/22 -2023/24 MTFS reported to Cabinet shows that the financial plans being proposed result in a sustainable three-year budget proposal subject to the budget gaps in years two and three of the plan being achieved.</p> <p>It is vital to recognise that fiscal challenges resulting from the UK's need to fund the economy during the Covid crisis, its international trading status as the end of the transition phase of Brexit is reached on 31 December 2020, as well as potential threats to business growth and</p> |

| Factor | Response |
|--|--|
| | <p>sustainability, all pose a serious threat to future local authority funding levels.</p> <p>Meanwhile, the overall assessment of the Council's financial management processes as reviewed by the External Auditors and reported by BDO LLP is that the Council has put in place proper arrangements to secure value for money in its use of resources.</p> |
| <p>The authority's capacity to manage in-year budget pressures.</p> | <p>The Council's budget monitoring processes are effective and involve a monthly monitoring by the Senior Management Board.</p> <p>The monthly monitoring also focuses on key risk areas such as income targets.</p> <p>The latest 2020/21 quarterly General Fund revenue budget monitoring report, presented to Cabinet on 3 December forecast potential overspend of £345,000 representing a 0.6% variation against the overall gross expenditure. The corresponding figure for preceding years were:</p> <p>2019/20 was -0.14%, 2018/19 was -0.78% 2017/18 was -2.12% and 2016/17 was -0.95%.</p> <p>Such figures demonstrate an excellent track record of managing in-year budgets, especially in light of the unprecedented government austerity, the uncertain economic environment and funding reductions.</p> |
| <p>The strength of the financial information and reporting arrangements.</p> | <p>In addition to the budget monitoring process referred to above, the financial information and reporting processes are also underpinned by Budget Monitoring Guidelines, Financial Regulations and Contract Standing Orders.</p> <p>The Council's annual accounts for 2018/19 are expected to be unqualified by the Council's auditors. The 2019/20 audit is</p> |

| Factor | Response |
|--|---|
| | <p>not due to commence until January 2021.</p> <p>The external assessment of the Councils delivery under the Value for Money assessment was also unqualified.</p> |
| <p>The authority's virement and end-of-year procedures in relation to budget under/overspends at authority and departmental level.</p> | <p>The latest monthly budget monitoring reports forecast that the Council will adhere to the budgets it has set.</p> |
| <p>The adequacy of the authority's insurance arrangements to cover unforeseen risks.</p> | <p>In order to reduce insurance costs in future years, a strategy is being developed to target inspections and a programme of works to reduce the Council's exposure to risk. The Councils budget includes on-going provision for this work to continue. A review of the Insurance fund by an independent actuary has indicated that the contributions and balance provide a good level of cover against potential claims exposure. As a result of the good work being undertaken to reduce the Council's exposure to risk in recent years the Councils insurance costs have seen significant reductions which is against the market trend.</p> |

Key Financial Risks

In preparing the budget prudent assumptions have been made in respect of investment returns and likely income. However, there are a number of key financial risks which have not been eliminated and these are summarised below:-

- a) The unprecedented circumstances experienced as a result of the national Covid Crisis and the impacts on budgets are difficult to predict. As a result services to the public have been protected and as set out within the report a specific fund will be established to help manage the immediate ongoing budget implications during 2021/22 whilst a greater understanding of the longer term impacts on the Council and Harlow more widely are better understood.
- b) The costs associated with any required future workforce reductions will be met from the Council's own resources. In light of the uncertainties surrounding the Governments proposals to radically change the funding

arrangements for local authorities with effect from 2022/23 the redundancy provisions contained within Earmarked reserves will be kept under review to ensure any future costs can be managed whilst minimising risk to the General Reserve.

- c) The Council's income budgets are especially difficult to predict as a result of the Covid crisis and are subject to fluctuations linked to the performance of the wider economy. Whilst prudent assumptions have been made about income utilising current information and performance, the budgets will continue to be subject to on-going review throughout 2021/22 as part of normal budget monitoring processes. This work will ensure that income budgets are aligned to likely income achieved and to identify any underlying risks of non-achievement of the in-year and future budget plans.
- d) The change for the delivery of Housing/non-housing repairs and Environmental works to HTS (P&E) Ltd in February 2017 continues to be successful and the new company is operating well; the company's start-up costs were transferred to the company in the form of a loan during 2017, as agreed by Cabinet. Loan repayments are being maintained on a monthly basis and do not currently present a risk to the Council.
- e) The major change in relation to Housing Self-Financing brings with it risk for the Council. The HRA became self-reliant from April 2012 and any significant variations to the Business Plan will have to be managed locally by the Council. To mitigate risk, including the costs of the major debt settlement undertaken in March 2012, the HRA minimum working balance was increased to £2.5 million to enable any volatility to be better managed in the future. Recommendations remain in place to maintain the working balance at £4.0 million to accommodate any possible requirements that may be placed on the Council as landlord once the full outcome of the Grenfell Enquiry has been made public. Further changes relating to the treatment of capital charges and the Government's recent proposals regarding the extension of the RTB scheme to Housing Associations has been assessed as far as is possible at the current time and incorporated into the HRA Business Plan and budgets. Provision of resources to undertake the identification and development of plans for new house-building have also been factored into the Business Plan.
- f) The HRA has been impacted directly in a very similar way as the General Fund in so much as income streams have been adversely affected during 2020/21. This is largely due to lower recharges to service users, lower rent income due to economic conditions and higher void levels than planned during the crisis. These issues are under constant review and will be managed in the same way as underlying budgetary issues in the general fund budget. However there is the risk that the working balance will reduce as a result in the short term.
- g) The budget assumes that the general level of reserves at 31 March 2021 will be nearly £3.1 million before any impact of budget carry-forward

request from 2020/21 which will be reported in the normal way as part of the year-end reporting to Cabinet.

- h) Subject to future Government funding announcements the Council's medium-term General Fund Revenue Budget forecast shows that there is currently a balanced budget proposal for 2021/22 whilst there remains a forecast budget gap for the remaining two years of the strategy.

Conclusion: Although the Council has taken steps through the 2021/22 budget-setting process to reduce its exposure to a number of significant risks, it still faces risks that could potentially adversely affect its financial position. Many of these risks may be manageable on their own. Indeed some of the 'risk' factors above could have a positive effect on the Council, e.g. if locally generated income exceeds the amount budgeted. The Council has also improved its internal arrangements, e.g. in respect of responding to money market reforms by further tightening of investment security within its Treasury Management arrangements. It also has a good track record of managing its annual budgets.

Against this assessment of risk it is recommended that the minimum working balance for the General Reserve during 2021/22 should remain at £2,500,000 and that the Council should seek to operate above this level to provide flexibility during a period of financial uncertainty and pressure specifically in relation to future Government funding changes. This will ensure that the Council has adequate provision to meet unexpected events and financial demands should they arise.

ANALYSIS OF FEES AND CHARGES

(all fees include VAT where applicable)

| SERVICE | | 2020/21 | 2021/22 | |
|-----------------------------------|--|-----------------------------|-------------------|--------------|
| | | Current Fee | Proposed Increase | Proposed Fee |
| | | with effect from 01/04/2021 | | |
| | | £.p | % | £.p |
| <u>Community Wellbeing</u> | | | | |
| Leah Manning Centre | Self-Referrals | | | |
| | Full Day | 40.00 | 0.00 | 40.00 |
| | Half Day | 24.00 | 0.00 | 24.00 |
| | Two Course Dinner and Tea/Coffee | 5.00 | 0.00 | 5.00 |
| | Transport | 7.00 | 0.00 | 7.00 |
| | Hourly Rate | 10.00 | 0.00 | 10.00 |
| Pets Corner | Sponsorship scheme | | | |
| | Individual sponsors | | | |
| | Package A | 50.00 | 0.00 | 50.00 |
| | Package B | 35.00 | 0.00 | 35.00 |
| | Package C | 25.00 | 0.00 | 25.00 |
| | Corporate sponsorship | | | |
| | Corporate sponsorship A | 250.00 | 0.00 | 250.00 |
| | Corporate sponsorship B | 500.00 | 0.00 | 500.00 |
| | School visits | | | |
| | Harlow Schools (45 minutes) - per pupil | 2.20 | 0.00 | 2.20 |
| | Harlow Schools (1.5 hours) - per pupil | 4.35 | 0.00 | 4.35 |
| | Non Harlow Schools (45 mins) - per pupil | 3.25 | 0.00 | 3.25 |
| | Non Harlow Schools (1.5 hours) - per pupil | 5.40 | 0.00 | 5.40 |
| | Pre School Nurseries (30 minutes) - fixed price up to maximum of 15 children | 28.00 | 0.00 | 28.00 |
| | Reindeer Hire | | | |
| | Harlow Schools | 255.00 | 0.00 | 255.00 |
| | Non Harlow Schools | 320.00 | 0.00 | 320.00 |
| | Sales of Animals | various | 0.00 | Various |
| | Events | 4.95 | 0.00 | 4.95 |
| | Birthday Parties | | | |
| | Price (per head) | 7.70 | 0.65 | 7.75 |
| | Party bag (per head) | 2.50 | 0.00 | 2.50 |
| Community Enforcement Team | Antisocial Behaviour Act 2003 | | | |
| | Section 43 (a) (fly-posting and graffiti) | 80.00 | 0.00 | 80.00 |
| | Antisocial Behaviour Crime and Policing Act 2014 | | | |
| | Section 48-52 (failure to comply with CPN) | 80.00 | 0.00 | 80.00 |

| SERVICE | 2020/21 | 2021/22 | |
|---|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Section 66-68 (Breach of Public Space Protection Order) | 80.00 | 0.00 | 80.00 |
| Environmental Protection Act 1990 | | | |
| Section 5/5b (failure to produce authority to transport waste) | 300.00 | 0.00 | 300.00 |
| Section 33 (1) (a) (fly tipping) | 200.00 | 0.00 | 200.00 |
| Section 34 (2) (a) - 34 (6) (waste deposit offence - duty of care) | 300.00 | 0.00 | 300.00 |
| Section 34 (5) (failure to produce waste documents) | 300.00 | 0.00 | 300.00 |
| Section 46/47/47ZA/47AB (failure to comply with a waste receptacles notice) | 100.00 | 0.00 | 100.00 |
| Section 87 and 88 (depositing litter) | 80.00 | 0.00 | 80.00 |
| <u>Environment and Planning</u> | | | |
| <u>Building Control</u> | | | |
| Table A - New Dwellings | | | |
| Dwelling houses and flats not exceeding 300m2 (total floor area) | | | |
| <i>Full Plans Submission</i> | | | |
| Houses or Bungalows less than 4 storeys | | | |
| Plan Charge | | | |
| 1 Plot | 236.12 | 0.00 | 236.12 |
| 2 Plots | 279.04 | 0.00 | 279.04 |
| 3 Plots | 321.98 | 0.00 | 321.98 |
| 4 Plots | 364.93 | 0.00 | 364.93 |
| 5 Plots | 407.85 | 0.00 | 407.85 |
| Flats | | | |
| 1 | 214.66 | 0.00 | 214.66 |
| 2 | 236.12 | 0.00 | 236.12 |
| 3 | 300.51 | 0.00 | 300.51 |
| 4 | 300.51 | 0.00 | 300.51 |
| 5 | 343.46 | 0.00 | 343.46 |
| Conversion to:- | | | |
| Single dwelling house | 236.12 | 0.00 | 236.12 |
| Single Flat | 214.66 | 0.00 | 214.66 |
| Inspection Charge | | | |
| 1 Plot | 472.24 | 0.00 | 472.24 |
| 2 Plots | 837.15 | 0.00 | 837.15 |
| 3 Plots | 1,030.34 | 0.00 | 1,030.34 |

APPENDIX E

| SERVICE | 2020/21 | 2021/22 | |
|---|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| 4 Plots | 1,313.68 | 0.00 | 1,313.68 |
| 5 Plots | 1,631.37 | 0.00 | 1,631.37 |
| Flats | | | |
| 1 | 300.51 | 0.00 | 300.51 |
| 2 | 643.97 | 0.00 | 643.97 |
| 3 | 824.37 | 0.00 | 824.37 |
| 4 | 1,081.86 | 0.00 | 1,081.86 |
| 5 | 1,459.65 | 0.00 | 1,459.65 |
| Conversion to:- | | | |
| Single dwelling house | 343.46 | 0.00 | 343.46 |
| Single Flat | 300.51 | 0.00 | 300.51 |
| <i>Building Notice</i> | | | |
| Houses or Bungalows less than 4 storeys | | | |
| 1 Plot | 800.98 | 0.00 | 800.98 |
| 2 Plots | 1,370.35 | 0.00 | 1,370.35 |
| 3 Plots | 1,671.73 | 0.00 | 1,671.73 |
| 4 Plots | 2,113.74 | 0.00 | 2,113.74 |
| 5 Plots | 2,609.33 | 0.00 | 2,609.33 |
| Flats | | | |
| 1 | 533.21 | 0.00 | 533.21 |
| 2 | 1,068.98 | 0.00 | 1,068.98 |
| 3 | 1,350.26 | 0.00 | 1,350.26 |
| 4 | 1,752.10 | 0.00 | 1,752.10 |
| 5 | 2,341.45 | 0.00 | 2,341.45 |
| Conversion to:- | | | |
| Single dwelling house | 600.18 | 0.00 | 600.18 |
| Single Flat | 533.21 | 0.00 | 533.21 |
| <i>Regularisation Charge</i> | | | |
| Houses or Bungalows less than 4 storeys | | | |
| 1 Plot | 831.79 | 0.00 | 831.79 |
| 2 Plots | 1,363.95 | 0.00 | 1,363.95 |
| 3 Plots | 1,645.68 | 0.00 | 1,645.68 |
| 4 Plots | 2,058.89 | 0.00 | 2,058.89 |
| 5 Plots | 2,726.11 | 0.00 | 2,726.11 |
| Flats | | | |
| 1 | 581.35 | 0.00 | 581.35 |
| 2 | 1,082.21 | 0.00 | 1,082.21 |

| SERVICE | 2020/21 | 2021/22 | |
|---|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| 3 | 1,516.89 | 0.00 | 1,516.89 |
| 4 | 1,946.20 | 0.00 | 1,946.20 |
| 5 | 2,575.85 | 0.00 | 2,575.85 |
| Conversion to:- | | | |
| Single dwelling house | 643.97 | 0.00 | 643.97 |
| Single Flat | 581.37 | 0.00 | 581.37 |
| Notifiable Electrical Work (in addition to the above where applicable) | 274.67 | 0.00 | 274.67 |
| Table B - Work To A Single Dwelling | | | |
| Limited to work not more than 3 storeys above ground level | | | |
| Full Plans Submissions | | | |
| Extension & New Build | | | |
| Plan checking charge | | | |
| Single storey extension with floor area not exceeding 40m2 | 218.95 | 0.00 | 218.95 |
| Single storey extension with floor area exceeding 40m2 but not exceeding 100m2 | 262.74 | 0.00 | 262.74 |
| Extension with some part 2 or 3 storeys in height and a total floor area not exceeding 40m2 | 284.63 | 0.00 | 284.63 |
| Extension with some part 2 or 3 storeys in height and a total floor area exceeding 40m2 but not exceeding 100m2 | 306.53 | 0.00 | 306.53 |
| Erection of a non exempt domestic extension comprising of a garage, carport or store not exceeding 100m2 | 197.05 | 0.00 | 197.05 |
| Erection of a non exempt detached non habitable domestic building with total floor area not exceeding 50m2 | 175.16 | 0.00 | 175.16 |
| Conversions | | | |
| First floor & second floor loft conversions | 240.84 | 0.00 | 240.84 |
| Other work | 175.16 | 0.00 | 175.16 |
| Alterations | | | |
| Re Roofing, Installation of Solar Panels or Photovoltaic cells | 109.47 | 0.00 | 109.47 |
| Replacement of windows, roof lights, roof windows or external glazed doors | 131.37 | 0.00 | 131.37 |
| Cost of work not exceeding £5,000 | 153.26 | 0.00 | 153.26 |

| SERVICE | 2020/21 | Proposed Increase | 2021/22 |
|---|-----------------------------|----------------------|-----------------|
| | Current Fee | | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Cost of work exceeding £5,000 & not exceeding £25,000 | 197.05 | 0.00 | 197.05 |
| Cost of work exceeding £25,000 & not exceeding £100,000 | 306.53 | 0.00 | 306.53 |
| Inspection Charge | | | |
| Single storey extension with floor area not exceeding 40m2 | 350.32 | 0.00 | 350.32 |
| Single storey extension with floor area exceeding 40m2 but not exceeding 100m2 | 394.11 | 0.00 | 394.11 |
| Extension with some part 2 or 3 storeys in height and a total floor area not exceeding 40m2 | 437.90 | 0.00 | 437.90 |
| Extension with some part 2 or 3 storeys in height and a total floor area exceeding 40m2 but not exceeding 100m2 | 481.69 | 0.00 | 481.69 |
| Erection of a non exempt domestic extension comprising of a garage, carport or store not exceeding 100m2 | 262.74 | 0.00 | 262.74 |
| Erection of a non exempt detached non habitable domestic building with total floor area not exceeding 50m2 | 218.95 | 0.00 | 218.95 |
| Conversions | | | |
| First floor & second floor loft conversions | 350.32 | 0.00 | 350.32 |
| Other work | 262.74 | 0.00 | 262.74 |
| Alterations | | | |
| Re Roofing, Installation of Solar Panels or Photovoltaic cells | 87.58 | 0.00 | 87.58 |
| Replacement of windows, roof lights, roof windows or external glazed doors | 131.37 | 0.00 | 131.37 |
| Cost of work not exceeding £5,000 | 175.16 | 0.00 | 175.16 |
| Cost of work exceeding £5,000 & not exceeding £25,000 | 306.53 | 0.00 | 306.53 |
| Cost of work exceeding £25,000 & not exceeding £100,000 | 525.49 | 0.00 | 525.49 |
| Building Notice Charges | | | |
| Extension & New Build | | | |
| Single storey extension with floor area not exceeding 40m2 | 612.18 | 0.00 | 612.18 |
| Single storey extension with floor area exceeding 40m2 but not exceeding 100m2 | 680.49 | 0.00 | 680.49 |

APPENDIX E

| SERVICE | 2020/21 | Proposed Increase | 2021/22 |
|---|-----------------------------|----------------------|-----------------|
| | Current Fee | | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Extension with some part 2 or 3 storeys in height and a total floor area not exceeding 40m2 | 748.81 | 0.00 | 748.81 |
| Extension with some part 2 or 3 storeys in height and a total floor area exceeding 40m2 but not exceeding 100m2 | 817.12 | 0.00 | 817.12 |
| Erection of a non exempt domestic extension comprising of a garage, carport or store not exceeding 100m2 | 475.56 | 0.00 | 475.56 |
| Erection of a non exempt detached non habitable domestic building with total floor area not exceeding 50m2 | 407.24 | 0.00 | 407.24 |
| Conversions | | | |
| First floor & second floor loft conversions | 612.18 | 0.00 | 612.18 |
| Other work | 475.56 | 0.00 | 475.56 |
| Alterations | | | |
| Re Roofing, Installation of Solar Panels or Photovoltaic cells | 202.31 | 0.00 | 202.31 |
| Replacement of windows, roof lights, roof windows or external glazed doors | 270.62 | 0.00 | 270.62 |
| Cost of work not exceeding £5,000 | 338.93 | 0.00 | 338.93 |
| Cost of work exceeding £5,000 & not exceeding £25,000 | 543.87 | 0.00 | 543.87 |
| Cost of work exceeding £25,000 & not exceeding £100,000 | 885.43 | 0.00 | 885.43 |
| Regularisation Charges | | | |
| Extension & New Build | | | |
| Single storey extension with floor area not exceeding 40m2 | 671.45 | 0.00 | 671.45 |
| Single storey extension with floor area exceeding 40m2 but not exceeding 100m2 | 720.72 | 0.00 | 720.72 |
| Extension with some part 2 or 3 storeys in height and a total floor area not exceeding 40m2 | 784.58 | 0.00 | 784.58 |
| Extension with some part 2 or 3 storeys in height and a total floor area exceeding 40m2 but not exceeding 100m2 | 848.44 | 0.00 | 848.44 |
| Erection of a non exempt domestic extension comprising of a garage, carport or store not exceeding 100m2 | 529.13 | 0.00 | 529.13 |

| SERVICE | 2020/21 | 2021/22 | |
|--|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Erection of a non exempt detached non habitable domestic building with total floor area not exceeding 50m2 | 465.27 | 0.00 | 465.27 |
| Conversions | | | |
| First floor & second floor loft conversions | 656.86 | 0.00 | 656.86 |
| Other work | 529.13 | 0.00 | 529.13 |
| Alterations | | | |
| Re Roofing, Installation of Solar Panels or Photovoltaic cells | 273.69 | 0.00 | 273.69 |
| Replacement of windows, roof lights, roof windows or external glazed doors | 337.55 | 0.00 | 337.55 |
| Cost of work not exceeding £5,000 | 401.41 | 0.00 | 401.41 |
| Cost of work exceeding £5,000 & not exceeding £25,000 | 592.99 | 0.00 | 592.99 |
| Cost of work exceeding £25,000 & not exceeding £100,000 | 912.30 | 0.00 | 912.30 |
| Notifiable Electrical Work (in addition to the above where applicable) | 321.65 | 0.00 | 321.65 |
| Table C - All Other Non Domestic Work | | | |
| Limited to work not more than 3 storeys above ground level | | | |
| Full Plans Submission | | | |
| Extension & New Build | | | |
| Plan checking charge | | | |
| Single storey building with a floor area not exceeding 40m2 | 262.73 | 0.00 | 262.73 |
| Single storey building with a floor area exceeding 40m2 but not exceeding 100m2 | 306.52 | 0.00 | 306.52 |
| Building with some part 2 or 3 storeys in height and a total floor area not exceeding 40m2 | 328.42 | 0.00 | 328.42 |
| Building with some part 2 or 3 storeys in height and a total floor area exceeding 40m2 but not exceeding 100m2 | 350.31 | 0.00 | 350.31 |
| Alterations | | | |
| Cost of work not exceeding £5,000 | 197.05 | 0.00 | 197.05 |
| Replacement of windows, roof lights, roof windows or external glazed doors (not exceeding 20 units) | 197.05 | 0.00 | 197.05 |
| Renewable energy systems not exceeding £20,000 | 218.95 | 0.00 | 218.95 |

| SERVICE | 2020/21 | Proposed Increase | 2021/22 |
|--|-----------------------------|----------------------|-----------------|
| | Current Fee | | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Installation of new shop front not exceeding £5,000 | 218.95 | 0.00 | 218.95 |
| Cost of work exceeding £5,000 & not exceeding £25,000 | 240.84 | 0.00 | 240.84 |
| Replacement of windows, roof lights, roof windows or external glazed doors (exceeding 20 units) | 218.95 | 0.00 | 218.95 |
| Installation of a raised storage platform not exceeding 250m2 within an existing building | 306.52 | 0.00 | 306.52 |
| Cost of works exceeding £25,000 & not exceeding £100,000 | 350.31 | 0.00 | 350.31 |
| Fit out building up to 100m2 | 372.21 | 0.00 | 372.21 |
| Inspection charges | | | |
| Extension & New Build | | | |
| Single storey building with a floor area not exceeding 40m2 | 350.31 | 0.00 | 350.31 |
| Single storey building with a floor area exceeding 40m2 but not exceeding 100m2 | 394.10 | 0.00 | 394.10 |
| Building with some part 2 or 3 storeys in height and a total floor area not exceeding 40m2 | 437.89 | 0.00 | 437.89 |
| Building with some part 2 or 3 storeys in height and a total floor area exceeding 40m2 but not exceeding 100m2 | 481.68 | 0.00 | 481.68 |
| Alterations | | | |
| Cost of work not exceeding £5,000 | 131.37 | 0.00 | 131.37 |
| Replacement of windows, roof lights, roof windows or external glazed doors (not exceeding 20 units) | 87.58 | 0.00 | 87.58 |
| Renewable energy systems not exceeding £20,000 | 87.58 | 0.00 | 87.58 |
| Installation of new shop front not exceeding £5,000 | 87.58 | 0.00 | 87.58 |
| Cost of work exceeding £5,000 & not exceeding £25,000 | 262.73 | 0.00 | 262.73 |
| Replacement of windows, roof lights, roof windows or external glazed doors (exceeding 20 units) | 175.16 | 0.00 | 175.16 |
| Installation of a raised storage platform not exceeding 250m2 within an existing building | 175.16 | 0.00 | 175.16 |
| Cost of works exceeding £25,000 & not exceeding £100,000 | 525.47 | 0.00 | 525.47 |
| Fit out building up to 100m2 | 218.95 | 0.00 | 218.95 |
| Regularisation Charge | | | |
| Extension & New Build | | | |

APPENDIX E

| SERVICE | 2020/21 | 2021/22 | |
|--|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Single storey building with a floor area not exceeding 40m2 | 784.57 | 0.00 | 784.57 |
| Single storey building with a floor area exceeding 40m2 but not exceeding 100m2 | 884.91 | 0.00 | 884.91 |
| Building with some part 2 or 3 storeys in height and a total floor area not exceeding 40m2 | 967.02 | 0.00 | 967.02 |
| Building with some part 2 or 3 storeys in height and a total floor area exceeding 40m2 but not exceeding 100m2 | 1,049.12 | 0.00 | 1,049.12 |
| Alterations | | | |
| Cost of work not exceeding £5,000 | 410.53 | 0.00 | 410.53 |
| Replacement of windows, roof lights, roof windows or external glazed doors (not exceeding 20 units) | 346.67 | 0.00 | 346.67 |
| Renewable energy systems not exceeding £20,000 | 364.91 | 0.00 | 364.91 |
| Installation of new shop front not exceeding £5,000 | 364.91 | 0.00 | 364.91 |
| Cost of work exceeding £5,000 & not exceeding £25,000 | 638.60 | 0.00 | 638.60 |
| Replacement of windows, roof lights, roof windows or external glazed doors (exceeding 20 units) | 510.88 | 0.00 | 510.88 |
| Installation of a raised storage platform not exceeding 250m2 within an existing building | 565.61 | 0.00 | 565.61 |
| Cost of works exceeding £25,000 & not exceeding £100,000 | 1,112.98 | 0.00 | 1,112.98 |
| Fit out building up to 100m2 | 684.21 | 0.00 | 684.21 |
| Works not included in Tables A, B and C. Charged derived from hourly rate | 80.81 | 0.00 | 80.81 |
| Dropped Crossing Application Fee | 102.00 | 0.00 | 102.00 |
| Copy decision notices, etc | 0.10 | 0.00 | 0.10 |
| Covenant application for a new dwelling | 153.00 | 0.00 | 153.00 |
| Covenant Control application for window replacement, minor alterations, sheds and trees | 61.20 | 0.00 | 61.20 |
| Covenant Control application for extensions (including front porch) | 125.46 | 0.00 | 125.46 |
| Retrospective decision for window replacement, minor alterations, sheds and trees | 93.84 | 0.00 | 93.84 |

| SERVICE | | 2020/21 | 2021/22 | |
|-----------------|---|-----------------------------|-------------------|--------------|
| | | Current Fee | Proposed Increase | Proposed Fee |
| | | with effect from 01/04/2021 | | |
| | | £.p | % | £.p |
| | Retrospective decision for extensions (including front porches) | 188.70 | 0.00 | 188.70 |
| | Copy of the covenant plans | 18.36 | 0.00 | 18.36 |
| Planning | Forward Planning Documents | | | |
| | Adopted Replacement Harlow Local Plan 2006 - Written Statement and proposals Map | 37.00 | 0.00 | 37.00 |
| | Adopted Replacement Harlow Local Plan 2006 - Written Statement and proposals Map CD-ROM | 0.00 | 0.00 | 0.00 |
| | Adopted Replacement Harlow Local Plan 2006 - Written Statement Only | 22.00 | 0.00 | 22.00 |
| | Adopted Replacement Harlow Local Plan 2006 - Proposals | 15.50 | 0.00 | 15.50 |
| | Core Strategy Issues and Options Consultation Document | 24.00 | 0.00 | 24.00 |
| | Core Strategy Issues and Options Consultation Document (| 0.00 | 0.00 | 0.00 |
| | Core Strategy Issues and Options Sustainability Appraisal incorporating SEA Directive | 49.00 | 0.00 | 49.00 |
| | Core Strategy Issues and Options Consultation Summary Report | 48.00 | 0.00 | 48.00 |
| | Emerging Strategy Consultation Document | 24.00 | 0.00 | 24.00 |
| | Emerging Strategy Sustainability Appraisal | 24.00 | 0.00 | 24.00 |
| | Emerging Strategy Consultation Summary Report | 24.00 | 0.00 | 24.00 |
| | Open Spaces, Sport and Recreation SPD | 5.15 | 0.00 | 5.15 |
| | Affordable Housing SPD | 5.15 | 0.00 | 5.15 |
| | Harlow Design Guide SPD | 47.00 | 0.00 | 47.00 |
| | Statement of Community Involvement Review 2014 | 6.00 | 0.00 | 6.00 |
| | Annual Monitoring Report | 0.00 | 0.00 | 0.00 |
| | Great Crested Newt Study Report 2007 | 14.50 | 0.00 | 14.50 |
| | Green Infrastructure Plan for the Harlow Area 2005 | 23.50 | 0.00 | 23.50 |
| | Harlow Area Landscape and Environment Study 2005 | 107.00 | 0.00 | 107.00 |
| | Stort Valley Feasibility Study 2007 | 21.00 | 0.00 | 21.00 |
| | Strategic Flood Risk Assessment 2011 | 18.00 | 0.00 | 18.00 |
| | Local Wildlife Site Review 2011 | 13.50 | 0.00 | 13.50 |
| | Gypsy and Traveller Accommodation Assessment Update 2017 | | | |
| | Essex Gypsy and Traveller Accommodation Assessment (ORS 2014) | 40.00 | 0.00 | 40.00 |

APPENDIX E

| SERVICE | 2020/21 | 2021/22 | |
|--|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Essex Gypsy and Traveller Accommodation Assessment (Fordham Research 2009) | 56.00 | 0.00 | 56.00 |
| Essex Gypsy and Traveller Accommodation Assessment (EPOA 2006) | 5.50 | 0.00 | 5.50 |
| Harlow Area Study - Master planning Principles and Sustainability Criteria 2005 | 32.00 | 0.00 | 32.00 |
| London Commuter Belt (East) / M11 Sub-region Strategic Housing Market Assessment 2010 | 73.00 | 0.00 | 73.00 |
| London Commuter Belt Sub-region Strategic Housing Market Analysis: Viability Assessment 2010 | 100.00 | 0.00 | 100.00 |
| Harlow Urban Capacity Study 2006 | 21.00 | 0.00 | 21.00 |
| Harlow Area Investment and Renewal Framework | 37.50 | 0.00 | 37.50 |
| Harlow Economic and Labour Market Statistics | 12.00 | 0.00 | 12.00 |
| Harlow Regeneration and Social Inclusion Strategy 2010-2015 | 8.00 | 0.00 | 8.00 |
| Retail Study and Town Centre Health Check 2007 | 37.50 | 0.00 | 37.50 |
| Retail Study Update 2010 | 24.00 | 0.00 | 24.00 |
| Retail Study Addendum 2011 | 10.00 | 0.00 | 10.00 |
| Generating and Appraising Spatial Options for the Harlow Area 2010 | 47.00 | 0.00 | 47.00 |
| Harlow Infrastructure Study - Stage 1 Report 2008 | 30.50 | 0.00 | 30.50 |
| Harlow Infrastructure Study Stage 2 - Final Report 2009 | 36.00 | 0.00 | 36.00 |
| Harlow Transportation Study 2005 | 21.00 | 0.00 | 21.00 |
| Rye Meads Water Cycle Strategy 2009 | 47.00 | 0.00 | 47.00 |
| Harlow Play and youth Activity Strategy 2009 | 13.30 | 0.00 | 13.30 |
| Harlow Playing Pitch Strategy 2009 | 26.00 | 0.00 | 26.00 |
| Harlow Playing Pitch Strategy - Assessment Report 2009 | 26.00 | 0.00 | 26.00 |
| Harlow Indoor Sports Hall Facilities 2012 | 15.00 | 0.00 | 15.00 |
| Harlow Swimming Pool Facilities 2011 | 15.00 | 0.00 | 15.00 |
| Harlow Playing Fields Assessment 2015 | 40.00 | 0.00 | 40.00 |
| Harlow Employment Land Review 2013 | 24.50 | 0.00 | 24.50 |
| Harlow Future Prospects Study 2013 | 48.00 | 0.00 | 48.00 |
| Harlow Spatial Options Study 2014 | 24.00 | 0.00 | 24.00 |
| Green Belt Review Stages 1 & 2 2015 (available mid-2015/2016) | 24.00 | 0.00 | 24.00 |
| Green Wedge Review 2014 | 40.00 | 0.00 | 40.00 |

APPENDIX E

| SERVICE | 2020/21 | 2021/22 | |
|---|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Harlow Open Spaces and Green Infrastructure Study 2013 | 80.00 | 0.00 | 80.00 |
| Greater Essex Demographics Forecasts Phase 1 & 2 | 32.50 | 0.00 | 32.50 |
| Greater Essex Demographics Forecasts Phase 3 | 32.50 | 0.00 | 32.50 |
| Greater Essex Demographics Forecasts 4 2013 | 32.50 | 0.00 | 32.50 |
| Greater Essex Demographics Forecasts Phase 5 | 32.50 | 0.00 | 32.50 |
| Greater Essex Demographics Forecasts Phase 6 | 32.50 | 0.00 | 32.50 |
| Greater Essex Demographics Forecasts Phase 7 | 32.50 | 0.00 | 32.50 |
| LCB Sub-region Strategic Housing Market Analysis Update 2013 | 10.00 | 0.00 | 10.00 |
| Strategic Housing Land Availability Assessment 2014 | 20.00 | 0.00 | 20.00 |
| Strategic Housing Market Assessment 2015 | 20.00 | 0.00 | 20.00 |
| Strategic Housing Market Assessment 2017 | 20.00 | 0.00 | 20.00 |
| Affordable housing update 2017 | 10.00 | 0.00 | 10.00 |
| Old Harlow Conservation Area Appraisal and Management Plan | 31.00 | 0.00 | 31.00 |
| Old Harlow Garden Village Conservation Area Appraisal and Management Plan | 21.00 | 0.00 | 21.00 |
| London Road North Master Plan | 40.00 | 0.00 | 40.00 |
| London Road North Design Code | 27.00 | 0.00 | 27.00 |
| London Road North Order and Schedule | 18.00 | 0.00 | 18.00 |
| London Road North Statement of Reasons | 15.00 | 0.00 | 15.00 |
| London Road South Design Code part 1 | 12.00 | 0.00 | 12.00 |
| London Road South Design Code part 2 | 8.00 | 0.00 | 8.00 |
| London Road South Order and Schedule | 15.00 | 0.00 | 15.00 |
| London Road South Statement of Reasons | 14.00 | 0.00 | 14.00 |
| Templefields North East Design Code | 12.00 | 0.00 | 12.00 |
| Templefields North East Order and Schedule | 12.00 | 0.00 | 12.00 |
| Templefields North East Statement of Reasons | 6.00 | 0.00 | 6.00 |
| Strategic Flood Risk Assessment 2016 | 44.00 | 0.00 | 44.00 |
| Harlow Surface Water Management Plan 2013 | 60.00 | 0.00 | 60.00 |
| Retail Frontages Study 2018 | 24.00 | 0.00 | 24.00 |
| Sports Facilities Study 2017 | 130.00 | 0.00 | 130.00 |
| Harlow Strategic Site Assessment 2016 | 82.00 | 0.00 | 82.00 |
| Harlow Local Development Plan Pre-Submission Publication May 2018 | 62.00 | 0.00 | 62.00 |
| Pre-Submission Policies Map | 30.00 | 0.00 | 30.00 |
| Pre-Submission Sustainability Appraisal | 40.00 | 0.00 | 40.00 |

| SERVICE | 2020/21 | 2021/22 | |
|--|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Pre-Submission Habitats Regulation Assessment | 26.00 | 0.00 | 26.00 |
| Development Management Documents | | | |
| Decision notices (cost per sheet) | 0.10 | 0.00 | 0.10 |
| Coloured copy A4 | 0.50 | 0.00 | 0.50 |
| A3 | 0.20 | 0.00 | 0.20 |
| A3 colour | 1.00 | 0.00 | 1.00 |
| A2 | 1.00 | 0.00 | 1.00 |
| A2 colour | 2.00 | 0.00 | 2.00 |
| A1 | 1.50 | 0.00 | 1.50 |
| A1 colour | 4.00 | 0.00 | 4.00 |
| A0 | 2.00 | 0.00 | 2.00 |
| A0 colour | 8.00 | 0.00 | 8.00 |
| Miscellaneous Development Management Work | | | |
| Planning History Search (per hour) | 51.60 | 0.00 | 51.60 |
| Development Management Planning Fees | | | |
| 1) The erection of dwelling houses (other than development within category 6) | | | |
| a) where the application is for outline planning permission | | | |
| - not exceeding 2.5 hectares (for each 0.1 hectare) | 462.00 | 0.00 | 462.00 |
| - exceeding 2.5 hectares | 11,432.00 | 0.00 | 11,432.00 |
| - + for each 0.1 hectare in excess of 2.5 hectares to maximum total £125,000 | 138.00 | 0.00 | 138.00 |
| b) in other cases | | | |
| - 50 or fewer dwelling houses for each house | 462.00 | 0.00 | 462.00 |
| - in excess of 50 dwellings and £100 for each house to max of £250,000 | 22,859.00 | 0.00 | 22,859.00 |
| - + for each dwelling to max of £250,000 | 138.00 | 0.00 | 138.00 |
| 2) The erection of buildings (other than buildings in categories 1,3,4,5 or 7) | | | |
| a) where the application is for outline planning permission | | | |
| - not exceeding 2.5 hectares (for each 0.1 hectare) | 462.00 | 0.00 | 462.00 |
| - exceeding 2.5 hectares | 11,432.00 | 0.00 | 11,432.00 |
| - + for each 0.1 hectare in excess of 2.5 hectares to maximum £125,000 | 138.00 | 0.00 | 138.00 |
| b) in other cases | | | |
| - where no floor space is created | 234.00 | 0.00 | 234.00 |
| - where the area of gross floor space does not exceed 40sqm | 234.00 | 0.00 | 234.00 |

APPENDIX E

| SERVICE | 2020/21 | 2021/22 | |
|---|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| - where the area of gross floor space exceeds 40sqm but not 75sqm | 462.00 | 0.00 | 462.00 |
| - where the area of gross floor space exceeds 75sqm but not 3750sqm for each 75 sqm | 462.00 | 0.00 | 462.00 |
| - where the area of gross floor space exceeds 3750sqm | 22,859.00 | 0.00 | 22,859.00 |
| - + for each 75sqm to maximum £250,000 | 138.00 | 0.00 | 138.00 |
| 3) The erection of land used for the purposes of agriculture (other than buildings within category 4) | | | |
| a) where the application is for outline planning permission | | | |
| - not exceeding 2.5 hectares (for each 0.1 hectare) | 462.00 | 0.00 | 462.00 |
| - exceeding 2.5 hectares | 11,432.00 | 0.00 | 11,432.00 |
| - + for each 0.1 hectare in excess of 2.5 hectares to maximum £125,000 | 138.00 | 0.00 | 138.00 |
| b) in other cases | | | |
| - where the area of gross floor space does not exceed 465sqm | 96.00 | 0.00 | 96.00 |
| - where the area of gross floor space exceeds 465sqm but not 540sqm | 462.00 | 0.00 | 462.00 |
| - where the area of gross floor space exceeds 540sqm but not 4215sqm | 462.00 | 0.00 | 462.00 |
| - + for each 75sqm | 462.00 | 0.00 | 462.00 |
| - where the area of gross floor space exceeds 4215sqm | 22,859.00 | 0.00 | 22,859.00 |
| - + for each 75sqm to maximum £250,000 | 138.00 | 0.00 | 138.00 |
| 4) The erection of glasshouses on land used for the purposes of agriculture | | | |
| - where the area of gross floor space does not exceed 465sqm | 96.00 | 0.00 | 96.00 |
| - where the area of gross floor space exceeds 465sqm | 2,580.00 | 0.00 | 2,580.00 |
| 5) The erection, alteration or replacement of plant or machinery | | | |
| - not exceeding 5 hectares (for each 0.1 hectare) | 462.00 | 0.00 | 462.00 |
| - exceeding 5 hectares | 22,859.00 | 0.00 | 22,859.00 |
| - + for each 0.1 hectare in excess of 5 hectares to maximum £250,000 | 138.00 | 0.00 | 138.00 |
| 6) The enlargement, improvement of other alteration of existing dwelling houses | | | |
| - 1 dwelling house | 206.00 | 0.00 | 206.00 |
| - 2 or more | 407.00 | 0.00 | 407.00 |

| SERVICE | 2020/21 | 2021/22 | |
|--|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| 7) the carrying out of operations within the curtilage of an existing dwelling house | | | |
| the carrying out of operations within the curtilage of an existing dwelling house | 206.00 | 0.00 | 206.00 |
| or | | | |
| - the construction of car parks, service roads etc | 234.00 | 0.00 | 234.00 |
| 8) The carrying out of any operations connected with exploratory drilling | | | |
| - not exceeding 7.5 hectares (for each 0.1 hectare) | 508.00 | 0.00 | 508.00 |
| - exceeding 7.5 hectares | 38,070.00 | 0.00 | 38,070.00 |
| - + for each 0.1 hectare in excess of 7.5 hectares to maximum £250,000 | 151.00 | 0.00 | 151.00 |
| 9) The carrying out of any operations not coming within any of the above | | | |
| - not exceeding 15 hectares (for each 0.1 hectare) | 257.00 | 0.00 | 257.00 |
| - exceeding 15 hectares | 38,520.00 | 0.00 | 38,520.00 |
| - + for each 0.1 hectare in excess of 15 hectares to a maximum of £65,000 | 151.00 | 0.00 | 151.00 |
| - in any other case (for each 0.1 hectare) to maximum of £1,690 | 234.00 | 0.00 | 234.00 |
| 10) The change of use of a building to use as one or more separate dwelling houses | | | |
| - where the change of use is to use 50 or fewer dwelling houses | 462.00 | 0.00 | 462.00 |
| - where the change of use is to use more than 50 dwelling houses | 22,859.00 | 0.00 | 22,859.00 |
| - + for each additional dwelling house to maximum £250,000 | 138.00 | 0.00 | 138.00 |
| 11) The use of land for the disposal of refuse or waste | | | |
| - not exceeding 15 hectares (for each 0.1 hectare) | 234.00 | 0.00 | 234.00 |
| - exceeding 15 hectares | 34,934.00 | 0.00 | 34,934.00 |
| - + for each 0.1 hectare in excess of 15 hectares to maximum £250,000 | 138.00 | 0.00 | 138.00 |
| 12) The making of a material change in the use of a building or land | 462.00 | 0.00 | 462.00 |
| Development Management Advertisement Application Fees | | | |
| Advertisements displayed on business premises, etc | 132.00 | 0.00 | 132.00 |

| SERVICE | 2020/21 | 2021/22 | |
|--|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Advertisements for the purpose of directing members of the public, etc | 132.00 | 0.00 | 132.00 |
| Other advertisements | 462.00 | 0.00 | 462.00 |
| Pre-Application Charges | | | |
| Initial fee written response | | | |
| Dwellings | | | |
| Single new dwelling | 150.00 | 0.00 | 150.00 |
| Houses for Multiple Occupation | 231.00 | 0.00 | 231.00 |
| 2-9 new dwellings | 346.00 | 0.00 | 346.00 |
| Small scale major (10-50 dwellings) | 495.00 | 0.00 | 495.00 |
| Large scale major (upwards of 50 units) | n/a | 0.00 | n/a |
| Non-residential | | | |
| Change of use (up to 100 sqm) | 231.00 | 0.00 | 231.00 |
| Minor commercial (creation of 0-999 sqm of floor space or over 0.1 ha) | 240.00 | 0.00 | 240.00 |
| Major commercial (creation of 1000 sqm of floor space or over 1.0 ha) | 495.00 | 0.00 | 495.00 |
| Initial fee meeting with notes | | | |
| Dwellings | | | |
| Single new dwelling | 400.00 | 0.00 | 400.00 |
| Houses for Multiple Occupation | n/a | 0.00 | n/a |
| 2-9 new dwellings | 436.00 | 0.00 | 436.00 |
| Small scale major (10-50 dwellings) | 1,252.00 | 0.00 | 1,252.00 |
| Large scale major (upwards of 50 units) | 1,523.00 | 0.00 | 1,523.00 |
| Non-residential | | | |
| Change of use (up to 100 sqm) | n/a | 0.00 | n/a |
| Minor commercial (creation of 0-999 sqm of floor space or over 0.1 ha) | 304.00 | 0.00 | 304.00 |
| Major commercial (creation of 1000 sqm of floor space or over 1.0 ha) | 644.00 | 0.00 | 644.00 |
| Follow up charge officer hourly rate | | | |
| Dwellings | | | |
| Single new dwelling | variable* | 0.00 | variable* |
| Houses for Multiple Occupation | variable* | 0.00 | variable* |
| 2-9 new dwellings | variable* | 0.00 | variable* |
| Small scale major (10-50 dwellings) | variable* | 0.00 | variable* |
| Large scale major (upwards of 50 units) | variable* | 0.00 | variable* |
| Non-residential | | | |

APPENDIX E

| SERVICE | 2020/21 | 2021/22 | |
|---|--|--------------|---|
| | Current Fee | Proposed Fee | |
| | Proposed Increase with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Change of use (up to 100 sqm) | variable* | 0.00 | variable* |
| Minor commercial (creation of 0-999 sqm of floor space or over 0.1 ha) | variable* | 0.00 | variable* |
| Major commercial (creation of 1000 sqm of floor space or over 1.0 ha) | variable* | 0.00 | variable* |
| Planning Officer* | 85.00 | 0.00 | 85.00 |
| Senior Planning Officer* | 100.00 | 0.00 | 100.00 |
| Principal Planning Officer* | 150.00 | 0.00 | 150.00 |
| Additional specialist advice (Optional) | | | |
| Advice from another officer included in the written response or meeting (charged per hour if it requires more intensive research) | 100.00 | 0.00 | 100.00 |
| Another officer attending the meeting | | | |
| Head of Service | 500.00 | 0.00 | 500.00 |
| Planning and Building Control Manager | 400.00 | 0.00 | 400.00 |
| Planning Manager | 300.00 | 0.00 | 300.00 |
| Other | | | |
| High Hedges | 400.00 | 0.00 | 400.00 |
| Condition Discharge - householder development | 34.00 | 0.00 | 34.00 |
| Condition Discharge - All other development | 116.00 | 0.00 | 116.00 |
| Non-Material Change - householder | 34.00 | 0.00 | 34.00 |
| Non-material Change - all other | 234.00 | 0.00 | 234.00 |
| Prior Approvals | 96.00 | 0.00 | 96.00 |
| Prior Approvals | 206.00 | 0.00 | 206.00 |
| Prior Approvals | 462.00 | 0.00 | 462.00 |
| Application for approval of reserved matters | Full fee or if full feed paid 462.00 | 0.00 | Full fee or if full feed paid 462.00 |
| Approval/Variation of condition following planning permission | 234.00 | 0.00 | 234.00 |
| Confirmation of compliance with conditions - householder | 34.00 | 0.00 | 34.00 |
| Confirmation of compliance with conditions - other | 116.00 | 0.00 | 116.00 |
| Lawful Development Certificates | | | |
| Existing use or operation | same as full | 0.00 | same as full |
| Existing use or operation - lawful not to comply with any condition or limitation | 234.00 | 0.00 | 234.00 |
| Proposed use or operation | Half normal fee | 0.00 | Half normal fee |

APPENDIX E

| SERVICE | | 2020/21 | 2021/22 |
|--|---|-----------------------------|---------------------|
| | | Current Fee | Proposed Fee |
| | | £.p | Proposed Increase % |
| | | with effect from 01/04/2021 | |
| | | £.p | % |
| Domestic Refuse | Sales of Bins | | |
| | 180l Wheelie Bins | 45.60 | 2.52 |
| | Delivery | at cost | 0.00 |
| | Flat Block Refuse Bins Charge to Developers | | |
| | 1100 litre Bin | 500.00 | 2.50 |
| | 960 litre Bin | 500.00 | 2.50 |
| | 240 litre bin | 43.60 | 2.52 |
| | Delivery | at cost | 0.00 |
| | House Refuse Waste Bins Charge to Developers | | |
| | 180l Wheelie Bins | 45.60 | 2.52 |
| Delivery | at cost | 0.00 | |
| Special Refuse | Bulky Waste | | |
| | 1 to 5 items | 26.15 | 2.49 |
| | 6 to 8 items | 39.36 | 2.39 |
| | White goods - second visit when item is not correctly presented for the free collection | new charge | |
| | | | 26.80 |
| Recycling | Sales of Bins | | |
| | 240l Wheelie Bins | 43.60 | 2.52 |
| | Kitchen Caddies large | 17.95 | 2.51 |
| | Kitchen Caddies small | 5.25 | 2.86 |
| | Delivery | at cost | 0.00 |
| | Flat block Recycling Bins - Charges to Developers | | |
| | 1100 litre bin | 500.00 | 2.50 |
| | 240 litre bin | 43.60 | 2.52 |
| | 140 litre food waste bin | 76.00 | 2.50 |
| | Sales of Kitchen Caddies | 5.25 | 2.86 |
| | Delivery | at cost | 0.00 |
| | House Recycling Waste Bins Charge to Developers | | |
| | 240 litre bin | 43.60 | 2.52 |
| | Kitchen Caddies large | 17.95 | 2.51 |
| Kitchen Caddies small | 5.25 | 2.86 | |
| Green Waste | | | |
| premium fortnightly collection (wheeled bin) | 42.00 | 0.00 | |
| green waste service set up charge | 30.00 | 0.00 | |
| green waste service rejoin charge | new charge | | |
| | | | 10.00 |

APPENDIX E

| SERVICE | | 2020/21 | 2021/22 | |
|---|---|-----------------------------|-------------------|-------------------|
| | | Current Fee | Proposed Increase | Proposed Fee |
| | | with effect from 01/04/2021 | | |
| | | £.p | % | £.p |
| | bookable service (per bag) | 0.95 | 0.00 | 0.97 |
| | Christmas Trees | 2.15 | 2.33 | 2.20 |
| Abandoned Vehicles | Costs Recoverable | 32.80 | 2.44 | 33.60 |
| | Voluntary Surrender of Vehicles | 32.80 | 2.44 | 33.60 |
| Street Scene | Abandoned Shopping Trolleys | 108.65 | 2.53 | 111.40 |
| Allotments | Rents - per square metre | 0.18 | 0.00 | 0.18 |
| | Concessions - per square metre | 0.09 | 0.00 | 0.09 |
| | Peppercorn rent for self managed sites | 0.50 | 2.00 | 0.51 |
| Nature Reserve | Sale of firewood/Charcoal | | | |
| | Bulk bag 1-10 bags, charge per bag | 60.00 | 8.33 | 65.00 |
| | Bulk bag 11+ bags, charge per bag | 50.00 | 10.00 | 55.00 |
| | Charcoal - over 100kilos - per kilo | 1.50 | 16.67 | 1.75 |
| | Charcoal - up to 100kilos - per kilo | 2.00 | 20.00 | 2.40 |
| Hackney Carriages & Private Hire | HC & PH Drivers Licence | | | |
| | New Driver (annual) | 240.00 | 0.00 | 240.00 |
| | New driver (3 year) | 405.00 | 0.00 | 405.00 |
| | Renewal (annual) | 124.00 | 0.00 | 124.00 |
| | Renewal (3 year) | 295.00 | 0.00 | 295.00 |
| | Renewal Licence issued for less than 1 year | 67 + 5/full month | 0.00 | 67 + 5/Full month |
| | HC Vehicle Licence | | | |
| | New Vehicle | 298.00 | 0.00 | 298.00 |
| | Renewal | 298.00 | 0.00 | 298.00 |
| | Rebate on surrender per month | -18.00 | 0.00 | -18.00 |
| | PH Vehicle Licence | | | |
| | New Vehicle | 298.00 | 0.00 | 298.00 |
| | Renewal | 298.00 | 0.00 | 298.00 |
| | Rebate on surrender per month | -18.00 | 0.00 | -18.00 |
| | Transfer of Vehicle Licence | 0.00 | 0.00 | 0.00 |
| | Replacement Items | | | |
| | - badge | 0.00 | 0.00 | 0.00 |
| | - plate | 0.00 | 0.00 | 0.00 |
| | - platemate | 0.00 | 0.00 | 0.00 |

APPENDIX E

| SERVICE | 2020/21 | 2021/22 | |
|--|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Annual Private Hire Operator Licence | | | |
| operators licence | 297.00 | 0.00 | 297.00 |
| Five Year Private Hire Operator Licence | | | |
| operators licence | 710.00 | 0.00 | 710.00 |
| Knowledge Test | | | |
| Knowledge test | 53.00 | 0.00 | 53.00 |
| Retest full | 53.00 | 0.00 | 53.00 |
| Retest partial | 21.00 | 0.00 | 21.00 |
| Other Fees | | | |
| DBS first driver check | 44.00 | 0.00 | 44.00 |
| DBS each subsequent check | 64.00 | 0.00 | 64.00 |
| Officer Hourly rate | 55.00 | 0.00 | 55.00 |
| Administration Hourly rate | 30.00 | 0.00 | 30.00 |
| Environmental Health | | | |
| Animal Welfare Fees | | | |
| Animal Boarding | | | |
| 1 to 6 boarded animals (application fee) | 150.00 | 3.33 | 155.00 |
| 1 to 6 boarded animals (grant fee) | 73.00 | 2.74 | 75.00 |
| 7 and over boarded animals (application fee) | 220.00 | 4.55 | 230.00 |
| 7 and over boarded animals (grant fee) | 98.00 | 2.04 | 100.00 |
| Dog Breeding | | | |
| 1 to 6 bitches (application fee) | 150.00 | 3.33 | 155.00 |
| 1 to 6 bitches (grant fee) | 73.00 | 2.74 | 75.00 |
| 7 and over bitches (application fee) | 220.00 | 4.55 | 230.00 |
| 7 and over bitches (grant fee) | 98.00 | 2.04 | 100.00 |
| Selling animals as pets | | | |
| Application Fee | 220.00 | 4.55 | 230.00 |
| Grant Fee | 98.00 | 2.04 | 100.00 |
| Hiring our horses | | | |
| Application Fee | 220.00 | 4.55 | 230.00 |
| Grant Fee | 98.00 | 2.04 | 100.00 |
| Keeping animals for exhibition | | | |
| Application Fee | 150.00 | 3.33 | 155.00 |
| Grant Fee | 98.00 | 2.04 | 100.00 |
| Variation to licence | | | |
| Animal boarding | 88.00 | 2.27 | 90.00 |
| Selling animals as pets | 88.00 | 2.27 | 90.00 |

APPENDIX E

| SERVICE | 2020/21 | 2021/22 | |
|---|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Keeping animals for exhibition | 88.00 | 2.27 | 90.00 |
| Inspection fee | 105.00 | 4.76 | 110.00 |
| Variation of licence | | | |
| Dog Breeding | 88.00 | 2.27 | 90.00 |
| Hiring our horses | 88.00 | 2.27 | 90.00 |
| Inspection fee | 105.00 | 4.76 | 110.00 |
| Appeal of a risk rating score | 135.00 | 3.70 | 140.00 |
| Variations to reduce the licensable activities or numbers of animals | 88.00 | 2.27 | 90.00 |
| Transfer of licence | 88.00 | 2.27 | 90.00 |
| Dangerous wild animal licence (+ vets fees) | 170.00 | 5.88 | 180.00 |
| Export Certificate | 50.00 | 20.00 | 60.00 |
| Special treatment registration | 130.00 | 3.85 | 135.00 |
| Wasp nest treatment (one treatment) | 50.00 | 0.00 | 50.00 |
| Wasp nest treatment (two treatments) | 60.00 | 0.00 | 60.00 |
| Fleas | 50.00 | 0.00 | 50.00 |
| Rats | 50.00 | 0.00 | 50.00 |
| Mice | 50.00 | 0.00 | 50.00 |
| Pest Control concessionary rate (wasps/fleas/rats/mice) | 11.50 | 0.00 | 11.50 |
| Stray dogs | | | |
| stray dogs | 25.00 | 0.00 | 25.00 |
| admin charge | 25.00 | 0.00 | 25.00 |
| kennelling charges | at cost | 0.00 | at cost |
| Zoo License (not including veterinary fee) | 670.00 | 2.99 | 690.00 |
| Veterinary Fees | at cost | 0.00 | at cost |
| Contaminated land enquiry | 190.00 | 5.26 | 200.00 |
| Officer Hourly rate | 55.00 | 0.00 | 55.00 |
| Admin Charge - Hourly rate | 30.00 | 0.00 | 30.00 |
| HMO Licence Variation | 0.00 | 0.00 | 0.00 |
| Large HMO Additional Licensing Scheme | | | |
| application full fee | 580.00 | 5.17 | 610.00 |
| application reduced fee | 460.00 | 4.35 | 480.00 |
| annual renewal full fee | 215.00 | 4.65 | 225.00 |
| annual renewal reduced fee | 180.00 | 4.44 | 188.00 |
| re-inspection full fee | 174.00 | 3.45 | 180.00 |
| re-inspection reduced fee | 164.00 | 2.44 | 168.00 |

| SERVICE | 2020/21 | 2021/22 | |
|---|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Additional charges small and large HMOs - Additional Licensing Scheme | | | |
| admin hourly rate | 30.00 | 0.00 | 30.00 |
| officer Hourly rate | 55.00 | 0.00 | 55.00 |
| application form incomplete | 30.00 | 6.67 | 32.00 |
| avoided licence application until found by Council investigation | 240.00 | 6.25 | 255.00 |
| avoided licence application reminder letter | 50.00 | 4.00 | 52.00 |
| missed appointment house inspection | 115.00 | 4.35 | 120.00 |
| licence holder change once granted | 125.00 | 4.00 | 130.00 |
| sending a final reminder | 30.00 | 6.67 | 32.00 |
| recommencing licensing process following final reminder | 48.00 | 4.17 | 50.00 |
| recovery fee - dishonoured cheque | 36.00 | 5.56 | 38.00 |
| LAPPC charges | | | |
| Application fee | | | |
| Standard process (includes solvent emission activities) | 1,650.00 | 0.00 | 1,650.00 |
| Additional fee for operating without a permit | 1,188.00 | 0.00 | 1,188.00 |
| PVRI,SWOBs and Dry Cleaners | 155.00 | 0.00 | 155.00 |
| PVR I & II combined | 257.00 | 0.00 | 257.00 |
| VRs and other Reduced Fee Activities | 362.00 | 0.00 | 362.00 |
| Reduced fee activities: Additional fee for operating without a permit | 71.00 | 0.00 | 71.00 |
| Mobile plant** | 1,650.00 | 0.00 | 1,650.00 |
| for the third to seventh applications | 985.00 | 0.00 | 985.00 |
| for the eight and subsequent applications | 498.00 | 0.00 | 498.00 |
| <i>Where an application for any of the above is for a combined Part B waste application, add an extra £310 to the above amounts</i> | | | |
| Annual Subsistence Charge | | | |
| Standard process Low | 772 (+104)* | 0.00 | 772 (+104)* |
| Standard process Medium | 1161 (+156)* | 0.00 | 1161 (+156)* |
| Standard process High | 1748 (+207)* | 0.00 | 1748 (+207)* |
| PVRI,SWOBs and Dry Cleaners Low | 79.00 | 0.00 | 79.00 |
| PVRI,SWOBs and Dry Cleaners Medium | 158.00 | 0.00 | 158.00 |
| PVRI,SWOBs and Dry Cleaners High | 237.00 | 0.00 | 237.00 |
| PVR I & II combined Low | 113.00 | 0.00 | 113.00 |
| PVR I & II combined Medium | 226.00 | 0.00 | 226.00 |
| PVR I & II combined High | 341.00 | 0.00 | 341.00 |

APPENDIX E

| SERVICE | 2020/21 | 2021/22 | |
|--|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| VRs and other Reduced Fee Low | 228.00 | 0.00 | 228.00 |
| VRs and other Reduced Fee Medium | 365.00 | 0.00 | 365.00 |
| VRs and other Reduced Fee High | 548.00 | 0.00 | 548.00 |
| Mobile plant, for first and second permits Low** | 626.00 | 0.00 | 626.00 |
| Mobile plant, for first and second permits Medium** | 1,034.00 | 0.00 | 1,034.00 |
| Mobile plant, for first and second permits High** | 1,551.00 | 0.00 | 1,551.00 |
| for the third to seventh permits Low | 385.00 | 0.00 | 385.00 |
| for the third to seventh permits Medium | 617.00 | 0.00 | 617.00 |
| for the third to seventh permits High | 924.00 | 0.00 | 924.00 |
| for the eight and subsequent permits Low | 198.00 | 0.00 | 198.00 |
| for the eight and subsequent permits Medium | 314.00 | 0.00 | 314.00 |
| for the eight and subsequent permits High | 473.00 | 0.00 | 473.00 |
| Late Payment Fee | 52.00 | 0.00 | 52.00 |
| <i>* the additional amounts in brackets must be charged where a permit is for a combined Part B and waste installation</i> | | | |
| <i>Where a Part B installation is subject to reporting under the E-PRTR Regulation, add an extra £104 to the above amounts</i> | | | |
| Transfer and Surrender | | | |
| Standard process transfer | 169.00 | 0.00 | 169.00 |
| Standard process partial transfer | 497.00 | 0.00 | 497.00 |
| New operator at low risk reduced fee activity (extra one - off subsistence charge - see Art 15(2) of charging system) | 78.00 | 0.00 | 78.00 |
| Surrender: all Part B activities | 0.00 | 0.00 | 0.00 |
| Reduced fee activities: transfer | 0.00 | 0.00 | 0.00 |
| Reduced fee activities: partial transfer | 47.00 | 0.00 | 47.00 |
| Temporary transfer for mobiles | | | |
| First transfer | 53.00 | 0.00 | 53.00 |
| Repeat following enforcement or warning | 53.00 | 0.00 | 53.00 |
| Substantial Change | | | |
| Standard process | 1,050.00 | 0.00 | 1,050.00 |
| Standard process where the substantial change results in a new PPC activity | 1,650.00 | 0.00 | 1,650.00 |
| Reduced fee activities | 102.00 | 0.00 | 102.00 |
| LAPPC mobile plant charges (Not using simplified permits) | | | |

| SERVICE | 2020/21 | 2021/22 | |
|---|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Application fee | | | |
| 1 to 2 Permits | 1,650.00 | 0.00 | 1,650.00 |
| 3 to 7 Permits | 985.00 | 0.00 | 985.00 |
| 8 and Over | 498.00 | 0.00 | 498.00 |
| Subsistence fee | | | |
| 1 to 2 Permits Low | 646.00 | 0.00 | 646.00 |
| 1 to 2 Permits Medium | 1,034.00 | 0.00 | 1,034.00 |
| 1 to 2 Permits High | 1,506.00 | 0.00 | 1,506.00 |
| 3 to 7 Permits Low | 385.00 | 0.00 | 385.00 |
| 3 to 7 Permits Medium | 617.00 | 0.00 | 617.00 |
| 3 to 7 Permits High | 924.00 | 0.00 | 924.00 |
| 8 and Over Low | 198.00 | 0.00 | 198.00 |
| 8 and Over Medium | 316.00 | 0.00 | 316.00 |
| 8 and Over High | 473.00 | 0.00 | 473.00 |
| LA-IPPC Charges | | | |
| <i>Every subsistence charge below includes the additional £104 charge to cover LA extra costs in dealing with reporting under the E-PRTR Regulation</i> | | | |
| Application - LA element | 3,363.00 | 0.00 | 3,363.00 |
| Additional fee for operating without a permit - LA element | 1,188.00 | 0.00 | 1,188.00 |
| Annual Subsistence Low - LA element | 1,447.00 | 0.00 | 1,447.00 |
| Annual Subsistence Medium - LA element | 1,611.00 | 0.00 | 1,611.00 |
| Annual Subsistence High - LA element | 2,334.00 | 0.00 | 2,334.00 |
| Late Payment Fee | 52.00 | 0.00 | 52.00 |
| Substantial Variation | 1,368.00 | 0.00 | 1,368.00 |
| Transfer | 235.00 | 0.00 | 235.00 |
| Partial Transfer | 698.00 | 0.00 | 698.00 |
| Surrender | 698.00 | 0.00 | 698.00 |
| Town Centre Management | | | |
| Pitch fees - Town Centre Trading Pitches | | | |
| Regular Pitches | | | |
| Trading Pitches up to 10m² | | | |
| Monday - Sunday (1 day per week) calculated monthly | 80.00 | 0.00 | 80.00 |
| Trailers up to 6 metres (New) | | | |
| Monday - Sunday (1 day per week) calculated monthly | 150.00 | 0.00 | 150.00 |

APPENDIX E

| SERVICE | 2020/21 | 2021/22 | |
|--|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Monday - Sunday (each additional day) calculated monthly | 102.00 | 0.00 | 102.00 |
| Electricity (New) | | | |
| Monday - Sunday (1 day per week) calculated monthly | 9.00 | 0.00 | 9.00 |
| Ad Hoc Pitches | | | |
| Promotional Pitches | | | |
| Monday - Thursday (per day) | 153.00 | 0.00 | 153.00 |
| Friday - Saturday (per day) | 246.00 | 0.00 | 246.00 |
| Weekly | 948.00 | 0.00 | 948.00 |
| Small Promotional Pitches | | | |
| Monday - Thursday (per day) | 123.00 | 0.00 | 123.00 |
| Friday - Saturday (per day) | 185.00 | 0.00 | 185.00 |
| Weekly | 622.00 | 0.00 | 622.00 |
| Not for profit pitches (charities) | | | |
| Monday - Sunday (per day) | 33.00 | 0.00 | 33.00 |
| Weekly | 128.00 | 0.00 | 128.00 |
| Monthly | 375.00 | 0.00 | 375.00 |
| Access Charge | 52.00 | 0.00 | 52.00 |
| Cancellation Fee | 20% of fee | 0.00 | 20% of Fee |
| Miscellaneous Licences | | | |
| Street Trading | | | |
| Street trading licence | 410.00 | 4.88 | 430.00 |
| Street Trading (renew) | | | |
| Street trading licence | 410.00 | 4.88 | 430.00 |
| Licensing | | | |
| Miscellaneous Licences (new) | | | |
| Sex Shops | 1,375.00 | 5.45 | 1,450.00 |
| Miscellaneous Licences (renew) | | | |
| Sex Shops | 1,190.00 | 5.04 | 1,250.00 |
| Miscellaneous Licences (transfer) | | | |
| Sex Shops | 645.00 | 4.65 | 675.00 |
| Miscellaneous Licences (variation) | | | |
| Sex Shops | 1,190.00 | 5.04 | 1,250.00 |
| Highways Act (new) | | | |
| Tables & chairs | | | |
| - table | 22.00 | 0.00 | 22.00 |
| - chair | 15.00 | 0.00 | 15.00 |

| SERVICE | 2020/21 | 2021/22 | |
|---|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Highways Act (renew) | | | |
| Tables & chairs | | | |
| - table | 21.00 | 0.00 | 21.00 |
| - chair | 14.00 | 0.00 | 14.00 |
| Variation - No consultation | 50.00 | 0.00 | 50.00 |
| Variation - Consultation | 100.00 | 0.00 | 100.00 |
| Charity Collections (new) | | | |
| Lottery | 40.00 | 0.00 | 40.00 |
| Street collection | 0.00 | 0.00 | 0.00 |
| House to house collection | 0.00 | 0.00 | 0.00 |
| Charity Collections (renew) | | | |
| Lottery | 20.00 | 0.00 | 20.00 |
| Street collection | 0.00 | 0.00 | 0.00 |
| House to house collection | 0.00 | 0.00 | 0.00 |
| Street Trading (new) | | | |
| Street trading licence | 410.00 | 4.88 | 430.00 |
| Street Trading (renew) | | | |
| Street trading licence | 410.00 | 4.88 | 430.00 |
| Premises Licences and Club Premises Certificates (application fee) | | | |
| Band | | | |
| a | 100.00 | 0.00 | 100.00 |
| b | 190.00 | 0.00 | 190.00 |
| c | 315.00 | 0.00 | 315.00 |
| d | 450.00 | 0.00 | 450.00 |
| e | 635.00 | 0.00 | 635.00 |
| city/town centre pub | | | |
| band d | 900.00 | 0.00 | 900.00 |
| band e | 1,905.00 | 0.00 | 1,905.00 |
| Premises Licences and Club Premises Certificates (annual fee) | | | |
| Band | | | |
| a | 70.00 | 0.00 | 70.00 |
| b | 180.00 | 0.00 | 180.00 |
| c | 295.00 | 0.00 | 295.00 |
| d | 320.00 | 0.00 | 320.00 |
| e | 350.00 | 0.00 | 350.00 |

APPENDIX E

SERVICE

| SERVICE | 2020/21 | Proposed Increase | 2021/22 |
|--|-------------|----------------------|-----------------|
| | Current Fee | | Proposed Fee |
| | £.p | % | £.p |
| city/town centre pub | | | |
| band d | 640.00 | 0.00 | 640.00 |
| band e | 1,050.00 | 0.00 | 1,050.00 |
| application for minor variation | 89.00 | 0.00 | 89.00 |
| Scrap Metal Dealers | | | |
| Collectors fee | 310.00 | 4.84 | 325.00 |
| Site fee | 410.00 | 3.66 | 425.00 |
| Variation Fee - Major | 45.00 | 0.00 | 45.00 |
| Variation Fee - Minor | 20.00 | 0.00 | 20.00 |
| Recovery charges for works in default | at cost | 0.00 | at cost |
| Other Fees | | | |
| temporary event notice | 21.00 | 0.00 | 21.00 |
| theft, loss etc of temporary event notice | 10.50 | 0.00 | 10.50 |
| Theft, loss etc of premises licence or summary | 10.50 | 0.00 | 10.50 |
| Application for a provisional statement where premises being built | 315.50 | 0.00 | 315.50 |
| Notification of change of name or address | 10.50 | 0.00 | 10.50 |
| Application to vary licence to specify individual as premises supervisor | 23.00 | 0.00 | 23.00 |
| Application for transfer of premises licence | 23.00 | 0.00 | 23.00 |
| Interim authority notice following death etc. of licence holder | 23.00 | 0.00 | 23.00 |
| Theft, loss etc of certificate or summary | 10.50 | 0.00 | 10.50 |
| Notification of change of name or alteration of rules of club | 10.50 | 0.00 | 10.50 |
| Change of relevant registered address of club | 10.50 | 0.00 | 10.50 |
| Right of freeholder etc to be notified of licensing matter | 21.00 | 0.00 | 21.00 |
| Gambling Act - Licences | | | |
| Bingo premises licence (New) | 3,300.00 | 0.00 | 3,300.00 |
| Bingo premises licence (Variation) | 1,650.00 | 0.00 | 1,650.00 |
| Bingo premises licence (Renewal) | 925.00 | 0.00 | 925.00 |
| Bingo premises licence (Application for Provisional Statement) | 3,300.00 | 0.00 | 3,300.00 |
| Bingo premises licence (Transfer) | 1,130.00 | 0.00 | 1,130.00 |
| Bingo premises licence (Re-instatement or Licence application Provisional Statement holders) | 1,130.00 | 0.00 | 1,130.00 |
| Adult Gaming Centre premises licence (New) | 1,850.00 | 0.00 | 1,850.00 |
| Adult Gaming Centre premises licence (Variation) | 925.00 | 0.00 | 925.00 |

APPENDIX E

| SERVICE | 2020/21 | Proposed Increase | 2021/22 |
|--|------------------------------------|-------------------|--------------|
| | Current Fee | | Proposed Fee |
| | £.p | % | £.p |
| | with effect from 01/04/2021 | | |
| Adult Gaming Centre premises licence (Renewal) | 925.00 | 0.00 | 925.00 |
| Adult Gaming Centre premises licence (Application for Provisional Statement) | 1,850.00 | 0.00 | 1,850.00 |
| Adult Gaming Centre premises licence (Transfer) | 1,130.00 | 0.00 | 1,130.00 |
| Adult Gaming Centre premises licence (Re-instatement or Licence Application Provisional Statement holders) | 1,130.00 | 0.00 | 1,130.00 |
| Betting premises (track) licence (New) | 2,365.00 | 0.00 | 2,365.00 |
| Betting premises (track) licence (Variation) | 1,180.00 | 0.00 | 1,180.00 |
| Betting premises (track) licence (Renewal) | 925.00 | 0.00 | 925.00 |
| Betting premises (track) licence (Application for Provisional Statement) | 2,365.00 | 0.00 | 2,365.00 |
| Betting premises (track) licence (Transfer) | 895.00 | 0.00 | 895.00 |
| Betting premises (track) licence (Re-instatement or Licence application Provisional Statement holders) | 895.00 | 0.00 | 895.00 |
| Betting premises (other) licence (New) | 2,780.00 | 0.00 | 2,780.00 |
| Betting premises (other) licence (Variation) | 1,420.00 | 0.00 | 1,420.00 |
| Betting premises (other) licence (Renewal) | 565.00 | 0.00 | 565.00 |
| Betting premises (other) licence (Application for Provisional Statement) | 2,780.00 | 0.00 | 2,780.00 |
| Betting premises (other) licence (Transfer) | 1,130.00 | 0.00 | 1,130.00 |
| Change of circumstances | 50.00 | 0.00 | 50.00 |
| Betting premises (other) licence (Re-instatement or Licence application Provisional Statement holders) | 1,130.00 | 0.00 | 1,130.00 |
| Gambling Act - Permits | | | |
| Prize Gaming Permit New | 300.00 | 0.00 | 300.00 |
| Prize Gaming Permit existing operator | 100.00 | 0.00 | 100.00 |
| Prize Gaming Permit Renewal | 300.00 | 0.00 | 300.00 |
| Family Entertainment Centre Gaming Machine Permit New | 300.00 | 0.00 | 300.00 |
| Existing operator | 100.00 | 0.00 | 100.00 |
| Renewal | 300.00 | 0.00 | 300.00 |
| Club gaming and Club Machine permit new | 200.00 | 0.00 | 200.00 |
| Existing operator | 100.00 | 0.00 | 100.00 |
| Renewal | 200.00 | 0.00 | 200.00 |
| annual fee | 50.00 | 0.00 | 50.00 |
| Variation | 100.00 | 0.00 | 100.00 |
| Licensed Premises Gaming Machine Permit New | 150.00 | 0.00 | 150.00 |
| Existing Operator | 100.00 | 0.00 | 100.00 |

APPENDIX E

| SERVICE | | 2020/21 | 2021/22 | |
|------------------|---|-----------------------------|-------------------|--------------|
| | | Current Fee | Proposed Increase | Proposed Fee |
| | | with effect from 01/04/2021 | | |
| | | £.p | % | £.p |
| | Annual Fee | 50.00 | 0.00 | 50.00 |
| | Variation | 100.00 | 0.00 | 100.00 |
| | Transfer | 25.00 | 0.00 | 25.00 |
| | Change of Name | 25.00 | 0.00 | 25.00 |
| | Copy of Permit | 15.00 | 0.00 | 15.00 |
| | Copy of license | 25.00 | 0.00 | 25.00 |
| Market | Pitch fees - Marked trading pitches on East Gate or Broad Walk | | | |
| | Monthly Pitch Rentals 1 day per week | | | |
| | Monday fee for first pitch (formerly £21/day) | 46.00 | 0.00 | 46.00 |
| | Monday fee for subsequent pitch (formerly £15.50/day) | 59.00 | 0.00 | 59.00 |
| | Tuesday, Friday, Saturday fee for first pitch | 80.00 | 0.00 | 80.00 |
| | Tuesday, Friday, Saturday fee each additional pitch | 59.00 | 0.00 | 59.00 |
| | Trader licensed for not more than 1 day per week on Tuesday or Friday first pitch | 46.00 | 0.00 | 46.00 |
| | Trader licensed for not more than 1 day per week subsequent pitch | 59.00 | 0.00 | 59.00 |
| | Electricity | | | |
| | 1 day per week calculated monthly | 9.00 | 0.00 | 9.00 |
| | Trailers - Vehicles up to 6 metres | | | |
| | 1 day per week calculated monthly | 150.00 | 0.00 | 150.00 |
| | Trailers - Vehicles up to 6.01 - 8 metres | | | |
| | 1 day per week calculated monthly | 150.00 | 6.67 | 160.00 |
| Finance | | | | |
| Car Parks | Post Office Road | | | |
| | 0-2 hours | 1.25 | 0.00 | 1.25 |
| | 2-3 hours | 1.75 | 0.00 | 1.75 |
| | 3-4 hours | 2.75 | 0.00 | 2.75 |
| | more than 4 hours | 7.75 | 0.00 | 7.75 |
| | Wych Elm | | | |
| | 0-2 hours | 1.65 | 0.00 | 1.65 |
| | 2-3 hours | 1.95 | 0.00 | 1.95 |
| | 3-4 hours | 3.15 | 0.00 | 3.15 |
| | more than 4 hours | 7.75 | 0.00 | 7.75 |
| | Post Office Road Commercial | | | |

| SERVICE | 2020/21 | 2021/22 | |
|---|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| 0-2 hours | 1.25 | 0.00 | 1.25 |
| 2-3 hours | 1.75 | 0.00 | 1.75 |
| 3-4 hours | 2.75 | 0.00 | 2.75 |
| more than 4 hours | 7.75 | 0.00 | 7.75 |
| Bush Fair, The Stow and Old Harlow Car Parks | | | |
| 0-1 hour | 0.00 | 0.00 | 0.00 |
| 1-2 hours | 0.85 | 0.00 | 0.85 |
| 2-3 hours | 1.75 | 0.00 | 1.75 |
| 3-4 hours | 3.60 | 0.00 | 3.60 |
| more than 4 hours | 6.55 | 0.00 | 6.55 |
| Weekends | 0.00 | 0.00 | 0.00 |
| Town Park | | | |
| 0-1 hour | 0.00 | 0.00 | 0.00 |
| 1- 5 hours | 1.10 | 0.00 | 1.10 |
| 5+ Hours | 6.20 | 0.00 | 6.20 |
| Sat - Sunday 0-2 hours | 0.00 | 0.00 | 0.00 |
| more than 2 hours | 1.25 | 0.00 | 1.25 |
| Staff Car Parking | | | |
| Car parking permit per year | 250.00 | 0.00 | 250.00 |
| Individual vouchers (Members) | 1.20 | 0.00 | 1.20 |
| Parking Permits | | | |
| Special Permits | | | |
| Care/Health | 30.00 | 0.00 | 30.00 |
| Business | 60.00 | 0.00 | 60.00 |
| Disabled 1st permit | 0.00 | 0.00 | 0.00 |
| Tye Green Bowls Club | 60.00 | 0.00 | 60.00 |
| Market Traders | | | |
| 5 trading days per week | 275.00 | 0.00 | 275.00 |
| 4 trading days per week | 220.00 | 0.00 | 220.00 |
| 3 trading days per week | 165.00 | 0.00 | 165.00 |
| 2 trading days per week | 110.00 | 0.00 | 110.00 |
| 1 trading day per week | 55.00 | 0.00 | 55.00 |
| Post Office Road season | | | |
| 1 year | 640.00 | 0.00 | 640.00 |
| 6 months | 350.00 | 0.00 | 350.00 |
| 3 months | 175.00 | 0.00 | 175.00 |
| Harlow Mill Station season | | | |

APPENDIX E

| SERVICE | | 2020/21 | 2021/22 | |
|---------------------------|--|-----------------------------|-------------------|--------------|
| | | Current Fee | Proposed Increase | Proposed Fee |
| | | with effect from 01/04/2021 | | |
| | | £.p | % | £.p |
| | 1 year | 500.00 | 0.00 | 500.00 |
| | 3 months | 130.00 | 0.00 | 130.00 |
| | Wych Elm season | | | |
| | 1 year | 640.00 | 0.00 | 640.00 |
| | 6 months | 350.00 | 0.00 | 350.00 |
| | 3 months | 175.00 | 0.00 | 175.00 |
| | Commercial vehicle permit for residential zones | 250.00 | 0.00 | 250.00 |
| Bus Station | Departure fees | 0.55 | 0.00 | 0.55 |
| | Timetables | 0.10 | 0.00 | 0.10 |
| | Wallets | 1.00 | 0.00 | 1.00 |
| | Maps | Various | 0.00 | Various |
| Latton Bush Centre | Commercial | | | |
| | Meeting Room | | | |
| | Session | 85.00 | 0.00 | 85.00 |
| | Day | 145.00 | 0.00 | 145.00 |
| | Evening and weekends only (per hour, max 2 hours) | 22.50 | 0.00 | 22.50 |
| | Griffin Suite | | | |
| | Session | 160.00 | 0.00 | 160.00 |
| | Day | 275.00 | 0.00 | 275.00 |
| | Evening and weekends only (per hour, max 2 hours) | 35.00 | 0.00 | 35.00 |
| | Dining Hall | | | |
| | Session | 140.00 | 0.00 | 140.00 |
| | Day | 230.00 | 0.00 | 230.00 |
| | Evening and weekends only (per hour, max 2 hours) | 22.50 | 0.00 | 22.50 |
| | Latton Hall | | | |
| | Session | 230.00 | 0.00 | 230.00 |
| | Day | 405.00 | 0.00 | 405.00 |
| | Evening and weekends only (per hour, max 2 hours) | 35.00 | 0.00 | 35.00 |
| | Harlow Registered Charities only | | | |
| | Meeting Room | | | |
| | Session | 45.00 | 0.00 | 45.00 |
| | Day | 80.00 | 0.00 | 80.00 |
| | Evenings and weekends only (per hour, max 2 hours) | 22.50 | 0.00 | 22.50 |
| | Griffin Suite | | | |
| | Session | 80.00 | 0.00 | 80.00 |

APPENDIX E

| SERVICE | 2020/21 | 2021/22 | |
|--|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Day | 120.00 | 0.00 | 120.00 |
| Evenings and weekends only (per hour, max 2 hours) | 35.00 | 0.00 | 35.00 |
| Dining Hall | | | |
| Session | 85.00 | 0.00 | 85.00 |
| Day | 120.00 | 0.00 | 120.00 |
| Evenings and weekends only (per hour, max 2 hours) | 22.50 | 0.00 | 22.50 |
| Latton Hall | | | |
| Session | 145.00 | 0.00 | 145.00 |
| Day | 210.00 | 0.00 | 210.00 |
| Evenings and weekends only (per hour, max 2 hours) | 35.00 | 0.00 | 35.00 |
| LBC Tenants | | | |
| Meeting Room | | | |
| Session | 65.00 | 0.00 | 65.00 |
| Day | 110.00 | 0.00 | 110.00 |
| Evenings and weekends only (per hour, max 2 hours) | 22.50 | 0.00 | 22.50 |
| Griffin Suite | | | |
| Session | 120.00 | 0.00 | 120.00 |
| Day | 210.00 | 0.00 | 210.00 |
| Evenings and weekends only (per hour, max 2 hours) | 35.00 | 0.00 | 35.00 |
| Dining Hall | | | |
| Session | 105.00 | 0.00 | 105.00 |
| Day | 175.00 | 0.00 | 175.00 |
| Evenings and weekends only (per hour, max 2 hours) | 22.50 | 0.00 | 22.50 |
| Latton Hall | | | |
| Session | 175.00 | 0.00 | 175.00 |
| Day | 300.00 | 0.00 | 300.00 |
| Evenings and weekends only (per hour, max 2 hours) | 35.00 | 0.00 | 35.00 |
| All rooms booked on day only by Tenants per hour | 17.00 | 0.00 | 17.00 |
| Private Functions (Children's Parties/Wakes/Churches) | | | |
| Weekends only per 4 hour session | | | |
| Latton Hall Session (am or pm) | 145.00 | 0.00 | 145.00 |
| Dinning Hall Session (am or pm) | 85.00 | 0.00 | 85.00 |
| Latton Hall Full Day | 210.00 | 0.00 | 210.00 |
| Dining Hall Full Day | 120.00 | 0.00 | 120.00 |
| Equipment Hire | | | |
| Flipchart Stand | 0.00 | 0.00 | 0.00 |

APPENDIX E

| SERVICE | | 2020/21 | 2021/22 | 2021/22 |
|---------|--|-----------------------------|-------------------|--------------|
| | | Current Fee | Proposed Increase | Proposed Fee |
| | | with effect from 01/04/2021 | | |
| | | £.p | % | £.p |
| | several parcels of land: | | | |
| | - first parcel | 114.90 | 0.00 | 114.90 |
| | - each additional parcels | 18.73 | 0.00 | 18.73 |
| | CON29R & LLC1 Together | | | |
| | one parcel of land | 135.68 | 0.00 | 135.68 |
| | several parcels of land: | | | |
| | - first parcel | 135.68 | 0.00 | 135.68 |
| | - each additional parcels | 23.92 | 0.00 | 23.92 |
| | CON290 Optional Enquiries | | | |
| | each printed enquiry | 14.96 | 0.00 | 14.96 |
| | Q22 Common Land Question | 17.10 | 0.00 | 17.10 |
| | Additional Enquiries | | | |
| | Solicitors Own | 22.40 | 0.00 | 22.40 |
| | Freedom of Information | | | |
| | Freedom of Information | | | |
| | appropriate limit (18 hours) | 450.00 | 0.00 | 450.00 |
| | Environmental Information Regulations | | | |
| | simple enquiries that require a basic answer | 0.00 | 0.00 | 0.00 |
| | more complex enquiries and requires information to be specifically collated (per hour) | 25.00 | 0.00 | 25.00 |
| | Contact Harlow | | | |
| | Rail Passes | at cost + £1 | 0.00 | at cost + £1 |
| | Disabled WC Keys | 2.50 | 0.00 | 2.50 |
| | Leisure card | 0.00 | 0.00 | 0.00 |
| | Communications | | | |
| | Harlow Times Advertising | | | |
| | Inside Full Page | | | |
| | Full Rate | 900.00 | 0.00 | 900.00 |
| | 10% Discount | 810.00 | 0.00 | 810.00 |
| | 20% Discount | 720.00 | 0.00 | 720.00 |
| | Half Page | | | |
| | Full Rate | 450.00 | 0.00 | 450.00 |
| | 10% Discount | 405.00 | 0.00 | 405.00 |
| | 20% Discount | 360.00 | 0.00 | 360.00 |
| | Quarter Page | | | |
| | Full Rate | 225.00 | 0.00 | 225.00 |
| | 10% Discount | 202.00 | 0.00 | 202.00 |

APPENDIX E

| SERVICE | 2020/21 | 2021/22 | |
|---|-------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| with effect from 01/04/2021 | | | |
| | £.p | % | £.p |
| 20% Discount | 180.00 | 0.00 | 180.00 |
| Eighth Page | | | |
| Full Rate | 112.00 | 0.00 | 112.00 |
| 10% Discount | 100.00 | 0.00 | 100.00 |
| 20% Discount | 89.00 | 0.00 | 89.00 |
| The Playhouse | | | |
| Box Office Booking and Exchange Fee | | | |
| Promotions (not Playhouse Supporters) | 1.50 | 0.00 | 1.50 |
| Hires (not Playhouse Supporters) | 1.50 | 0.00 | 1.50 |
| Postage Charge | | | |
| Postage charge to customers requesting that tickets are delivered to them | 1.50 | 0.00 | 1.50 |
| Workshop Space Rental | | | |
| Various | Various | 0.00 | Various |
| Theatre Hire Fees for Harlow based amateurs | | | |
| Main Auditorium | | | |
| Performance Fees | | | |
| Performance Fee (for 4.5 hour period) | 800.00 | 0.00 | 800.00 |
| Second Performance in a Day (for 4.5 hour period) | 670.00 | 0.00 | 670.00 |
| Additional Hourly Fees | | | |
| Hourly theatre hire | 150.00 | 0.00 | 150.00 |
| Additional staff (per person per hour) | 25.00 | 0.00 | 25.00 |
| Blocking rehearsal (per hour) | 110.00 | 0.00 | 110.00 |
| Weekly Rates | | | |
| Up to 37 hours over 6 days | 5,560.00 | 0.00 | 5,560.00 |
| Studio Theatre | | | |
| Performance Fees | | | |
| Performance Fee (for 4.5 hour period) | 410.00 | 0.00 | 410.00 |
| Second performance call in a day (4.5 hours) | 350.00 | 0.00 | 350.00 |
| Additional Hourly Fees | | | |
| Hourly theatre hire | 93.00 | 0.00 | 93.00 |
| Additional Staff per person, per hour | 25.00 | 0.00 | 25.00 |
| Use as Dressing Room | 42.00 | 0.00 | 42.00 |
| Theatre Hire Fees | | | |
| Main Auditorium | | | |
| Performance Fees | | | |
| Performance Fee (for 4.5 hour period) | 1,290.00 | 0.00 | 1,290.00 |

APPENDIX E

| SERVICE | 2020/21 | 2021/22 | |
|---|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Second Performance in a Day (for 4.5 hour period) | 980.00 | 0.00 | 980.00 |
| Additional Hourly Fees | | | |
| Hourly theatre hire | 250.00 | 0.00 | 250.00 |
| Additional staff (per person per hour) | 32.00 | 0.00 | 32.00 |
| Blocking rehearsal (per hour) | 155.00 | 0.00 | 155.00 |
| Weekly Rates | | | |
| Up to 37 hours over 6 days | 7,900.00 | 0.00 | 7,900.00 |
| Studio Theatre | | | |
| Performance Fees | | | |
| Performance Fee (for 4.5 hour period) | 600.00 | 0.00 | 600.00 |
| Second performance call in a day (4.5 hours) | 470.00 | 0.00 | 470.00 |
| Additional Hourly Fees | | | |
| Hourly theatre hire | 105.00 | 0.00 | 105.00 |
| Additional Staff per person, per hour | 32.00 | 0.00 | 32.00 |
| Use as Dressing Room | 42.00 | 0.00 | 42.00 |
| Equipment Hire | | | |
| Sound | | | |
| Standard (Day) | | | |
| Sennheiser ew 300 G3 Headset Mic | 20.00 | 0.00 | 20.00 |
| Sennheiser ew 300 G3 Hand Held | 20.00 | 0.00 | 20.00 |
| AA Batteries (Box of 10) | 3.50 | 0.00 | 3.50 |
| Shure Beta 91A | 8.00 | 0.00 | 8.00 |
| Shure Beta 58 | 8.00 | 0.00 | 8.00 |
| Shure Beta 57 | 8.00 | 0.00 | 8.00 |
| Shure SM58 | 6.00 | 0.00 | 6.00 |
| Audix D6 | 8.00 | 0.00 | 8.00 |
| AKG C451 | 10.00 | 0.00 | 10.00 |
| AKG C214 Stereo Pair | 12.00 | 0.00 | 12.00 |
| AKG C1000 | 8.00 | 0.00 | 8.00 |
| Sennheiser E604 | 8.00 | 0.00 | 8.00 |
| Sennheiser E906 | 8.00 | 0.00 | 8.00 |
| KLARK Teknik DI Boxes | 8.00 | 0.00 | 8.00 |
| Yamaha Rio 16/8 | 30.00 | 0.00 | 30.00 |
| Behringer P19 Package (8 Mixers) | 60.00 | 0.00 | 60.00 |
| Behringer P16 Package (5 Mixers) | 45.00 | 0.00 | 45.00 |
| Behringer P19 Package (1 Mixer) | 10.00 | 0.00 | 10.00 |
| Standard (Week) | | | |

APPENDIX E

SERVICE

| | 2020/21 | 2021/22 |
|----------------------------------|-----------------------------|---------------------|
| | Current Fee | Proposed Fee |
| | £.p | Proposed Increase % |
| | with effect from 01/04/2021 | |
| | £.p | % |
| Sennheiser ew 300 G3 Headset Mic | 60.00 | 0.00 |
| Sennheiser ew 300 G3 Hand Held | 60.00 | 0.00 |
| Shure Beta 91A | 16.00 | 0.00 |
| Shure Beta 58 | 16.00 | 0.00 |
| Shure Beta 57 | 16.00 | 0.00 |
| Shure SM58 | 12.00 | 0.00 |
| Audix D6 | 16.00 | 0.00 |
| AKG C451 | 20.00 | 0.00 |
| AKG C214 Stereo Pair | 24.00 | 0.00 |
| AKG C1000 | 16.00 | 0.00 |
| Sennheiser E604 | 16.00 | 0.00 |
| Sennheiser E906 | 16.00 | 0.00 |
| KLARK Teknik DI Boxes | 16.00 | 0.00 |
| Yamaha Rio 16/8 | 60.00 | 0.00 |
| Behringer P19 Package (8 Mixers) | 120.00 | 0.00 |
| Behringer P16 Package (5 Mixers) | 90.00 | 0.00 |
| Behringer P19 Package (1 Mixer) | 20.00 | 0.00 |
| Enhanced (Day) | | |
| Sennheiser ew 300 G3 Headset Mic | 20.00 | 0.00 |
| Sennheiser ew 300 G3 Hand Held | 20.00 | 0.00 |
| AA Batteries (Box of 10) | 3.50 | 0.00 |
| Shure Beta 91A | Included | 0.00 |
| Shure Beta 58 | Included | 0.00 |
| Shure Beta 57 | Included | 0.00 |
| Shure SM58 | Included | 0.00 |
| Audix D6 | Included | 0.00 |
| AKG C451 | Included | 0.00 |
| AKG C214 Stereo Pair | Included | 0.00 |
| AKG C1000 | Included | 0.00 |
| Sennheiser E604 | Included | 0.00 |
| Sennheiser E906 | Included | 0.00 |
| KLARK Teknik DI Boxes | Included | 0.00 |
| Yamaha Rio 16/8 | 30.00 | 0.00 |
| Behringer P19 Package (8 Mixers) | 60.00 | 0.00 |
| Behringer P16 Package (5 Mixers) | 45.00 | 0.00 |
| Behringer P19 Package (1 Mixer) | 10.00 | 0.00 |
| Enhanced (Week) | | |

APPENDIX E

SERVICE

| | 2020/21 | 2021/22 | |
|---|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Sennheiser ew 300 G3 Headset Mic | 60.00 | 0.00 | 60.00 |
| Sennheiser ew 300 G3 Hand Held | 60.00 | 0.00 | 60.00 |
| Shure Beta 91A | Included | 0.00 | Included |
| Shure Beta 58 | Included | 0.00 | Included |
| Shure Beta 57 | Included | 0.00 | Included |
| Shure SM58 | Included | 0.00 | Included |
| Audix D6 | Included | 0.00 | Included |
| AKG C451 | Included | 0.00 | Included |
| AKG C214 Stereo Pair | Included | 0.00 | Included |
| AKG C1000 | Included | 0.00 | Included |
| Sennheiser E604 | Included | 0.00 | Included |
| Sennheiser E906 | Included | 0.00 | Included |
| KLARK Teknik DI Boxes | Included | 0.00 | Included |
| Yamaha Rio 16/8 | 60.00 | 0.00 | 60.00 |
| Behringer P19 Package (8 Mixers) | 120.00 | 0.00 | 120.00 |
| Behringer P16 Package (5 Mixers) | 90.00 | 0.00 | 90.00 |
| Behringer P19 Package (1 Mixer) | 20.00 | 0.00 | 20.00 |
| Lights | | | |
| Standard (Day) | | | |
| Strand Cantata F 1.2kw fresnel | 8.50 | 0.00 | 8.50 |
| Strand SL 15/32 profile / S4 Jnr zoom 25/50 | 8.50 | 0.00 | 8.50 |
| PAR can PAR64 (62/61/60) 1kw | 6.50 | 0.00 | 6.50 |
| UV Cannons | 11.00 | 0.00 | 11.00 |
| UV Tubes | 11.00 | 0.00 | 11.00 |
| Showtec Suntrip Active MKII | 6.00 | 0.00 | 6.00 |
| Quartet Fresnel 650w | 7.00 | 0.00 | 7.00 |
| Quartet Profile 650w | 7.00 | 0.00 | 7.00 |
| Birdies (batten of 4) | 10.00 | 0.00 | 10.00 |
| Follow Spots (w/o operators) | 5.00 / show | 0.00 | 5.00 / show |
| Standard (Week) | | | |
| Strand Cantata F 1.2kw fresnel | 17.00 | 0.00 | 17.00 |
| Strand SL 15/32 profile / S4 Jnr zoom 25/50 | 17.00 | 0.00 | 17.00 |
| PAR can PAR64 (62/61/60) 1kw | 13.00 | 0.00 | 13.00 |
| UV Cannons | 22.00 | 0.00 | 22.00 |
| UV Tubes | 22.00 | 0.00 | 22.00 |
| Showtec Suntrip Active MKII | 12.00 | 0.00 | 12.00 |
| Quartet Fresnel 650w | 14.00 | 0.00 | 14.00 |

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SERVICE

| | 2020/21 | 2021/22 | |
|--|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Quartet Profile 650w | 14.00 | 0.00 | 14.00 |
| Birdies (batten of 4) | 20.00 | 0.00 | 20.00 |
| Follow Spots (w/o operators) | 5.00 / show | 0.00 | 5.00 / show |
| Enhanced (Day) | | | |
| Strand Cantata F 1.2kw fresnel | Included | 0.00 | Included |
| Strand SL 15/32 profile / S4 Jnr zoom 25/50 | Included | 0.00 | Included |
| PAR can PAR64 (62/61/60) 1kw | Included | 0.00 | Included |
| UV Cannons | 11.00 | 0.00 | 11.00 |
| UV Tubes | 33.00 | 0.00 | 33.00 |
| Showtec Suntrip Active MKII | 6.00 | 0.00 | 6.00 |
| Quartet Fresnel 650w | Included | 0.00 | Included |
| Quartet Profile 650w | Included | 0.00 | Included |
| Birdies (batten of 4) | Included | 0.00 | Included |
| Follow Spots (w/o operators) | Included | 0.00 | Included |
| Enhanced (Week) | | | |
| Strand Cantata F 1.2kw fresnel | Included | 0.00 | Included |
| Strand SL 15/32 profile / S4 Jnr zoom 25/50 | Included | 0.00 | Included |
| PAR can PAR64 (62/61/60) 1kw | Included | 0.00 | Included |
| UV Cannons | 22.00 | 0.00 | 22.00 |
| UV Tubes | 44.00 | 0.00 | 44.00 |
| Showtec Suntrip Active MKII | 12.00 | 0.00 | 12.00 |
| Quartet Fresnel 650w | Included | 0.00 | Included |
| Quartet Profile 650w | Included | 0.00 | Included |
| Birdies (batten of 4) | Included | 0.00 | Included |
| Follow Spots (w/o operators) | Included | 0.00 | Included |
| Intelligent Lighting | | | |
| Standard (Day) | | | |
| Clay Paky Alpha Spot (1500w) Each (8 available) | 75.00 | 0.00 | 75.00 |
| Clay Paky Alpha Spot 1200 HPE (1200w) Each (2 x available) | 75.00 | 0.00 | 75.00 |
| Moving Light Package (6x Stage Alpha Spot 1500, 2x FOH Alpha Spot 1500 HPE & 4x Mac Auras) | 250.00 | 0.00 | 250.00 |
| Sidelight Package (6x Stage Alpha Spot 1500, 2x FOH Alpha Spot 1500 HPE & 6 x Sidelight Floor parcans) | 250.00 | 0.00 | 250.00 |
| Showtec LED PAR Can (36x3w RGB) | 7.50 | 0.00 | 7.50 |

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SERVICE

| SERVICE | 2020/21 | Proposed Increase | 2021/22 |
|--|-----------------------------|-------------------|--------------|
| | Current Fee | | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Showtec LED Expressions / Mac Auras | 15.00 | 0.00 | 15.00 |
| Standard (Week) | | | |
| Clay Paky Alpha Spot (1500w) Each (8 available) | 150.00 | 0.00 | 150.00 |
| Clay Paky Alpha Spot 1200 HPE (1200w) Each (2 x available) | 150.00 | 0.00 | 150.00 |
| Moving Light Package (6x Stage Alpha Spot 1500, 2x FOH Alpha Spot 1500 HPE & 4x Mac Auras) | 500.00 | 0.00 | 500.00 |
| Sidelight Package (6x Stage Alpha Spot 1500, 2x FOH Alpha Spot 1500 HPE & 6 x Sidelight Floor parcans) | 500.00 | 0.00 | 500.00 |
| Showtec LED PAR Can (36x3w RGB) | 15.00 | 0.00 | 15.00 |
| Showtec LED Expressions / Mac Auras | 30.00 | 0.00 | 30.00 |
| Enhanced (Day) | | | |
| Clay Paky Alpha Spot (1500w) Each (8 available) | Included | 0.00 | Included |
| Clay Paky Alpha Spot 1200 HPE (1200w) Each (2 x available) | Included | 0.00 | Included |
| Moving Light Package (6x Stage Alpha Spot 1500, 2x FOH Alpha Spot 1500 HPE & 4x Mac Auras) | Included | 0.00 | Included |
| Sidelight Package (6x Stage Alpha Spot 1500, 2x FOH Alpha Spot 1500 HPE & 6 x Sidelight Floor parcans) | Included | 0.00 | Included |
| Showtec LED PAR Can (36x3w RGB) | Included | 0.00 | Included |
| Showtec LED Expressions / Mac Auras | Included | 0.00 | Included |
| Enhanced (Week) | | | |
| Clay Paky Alpha Spot (1500w) Each (8 available) | Included | 0.00 | Included |
| Clay Paky Alpha Spot 1200 HPE (1200w) Each (2 x available) | Included | 0.00 | Included |
| Moving Light Package (6x Stage Alpha Spot 1500, 2x FOH Alpha Spot 1500 HPE & 4x Mac Auras) | Included | 0.00 | Included |
| Sidelight Package (6x Stage Alpha Spot 1500, 2x FOH Alpha Spot 1500 HPE & 6 x Sidelight Floor parcans) | Included | 0.00 | Included |

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| SERVICE | 2020/21 | 2021/22 | |
|---|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Showtec LED PAR Can (36x3w RGB) | Included | 0.00 | Included |
| Showtec LED Expressions / Mac Auras | Included | 0.00 | Included |
| Special FX | | | |
| Standard (Day) | | | |
| Le Maitre 6ch desk | 13.00 | 0.00 | 13.00 |
| Pyros | p.o.a | 0.00 | p.o.a |
| Mirror ball | 11.00 | 0.00 | 11.00 |
| Large smoke machine ¹ | 11.00 | 0.00 | 11.00 |
| Antari Ice low smoke machine ¹ | 8.00 | 0.00 | 8.00 |
| Bubble machine ¹ | 8.00 | 0.00 | 8.00 |
| Hazer ¹ | 35.00 | 0.00 | 35.00 |
| Star cloth | 43.25 | 0.00 | 43.25 |
| Mini Mist Portable Smoke Machine ¹ | 25.00 | 0.00 | 25.00 |
| ¹ Subject to fair use | | | |
| Standard (Week) | | | |
| Le Maitre 6ch desk | 26.00 | 0.00 | 26.00 |
| Pyros | p.o.a | 0.00 | p.o.a |
| Mirror ball | 16.25 | 0.00 | 16.25 |
| Large smoke machine ¹ | 22.00 | 0.00 | 22.00 |
| Antari Ice low smoke machine ¹ | 16.00 | 0.00 | 16.00 |
| Bubble machine ¹ | 16.00 | 0.00 | 16.00 |
| Hazer ¹ | 70.00 | 0.00 | 70.00 |
| Star cloth | 86.50 | 0.00 | 86.50 |
| Mini Mist Portable Smoke Machine ¹ | 50.00 | 0.00 | 50.00 |
| ¹ Subject to fair use | | | |
| Enhanced (Day) | | | |
| Le Maitre 6ch desk | 13.00 | 0.00 | 13.00 |
| Pyros | p.o.a | 0.00 | p.o.a |
| Mirror ball | 21.50 | 0.00 | 21.50 |
| Large smoke machine ¹ | 11.00 | 0.00 | 11.00 |
| Antari Ice low smoke machine ¹ | 8.00 | 0.00 | 8.00 |
| Bubble machine ¹ | 8.00 | 0.00 | 8.00 |
| Hazer ¹ | Included | 0.00 | Included |
| Star cloth | Included | 0.00 | Included |
| Mini Mist Portable Smoke Machine ¹ | 25.00 | 0.00 | 25.00 |

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SERVICE

| SERVICE | 2020/21 | 2021/22 | |
|---|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| ¹ Subject to fair use | | | |
| Enhanced (Week) | | | |
| Le Maitre 6ch desk | 26.00 | 0.00 | 26.00 |
| Pyros | p.o.a | 0.00 | p.o.a |
| Mirror ball | 26.75 | 0.00 | 26.75 |
| Large smoke machine ¹ | 22.00 | 0.00 | 22.00 |
| Antari Ice low smoke machine ¹ | 16.00 | 0.00 | 16.00 |
| Bubble machine ¹ | 16.00 | 0.00 | 16.00 |
| Hazer ¹ | Included | 0.00 | Included |
| Star cloth | Included | 0.00 | Included |
| Mini Mist Portable Smoke Machine ¹ | 50.00 | 0.00 | 50.00 |
| ¹ Subject to fair use | | | |
| Tabs & Cloths | | | |
| Standard (Day) | | | |
| Black legs 20' x 6' | 15.00 | 0.00 | 15.00 |
| Black tabs 22' x 22' | 32.50 | 0.00 | 32.50 |
| Red tabs | 32.50 | 0.00 | 32.50 |
| White Cyc | 50.00 | 0.00 | 50.00 |
| Black Gauze | 50.00 | 0.00 | 50.00 |
| Navy Blue Gauze | 50.00 | 0.00 | 50.00 |
| Standard (Week) | | | |
| Black legs 20' x 6' | 30.00 | 0.00 | 30.00 |
| Black tabs 22' x 22' | 65.00 | 0.00 | 65.00 |
| Red tabs | 65.00 | 0.00 | 65.00 |
| White Cyc | 100.00 | 0.00 | 100.00 |
| Black Gauze | 100.00 | 0.00 | 100.00 |
| Navy Blue Gauze | 100.00 | 0.00 | 100.00 |
| Enhanced (Day) | | | |
| Black legs 20' x 6' | 15.00 | 0.00 | 15.00 |
| Black tabs 22' x 22' | 97.50 | 0.00 | 97.50 |
| Red tabs | 32.50 | 0.00 | 32.50 |
| White Cyc | 1 Included | 0.00 | 1 Included |
| Black Gauze | 50.00 | 0.00 | 50.00 |
| Navy Blue Gauze | 50.00 | 0.00 | 50.00 |
| Enhanced (Week) | | | |
| Black legs 20' x 6' | 30.00 | 0.00 | 30.00 |

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| SERVICE | 2020/21 | 2021/22 | |
|---------------------------------------|-----------------------------|-------------------|--------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Black tabs 22' x 22' | 130.00 | 0.00 | 130.00 |
| Red tabs | 65.00 | 0.00 | 65.00 |
| White Cyc | 1 Included | 0.00 | 1 Included |
| Black Gauze | 100.00 | 0.00 | 100.00 |
| Navy Blue Gauze | 100.00 | 0.00 | 100.00 |
| Scenic Cloths | | | |
| Standard (Day) | | | |
| Various | POA | 0.00 | POA |
| Standard (Week) | | | |
| Various | POA | 0.00 | POA |
| Enhanced (Day) | | | |
| Various | POA | 0.00 | POA |
| Enhanced (Week) | | | |
| Various | POA | 0.00 | POA |
| Staging | | | |
| Standard (Day) | | | |
| Steeldeck 8' x 4' | 7.50 | 0.00 | 7.50 |
| Steeldeck 8' x 2' | 5.50 | 0.00 | 5.50 |
| Steeldeck 6' x 3' | 5.50 | 0.00 | 5.50 |
| Steeldeck 4' x 4' | 5.50 | 0.00 | 5.50 |
| Steeldeck Handrails | 2.50 | 0.00 | 2.50 |
| Steeldeck comes with 1',2' or 3' Legs | FOC | 0.00 | FOC |
| Dance floor | 54.00 | 0.00 | 54.00 |
| Cabaret Chair | 1.00 | 0.00 | 1.00 |
| 1' 2' 3' Treads | 5.50 | 0.00 | 5.50 |
| Standard (Week) | | | |
| Steeldeck 8' x 4' | 16.00 | 0.00 | 16.00 |
| Steeldeck 8' x 2' | 11.00 | 0.00 | 11.00 |
| Steeldeck 6' x 3' | 11.00 | 0.00 | 11.00 |
| Steeldeck 4' x 4' | 11.00 | 0.00 | 11.00 |
| Steeldeck Handrails | 4.00 | 0.00 | 4.00 |
| Steeldeck comes with 1',2' or 3' Legs | FOC | 0.00 | FOC |
| Dance floor | 108.00 | 0.00 | 108.00 |
| Cabaret Chair | 2.50 | 0.00 | 2.50 |
| 1' 2' 3' Treads | 11.00 | 0.00 | 11.00 |
| Enhanced (Day) | | | |
| Steeldeck 8' x 4' | 10 Included | 0.00 | 10 Included |

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SERVICE

| SERVICE | 2020/21 | 2021/22 | |
|--|-----------------------------|-------------------|-------------------|
| | Current Fee | Proposed Increase | Proposed Fee |
| | with effect from 01/04/2021 | | |
| | £.p | % | £.p |
| Steeldeck 8' x 2' | 2 Included | 0.00 | 2 Included |
| Steeldeck 6' x 3' | 5.50 | 0.00 | 5.50 |
| Steeldeck 4' x 4' | 2 Included | 0.00 | 2 Included |
| Steeldeck Handrails | 2.50 | 0.00 | 2.50 |
| Steeldeck comes with 1',2' or 3' Legs | FOC | 0.00 | FOC |
| Dance floor | 54.00 | 0.00 | 54.00 |
| Cabaret Chair | 1.00 | 0.00 | 1.00 |
| 1' 2' 3' Treads | One pair Included | 0.00 | One pair Included |
| Enhanced (Week) | | | |
| Steeldeck 8' x 4' | 10 Included | 0.00 | 10 Included |
| Steeldeck 8' x 2' | 2 Included | 0.00 | 2 Included |
| Steeldeck 6' x 3' | 11.00 | 0.00 | 11.00 |
| Steeldeck 4' x 4' | 2 Included | 0.00 | 2 Included |
| Steeldeck Handrails | 4.00 | 0.00 | 4.00 |
| Steeldeck comes with 1',2' or 3' Legs | FOC | 0.00 | FOC |
| Dance floor | 108.00 | 0.00 | 108.00 |
| Cabaret Chair | 2.50 | 0.00 | 2.50 |
| 1' 2' 3' Treads | One pair Included | 0.00 | One pair Included |
| Musical Instruments | | | |
| Standard (Day) | | | |
| Yamaha G1 baby grand | 75.00 | 0.00 | 75.00 |
| Piano Tuning | 75.00 | 0.00 | 75.00 |
| Standard (Week) | | | |
| Yamaha G1 baby grand | 150.00 | 0.00 | 150.00 |
| Piano Tuning | 0.00 | 0.00 | 0.00 |
| Enhanced (Day) | | | |
| Yamaha G1 baby grand | 75.00 | 0.00 | 75.00 |
| Piano Tuning | 75.00 | 0.00 | 75.00 |
| Enhanced (Week) | | | |
| Yamaha G1 baby grand | 150.00 | 0.00 | 150.00 |
| Piano Tuning | 0.00 | 0.00 | 0.00 |
| A.V. | | | |
| Standard (Day) | | | |
| Christie LX601i LCD Projector 6000 Lumens, XGA, 1.5-3.0:1 Lens | 175.00 | 0.00 | 175.00 |
| Fast fold screen 9ft x 12ft (front and rear) | 54.00 | 0.00 | 54.00 |
| VGA cable 25 m | 5.50 | 0.00 | 5.50 |

| SERVICE | | 2020/21 | 2021/22 | |
|---------|---|-----------------------------|-------------------|--------------|
| | | Current Fee | Proposed Increase | Proposed Fee |
| | | with effect from 01/04/2021 | | |
| | | £.p | % | £.p |
| | AV Package (Christie Projector, MacBook Pro & Cabling) | 225.00 | 0.00 | 225.00 |
| | Standard (Week) | | | |
| | Christie LX601i LCD Projector 6000 Lumens, XGA, 1.5-3.0:1 Lens | 350.00 | 0.00 | 350.00 |
| | Fast fold screen 9ft x 12ft (front and rear) | 108.00 | 0.00 | 108.00 |
| | VGA cable 25 m | 11.00 | 0.00 | 11.00 |
| | AV Package (Christie Projector, MacBook Pro & Cabling) | 450.00 | 0.00 | 450.00 |
| | Enhanced (Day) | | | |
| | Christie LX601i LCD Projector 6000 Lumens, XGA, 1.5-3.0:1 Lens | 200.00 | 0.00 | 200.00 |
| | Fast fold screen 9ft x 12ft (front and rear) | 54.00 | 0.00 | 54.00 |
| | VGA cable 25 m | 5.50 | 0.00 | 5.50 |
| | AV Package (Christie Projector, MacBook Pro & Cabling) | 250.00 | 0.00 | 250.00 |
| | Enhanced (Week) | | | |
| | Christie LX601i LCD Projector 6000 Lumens, XGA, 1.5-3.0:1 Lens | 400.00 | 0.00 | 400.00 |
| | Fast fold screen 9ft x 12ft (front and rear) | 108.00 | 0.00 | 108.00 |
| | VGA cable 25 m | 11.00 | 0.00 | 11.00 |
| | AV Package (Christie Projector, MacBook Pro & Cabling) | 500.00 | 0.00 | 500.00 |
| | Housing | | | |
| | Homelessness | | | |
| | Bed and Breakfast charges (per week) | | | |
| | Nightly lets | | | |
| | Room | 129.23 | 0.00 | 129.23 |
| | Studio / One bedroom property | 129.23 | 0.00 | 129.23 |
| | Two bedroom property | 145.39 | 0.00 | 145.39 |
| | Three + bedroom property | 185.89 | 0.00 | 185.89 |
| | Supporting People | | | |
| | Housing Related Support Charges (weekly charges) | | | |
| | Intensive Housing Management | 2.03 | 0.49 | 2.04 |
| | Dispersed Community Alarms | 4.45 | 0.45 | 4.47 |
| | Harlow Community Support | 7.41 | 0.54 | 7.45 |
| | Sheltered Housing Support | 8.28 | 0.48 | 8.32 |
| | Alarm System - Monitoring only | 1.94 | 0.52 | 1.95 |

APPENDIX E

SERVICE

| | 2020/21 | 2021/22 |
|--|------------------------------------|--------------------------|
| | Current Fee | Proposed Increase |
| | with effect from 01/04/2021 | |
| | £.p | % |
| Careline Alarms - non tenants (annual charge) | 231.40 | 0.45 |
| Sumners Farm Close midday meal | 6.10 | 0.00 |

Proposed Fee

| | |
|------------|--------|
| £.p | 232.44 |
| £.p | 6.10 |

| CHIEF EXECUTIVE SERVICES | 2019/20 Actual £ | 2020/21 Original £ | 2021/22 Original £ |
|---------------------------------|---------------------------------|-----------------------------------|-----------------------------------|
| Employees Expenses | 151,415 | 152,690 | 156,900 |
| Premises Related Expenses | 0 | 0 | 0 |
| Transport Related Expenses | 482 | 150 | 150 |
| Supplies & Services | 29,083 | 36,650 | 36,650 |
| Central Support Services | 126,723 | 124,920 | 143,920 |
| Other Recharges | 140 | 320 | 320 |
| Capital Financing Costs | 0 | 0 | 0 |
| Total Expenditure | 307,843 | 314,730 | 337,940 |
| Income | (-)158 | 0 | 0 |
| Recharges | (-)307,910 | (-)310,830 | (-)332,200 |
| Net Expenditure | (-)226 | 3,900 | 5,740 |

ANALYSIS: Inclusive of recharges between services within the Service Plan

Senior Management

| | | | |
|------------------------|-----------------|------------|--------------|
| Expenditure | 303,451 | 310,830 | 334,040 |
| Income | (-)158 | 0 | 0 |
| Recharges | (-)307,910 | (-)310,830 | (-)332,200 |
| Net expenditure | (-)4,618 | 0 | 1,840 |

Harlow Education Progression Awards

| | | | |
|------------------------|--------------|--------------|--------------|
| Expenditure | 4,392 | 3,900 | 3,900 |
| Income | 0 | 0 | 0 |
| Recharges | 0 | 0 | 0 |
| Net expenditure | 4,392 | 3,900 | 3,900 |

| | | | |
|------------------------|---------------|--------------|--------------|
| Net Expenditure | (-)226 | 3,900 | 5,740 |
|------------------------|---------------|--------------|--------------|

| COMMUNITY WELLBEING | 2019/20 Actual | 2020/21 Original | 2021/22 Original |
|----------------------------|---------------------------|-----------------------------|-----------------------------|
| | £ | £ | £ |
| Employees Expenses | 2,153,845 | 2,230,120 | 2,405,660 |
| Premises Related Expenses | 274,624 | 337,400 | 255,400 |
| Transport Related Expenses | 43,415 | 45,680 | 45,320 |
| Supplies and Services | 1,413,310 | 1,029,240 | 671,000 |
| Third Party Payments | 0 | 0 | 0 |
| Central Support Services | 599,902 | 611,020 | 635,120 |
| Recharges | 248,416 | 222,670 | 218,810 |
| Capital Charges | -593,591 | 214,300 | 646,640 |
| Total Expenditure | 4,139,921 | 4,690,430 | 4,877,950 |
| Income | -1,191,433 | (-)696,350 | (-)709,720 |
| Recharges | -533,738 | (-)299,720 | (-)309,920 |
| Net Expenditure | 2,414,750 | 3,694,360 | 3,858,310 |

ANALYSIS: Inclusive of recharges between services within the Service Plan

Community Safety

| | | | |
|------------------------|----------------|----------------|----------------|
| Expenditure | 737,403 | 787,570 | 819,790 |
| Income | -11,172 | (-)8,500 | (-)8,500 |
| Recharges | -168,666 | (-)180,310 | (-)193,970 |
| Net Expenditure | 557,565 | 598,760 | 617,320 |

Emergency Planning

| | | | |
|------------------------|---------------|---------------|---------------|
| Expenditure | 13,493 | 13,480 | 13,250 |
| Income | | | |
| Recharges | | | |
| Net Expenditure | 13,493 | 13,480 | 13,250 |

Youth and Citizenship & Initiatives

| | | | |
|------------------------|----------------|----------------|----------------|
| Expenditure | 200,987 | 238,040 | 242,870 |
| Income | -24,670 | (-)24,360 | (-)24,360 |
| Recharges | | | |
| Net Expenditure | 176,317 | 213,680 | 218,510 |

| | | | |
|---|-----------------|----------------|----------------|
| Art Gallery | | | |
| Expenditure | 107,942 | 75,020 | 75,400 |
| Income | -27,865 | 0 | 0 |
| Recharges | | | |
| Net Expenditure | 80,077 | 75,020 | 75,400 |
| Museum Of Harlow | | | |
| Expenditure | 199,122 | 204,670 | 205,010 |
| Income | -598 | (-)6,220 | (-)6,220 |
| Recharges | | | |
| Net Expenditure | 198,524 | 198,450 | 198,790 |
| Grant Aid | | | |
| Expenditure | 335,663 | 325,540 | 324,330 |
| Income | | | |
| Recharges | -20,000 | (-)20,000 | (-)20,000 |
| Net Expenditure | 315,663 | 305,540 | 304,330 |
| Community Services: Central Costs & Initiatives | | | |
| Expenditure | 398,326 | 392,610 | 377,190 |
| Income | -30,199 | (-)37,640 | 0 |
| Recharges | -398,772 | (-)219,220 | (-)236,850 |
| Net Expenditure | -30,645 | 135,750 | 140,340 |
| Discretionary Services Fund (payments to external service providers) | | | |
| Expenditure | 55,000 | 40,000 | 55,000 |
| Income | | | |
| Recharges | | | |
| Net Expenditure | 55,000 | 40,000 | 55,000 |
| Leah Manning Centre | | | |
| Expenditure | -286,892 | 535,250 | 540,040 |
| Income | -353,814 | (-)338,430 | (-)338,430 |
| Recharges | -13,578 | (-)16,430 | (-)12,430 |
| Net Expenditure | -654,283 | 180,390 | 189,180 |
| Sam's Place | | | |
| Expenditure | 73,420 | 74,800 | 77,190 |
| Income | -68,393 | (-)66,670 | (-)66,670 |
| Recharges | | | |
| Net Expenditure | 5,027 | 8,130 | 10,520 |
| CLCS Project Development | | | |
| Expenditure | 222,155 | 42,510 | 43,680 |
| Income | -124,050 | 0 | 0 |
| Recharges | -9,667 | (-)9,870 | (-)10,250 |
| Net Expenditure | 88,438 | 32,640 | 33,430 |

| | | | |
|--|----------------|----------------|----------------|
| Harlow Carnival | | | |
| Expenditure | 32,988 | 26,000 | 26,290 |
| Income | | | |
| Recharges | | | |
| Net Expenditure | 32,988 | 26,000 | 26,290 |
| Youth Council | | | |
| Expenditure | 25,114 | 21,740 | 22,880 |
| Income | -117 | 0 | 0 |
| Recharges | | | |
| Net Expenditure | 24,997 | 21,740 | 22,880 |
| Leisure Services | | | |
| Expenditure | 102,899 | 78,360 | 81,040 |
| Income | -1,440 | 0 | 0 |
| Recharges | | | |
| Net Expenditure | 101,459 | 78,360 | 81,040 |
| Firework Display | | | |
| Expenditure | 31,830 | 33,410 | 31,910 |
| Income | -3,320 | (-1,500) | (-3,320) |
| Recharges | | | |
| Net Expenditure | 28,510 | 31,910 | 28,590 |
| Paddling Pools | | | |
| Expenditure | 154,648 | 119,060 | 583,010 |
| Income | | | |
| Recharges | | | |
| Net Expenditure | 154,648 | 119,060 | 583,010 |
| Other Leisure Services | | | |
| Expenditure | 4,945 | 5,510 | 5,200 |
| Income | -5,754 | (-2,000) | (-2,000) |
| Recharges | | | |
| Net Expenditure | -809 | 3,510 | 3,200 |
| Pets Corner | | | |
| Expenditure | 365,112 | 360,840 | 355,820 |
| Income | -93,193 | (-83,500) | (-78,500) |
| Recharges | | | |
| Net Expenditure | 271,919 | 277,340 | 277,320 |
| Welfare Rights & Advice Service | | | |
| Expenditure | 99,392 | 95,650 | 96,110 |
| Income | | | |
| Recharges | -32,850 | (-32,850) | (-32,850) |
| Net Expenditure | 66,542 | 62,800 | 63,260 |

Enterprise Zone

| | | | |
|-----------------|----------------|----------|----------|
| Expenditure | 194,242 | 0 | 0 |
| Income | 0 | 0 | 0 |
| Recharges | | | |
| Net Expenditure | <u>194,242</u> | <u>0</u> | <u>0</u> |

Regeneration Team

| | | | |
|-----------------|----------------|------------------|----------------|
| Expenditure | 988,073 | 1,263,420 | 985,230 |
| Income | -327,060 | (-)4,030 | (-)83,480 |
| Recharges | -62,572 | (-)50,000 | (-)50,000 |
| Net Expenditure | <u>598,441</u> | <u>1,209,390</u> | <u>851,750</u> |

Town Centre Activities

| | | | |
|-----------------|---------------|---------------|---------------|
| Expenditure | 95,561 | 20,000 | 21,620 |
| Income | -4,071 | 0 | 0 |
| Recharges | | | |
| Net Expenditure | <u>91,490</u> | <u>20,000</u> | <u>21,620</u> |

Regeneration Initiatives

| | | | |
|-----------------|----------|----------|----------|
| Expenditure | 3,253 | 0 | 0 |
| Income | -3,253 | 0 | 0 |
| Recharges | | | |
| Net Expenditure | <u>0</u> | <u>0</u> | <u>0</u> |

Depots

| | | | |
|-----------------|---------------|---------------|---------------|
| Expenditure | 157,611 | 165,910 | 141,520 |
| Income | -112,464 | (-)123,500 | (-)98,240 |
| Recharges | | | |
| Net Expenditure | <u>45,147</u> | <u>42,410</u> | <u>43,280</u> |

Net Expenditure

| | | | |
|--|------------------|------------------|------------------|
| | <u>2,414,750</u> | <u>3,694,360</u> | <u>3,858,310</u> |
|--|------------------|------------------|------------------|

| ENVIRONMENT AND PLANNING | 2019/20 Actual £ | 2020/21 Original £ | 2021/22 Original £ |
|---------------------------------|---------------------------------|-----------------------------------|-----------------------------------|
| Employees Expenses | 2,417,476 | 2,764,410 | 2,896,540 |
| Premises Related Expenses | 2,513,145 | 3,822,200 | 2,504,800 |
| Transport Related Expenses | 23,754 | 31,820 | 21,050 |
| Supplies & Services | 3,409,417 | 3,606,540 | 3,631,090 |
| Third Party Payments | 0 | 0 | 0 |
| Central Support Services | 858,247 | 989,790 | 1,017,880 |
| Recharges | 118,923 | 121,130 | 127,720 |
| Capital Charges | 721,722 | 763,280 | 747,930 |
| Total Expenditure | 10,062,684 | 12,099,170 | 10,947,010 |
| Income | -4,858,747 | (-)3,392,880 | (-)3,436,490 |
| Recharges | -251,433 | (-)134,480 | (-)151,590 |
| Net Expenditure | 4,952,504 | 8,571,810 | 7,358,930 |

ANALYSIS: Inclusive of recharges between services within the Service Plan

Town Centre Management

| | | | |
|------------------------|------------|------------------|---------------|
| Expenditure | 1,390 | 250 | 300 |
| Income | -396 | (-)18,000 | (-)1,000 |
| Recharges | | | |
| Net expenditure | 994 | (-)17,750 | (-)700 |

Building Control

| | | | |
|------------------------|----------------|----------------|----------------|
| Expenditure | 386,596 | 408,150 | 412,180 |
| Income | -128,736 | (-)135,600 | (-)135,600 |
| Recharges | -12,000 | (-)12,000 | (-)12,000 |
| Net expenditure | 245,860 | 260,550 | 264,580 |

Planning Services

| | | | |
|------------------------|----------------|------------------|------------------|
| Expenditure | 1,506,842 | 1,462,190 | 1,472,290 |
| Income | -473,455 | (-)344,050 | (-)344,050 |
| Recharges | -43,453 | (-)55,310 | (-)56,330 |
| Net expenditure | 989,934 | 1,062,830 | 1,071,910 |

Harlow & Gilston Garden Town Team

| | | | |
|-----------------|----------|----------------|----------------|
| Expenditure | 7,164 | 140,280 | 142,400 |
| Income | -7,164 | 0 | 0 |
| Recharges | 0 | 0 | 0 |
| Net expenditure | <u>0</u> | <u>140,280</u> | <u>142,400</u> |

Central Costs

| | | | |
|-----------------|----------------|--------------|------------|
| Expenditure | 321,563 | 351,910 | 367,810 |
| Income | | | |
| Recharges | -334,836 | (-348,280) | (-367,810) |
| Net expenditure | <u>-13,273</u> | <u>3,630</u> | <u>0</u> |

Refuse/Recycling

| | | | |
|-----------------|------------------|------------------|------------------|
| Expenditure | 3,047,053 | 3,485,500 | 3,572,510 |
| Income | -1,607,304 | (-1,467,380) | (-1,578,190) |
| Recharges | | | |
| Net Expenditure | <u>1,439,749</u> | <u>2,018,120</u> | <u>1,994,320</u> |

Environmental Health

| | | | |
|-----------------|-----------------|----------------|----------------|
| Expenditure | 1,439,458 | 1,638,930 | 1,682,820 |
| Income | -1,736,389 | (-573,890) | (-569,000) |
| Recharges | -175,240 | (-168,400) | (-176,920) |
| Net Expenditure | <u>-472,171</u> | <u>896,640</u> | <u>936,900</u> |

Cemetery & Crematorium

| | | | |
|-----------------|-----------------|-------------------|-------------------|
| Expenditure | 47,655 | 44,710 | 43,030 |
| Income | -538,324 | (-530,820) | (-546,660) |
| Recharges | | | |
| Net Expenditure | <u>-490,669</u> | <u>(-486,110)</u> | <u>(-503,630)</u> |

Hackney Carriages & Private Hire

| | | | |
|-----------------|---------------|----------------|----------------|
| Expenditure | 254,299 | 301,130 | 311,980 |
| Income | -147,541 | (-135,450) | (-135,450) |
| Recharges | -31,876 | (-32,770) | (-43,490) |
| Net Expenditure | <u>74,882</u> | <u>132,910</u> | <u>133,040</u> |

Council Health and Safety

| | | | |
|-----------------|----------------|--------------|--------------|
| Expenditure | 54,066 | 82,310 | 96,000 |
| Income | | | |
| Recharges | -69,000 | (-79,900) | (-94,870) |
| Net Expenditure | <u>-14,934</u> | <u>2,410</u> | <u>1,130</u> |

Licensing

| | | | |
|-----------------|---------------|---------------|---------------|
| Expenditure | 200,860 | 186,050 | 202,370 |
| Income | -86,696 | (-79,650) | (-79,650) |
| Recharges | -45,642 | (-52,460) | (-55,580) |
| Net Expenditure | <u>68,522</u> | <u>53,940</u> | <u>67,140</u> |

| | | | |
|---------------------------------|------------------|------------------|------------------|
| Market | | | |
| Expenditure | 10,214 | 8,110 | 7,880 |
| Income | -18,193 | (-)14,000 | (-)8,000 |
| Recharges | | | |
| Net Expenditure | <u>-7,979</u> | <u>(-)5,890</u> | <u>(-)120</u> |
| Townwide Nature Reserves | | | |
| Expenditure | 84,409 | 98,230 | 81,070 |
| Income | -12,730 | (-)15,480 | (-)15,480 |
| Recharges | | | |
| Net Expenditure | <u>71,679</u> | <u>82,750</u> | <u>65,590</u> |
| Land Trust | | | |
| Expenditure | 61,571 | 60,040 | 56,010 |
| Income | -30,070 | (-)15,650 | (-)16,120 |
| Recharges | -10,691 | | |
| Net Expenditure | <u>20,810</u> | <u>44,390</u> | <u>39,890</u> |
| Street Cleaning | | | |
| Expenditure | 1,051,527 | 1,140,300 | 1,142,210 |
| Income | -710 | (-)720 | (-)820 |
| Recharges | | | |
| Net Expenditure | <u>1,050,817</u> | <u>1,139,580</u> | <u>1,141,390</u> |
| Town Park | | | |
| Expenditure | 290,785 | 287,330 | 309,040 |
| Income | | | |
| Recharges | | | |
| Net Expenditure | <u>290,785</u> | <u>287,330</u> | <u>309,040</u> |
| Allotments | | | |
| Expenditure | 52,285 | 22,140 | 21,630 |
| Income | -5,455 | (-)5,800 | (-)5,800 |
| Recharges | | | |
| Net Expenditure | <u>46,830</u> | <u>16,340</u> | <u>15,830</u> |
| Open Spaces | | | |
| Expenditure | 1,430,536 | 2,701,670 | 1,383,370 |
| Income | -70 | (-)530 | (-)530 |
| Recharges | | | |
| Net Expenditure | <u>1,430,466</u> | <u>2,701,140</u> | <u>1,382,840</u> |
| Playgrounds | | | |
| Expenditure | 66,597 | 87,870 | 90,760 |
| Income | | | |
| Recharges | | | |
| Net Expenditure | <u>66,597</u> | <u>87,870</u> | <u>90,760</u> |

Sportsfields

| | | | |
|-----------------|---------------|---------------|---------------|
| Expenditure | 24,989 | 24,110 | 25,440 |
| Income | -138 | (-)140 | (-)140 |
| Recharges | | | |
| Net Expenditure | <u>24,851</u> | <u>23,970</u> | <u>25,300</u> |

Environment and Planning Other

| | | | |
|-----------------|----------------|----------------|----------------|
| Expenditure | 539,492 | 568,970 | 532,310 |
| Income | -65,376 | (-)55,720 | 0 |
| Recharges | -345,361 | (-)386,370 | (-)350,990 |
| Net Expenditure | <u>128,755</u> | <u>126,880</u> | <u>181,320</u> |

Net Expenditure

| | | | |
|--|------------------|------------------|------------------|
| | <u>4,952,504</u> | <u>8,571,810</u> | <u>7,358,930</u> |
|--|------------------|------------------|------------------|

| FINANCE | 2019/20 Actual £ | 2020/21 Original £ | 2021/22 Original £ |
|----------------------------|---------------------------------|-----------------------------------|-----------------------------------|
| Employees Expenses | 3,844,933 | 4,072,710 | 4,323,840 |
| Pension & Redundancy Costs | 2,249,842 | 2,360,040 | 252,000 |
| Premises Related Expenses | 1,859,612 | 2,866,390 | 2,324,130 |
| Transport Related Expenses | 10,464 | 14,040 | 14,040 |
| Supplies and Services | 2,956,483 | 2,981,810 | 3,280,150 |
| Transfer Payments | 23,920,017 | 20,984,570 | 24,333,550 |
| Central Support Services | 3,338,590 | 2,606,010 | 2,702,450 |
| Other Recharges | 1,987,754 | 1,749,740 | 1,961,450 |
| Capital Financing Cost | 1,751,515 | 1,407,800 | 1,416,960 |
| Total Expenditure | 41,919,208 | 39,043,110 | 40,608,570 |
| Income | (-)32,998,249 | (-)30,870,190 | (-)34,320,390 |
| Recharges | (-)7,874,224 | (-)7,635,130 | (-)8,321,420 |
| Net Expenditure | 1,046,735 | 537,790 | (-)2,033,240 |

ANALYSIS: Inclusive of recharges between services within the Service Plan

Accountancy

| | | | |
|------------------------|------------------|------------|--------------|
| Expenditure | 897,440 | 824,230 | 872,400 |
| Income | (-)297 | 0 | 0 |
| Recharges | (-)972,783 | (-)824,230 | (-)869,300 |
| Net expenditure | (-)75,641 | 0 | 3,100 |

Central Finance

| | | | |
|------------------------|------------------|-------------------|-------------------|
| Expenditure | 391,084 | 428,890 | 446,740 |
| Income | (-)34,968 | (-)450,000 | (-)450,000 |
| Recharges | (-)377,866 | (-)427,620 | (-)445,300 |
| Net expenditure | (-)21,750 | (-)448,730 | (-)448,560 |

Audit

| | | | |
|------------------------|------------|------------|------------|
| Expenditure | 167,033 | 177,160 | 181,550 |
| Income | 0 | 0 | 0 |
| Recharges | (-)167,033 | (-)177,160 | (-)181,400 |
| Net expenditure | 0 | 0 | 150 |

Insurance

| | | | |
|-----------------|------------------|------------------|------------------|
| Expenditure | 849,498 | 881,410 | 1,078,000 |
| Income | (-80,714) | (-81,290) | (-70,110) |
| Recharges | (-784,328) | (-835,320) | (-1,039,880) |
| Net expenditure | (-15,544) | (-35,200) | (-31,990) |

ICT

| | | | |
|-----------------|------------------|---------------|--------------|
| Expenditure | 1,476,808 | 1,662,920 | 1,752,590 |
| Income | (-191,465) | (-158,900) | (-158,900) |
| Recharges | (-1,364,421) | (-1,433,920) | (-1,593,300) |
| Net expenditure | (-79,078) | 70,100 | 390 |

Telephony

| | | | |
|-----------------|------------|---------------|------------|
| Expenditure | 166,447 | 185,400 | 191,700 |
| Income | (-1,539) | (-1,100) | (-1,100) |
| Recharges | (-164,908) | (-154,300) | (-190,000) |
| Net expenditure | 0 | 30,000 | 600 |

Revenues & Benefits

| | | | |
|-----------------|----------------|------------------|------------------|
| Expenditure | 4,309,235 | 4,148,620 | 4,463,290 |
| Income | (-1,371,945) | (-1,206,710) | (-1,204,500) |
| Recharges | (-2,039,705) | (-1,839,300) | (-2,043,980) |
| Net expenditure | 897,585 | 1,102,610 | 1,214,810 |

**Central Services Residual
Recharge Balances**

| | | | |
|-----------------|----------------|----------|----------|
| Expenditure | 621,976 | 0 | 0 |
| Income | 0 | 0 | 0 |
| Recharges | 0 | 0 | 0 |
| Net expenditure | 621,976 | 0 | 0 |

**Corporate & Democratic Core -
Democratic Representation &
Management**

| | | | |
|-----------------|----------------|----------------|----------------|
| Expenditure | 653,909 | 567,290 | 591,300 |
| Income | 0 | 0 | 0 |
| Recharge | (-350,970) | (-340,370) | (-354,780) |
| Net Expenditure | 302,939 | 226,920 | 236,520 |

**Corporate & Democratic Core -
Corporate Management**

| | | | |
|-----------------|----------------|----------------|----------------|
| Expenditure | 815,404 | 801,690 | 841,180 |
| Income | 0 | 0 | 0 |
| Recharge | (-493,595) | (-459,410) | (-483,100) |
| Net Expenditure | 321,809 | 342,280 | 358,080 |

Pension Fund Underfunding and Other Non-Distributed Costs

| | | | |
|-----------------|------------------|------------------|----------------|
| Expenditure | 1,859,612 | 2,866,390 | 252,000 |
| Income | 0 | 0 | 0 |
| Recharge | 0 | 0 | 0 |
| Net Expenditure | 1,859,612 | 2,866,390 | 252,000 |

Housing Benefits

| | | | |
|-----------------|-------------------|-------------------|-------------------|
| Expenditure | 24,023,950 | 20,990,390 | 24,342,350 |
| Income | (-24,322,387) | (-21,335,260) | (-24,678,660) |
| Recharge | 0 | 0 | 0 |
| Net Expenditure | (-298,437) | (-344,870) | (-336,310) |

Civic Centre

| | | | |
|-----------------|-----------------|--------------|-----------------|
| Expenditure | 1,062,814 | 1,224,670 | 1,235,730 |
| Income | -13,454 | (-6,450) | (-6,450) |
| Recharges | -1,281,503 | (-1,216,370) | (-1,231,930) |
| Net expenditure | -232,143 | 1,850 | (-2,650) |

Messenger and Post Service

| | | | |
|-----------------|----------|------------|--------------|
| Expenditure | 143,417 | 169,220 | 152,760 |
| Income | | | |
| Recharges | -143,417 | (-169,220) | (-150,900) |
| Net expenditure | 0 | 0 | 1,860 |

Car Parks

| | | | |
|-----------------|----------------|-------------------|-------------------|
| Expenditure | 555,739 | 261,800 | 267,980 |
| Income | -576,984 | (-628,000) | (-640,250) |
| Recharges | -2,668 | (-2,180) | (-2,180) |
| Net expenditure | -23,913 | (-368,380) | (-374,450) |

Water Gardens Car Park

| | | | |
|-----------------|-----------------|-------------------|-------------------|
| Expenditure | 32,766 | 630 | 400 |
| Income | -381,946 | (-486,550) | (-486,550) |
| Recharges | | | |
| Net expenditure | -349,180 | (-485,920) | (-486,150) |

Commercial Property

| | | | |
|-----------------|-------------------|---------------------|---------------------|
| Expenditure | 1,636,691 | 1,461,520 | 1,428,780 |
| Income | -4,214,643 | (-4,315,270) | (-4,485,450) |
| Recharges | -120,811 | (-115,700) | (-114,800) |
| Net expenditure | -2,698,763 | (-2,969,450) | (-3,171,470) |

Pavilions, Sports Pitches & Common Rooms

| | | | |
|-----------------|----------------|---------------|---------------|
| Expenditure | 201,687 | 196,260 | 191,840 |
| Income | -84,678 | (-82,420) | (-88,620) |
| Recharges | -14,817 | (-14,820) | (-14,730) |
| Net expenditure | 102,192 | 99,020 | 88,490 |

Property & Facilities Management

| | | | |
|-----------------|----------------|----------------|----------------|
| Expenditure | 820,262 | 996,780 | 1,081,330 |
| Income | -70,930 | (-73,520) | (-75,720) |
| Recharges | -326,539 | (-344,350) | (-335,150) |
| Net expenditure | <u>422,793</u> | <u>578,910</u> | <u>670,460</u> |

Latton Bush Centre

| | | | |
|-----------------|-----------------|-------------------|-------------------|
| Expenditure | 787,989 | 747,200 | 712,220 |
| Income | -766,528 | (-820,220) | (-781,780) |
| Recharges | -227,282 | (-230,540) | (-229,400) |
| Net expenditure | <u>-205,821</u> | <u>(-303,560)</u> | <u>(-298,960)</u> |

Public Conveniences

| | | | |
|-----------------|---------------|---------------|---------------|
| Expenditure | 23,541 | 23,300 | 20,390 |
| Income | | | |
| Recharges | | | |
| Net expenditure | <u>23,541</u> | <u>23,300</u> | <u>20,390</u> |

Bus Terminus

| | | | |
|-----------------|---------------|---------------|----------------|
| Expenditure | 204,308 | 214,170 | 228,170 |
| Income | -106,781 | (-133,000) | (-100,800) |
| Recharges | -23,463 | (-23,950) | (-25,690) |
| Net expenditure | <u>74,064</u> | <u>57,220</u> | <u>101,680</u> |

Bus Shelters

| | | | |
|-----------------|--------------|--------------|--------------|
| Expenditure | 2,745 | 1,420 | 1,270 |
| Income | | | |
| Recharges | | | |
| Net expenditure | <u>2,745</u> | <u>1,420</u> | <u>1,270</u> |

Street Name Signs

| | | | |
|-----------------|---------------|---------------|---------------|
| Expenditure | 55,994 | 54,860 | 53,780 |
| Income | -20,404 | (-15,000) | (-15,000) |
| Recharges | | | |
| Net expenditure | <u>35,590</u> | <u>39,860</u> | <u>38,780</u> |

Unadopted Highways

| | | | |
|-----------------|---------------|---------------|---------------|
| Expenditure | 106,382 | 167,720 | 165,030 |
| Income | -16,981 | (-85,000) | (-85,000) |
| Recharges | | | |
| Net expenditure | <u>89,401</u> | <u>82,720</u> | <u>80,030</u> |

Town Centre Enhancements

| | | | |
|-----------------|---------------|---------------|---------------|
| Expenditure | 15,932 | 21,350 | 21,340 |
| Income | -104 | 0 | 0 |
| Recharges | | | |
| Net expenditure | <u>15,828</u> | <u>21,350</u> | <u>21,340</u> |

Nexus

| | | | |
|-----------------|------------|-------------------|-------------------|
| Expenditure | 624 | 0 | 0 |
| Income | 0 | (-450,000) | (-450,000) |
| Recharges | | | |
| Net expenditure | <u>624</u> | <u>(-450,000)</u> | <u>(-450,000)</u> |

Highways Infrastructure

| | | | |
|-----------------|----------------|----------------|----------------|
| Expenditure | 689,199 | 670,330 | 661,210 |
| Income | -41,500 | (-41,500) | (-41,500) |
| Recharges | | | |
| Net expenditure | <u>647,699</u> | <u>628,830</u> | <u>619,710</u> |

HTS

| | | | |
|-----------------|-----------------|-------------------|-------------------|
| Expenditure | 112,038 | 391,290 | 487,930 |
| Income | -700,000 | (-500,000) | (-500,000) |
| Recharges | 216,569 | (-120,170) | (-130,290) |
| Net expenditure | <u>-371,393</u> | <u>(-228,880)</u> | <u>(-142,360)</u> |

Net Expenditure

| | | | |
|--|------------------|----------------|-------------------|
| | <u>1,046,735</u> | <u>537,790</u> | <u>-1,299,090</u> |
|--|------------------|----------------|-------------------|

| GOVERNANCE SERVICES | 2019/20 Actual £ | 2020/21 Original £ | 2021/22 Original £ |
|---------------------------------|--------------------------------------|--|--|
| Employees Expenses | 3,326,903 | 3,547,260 | 3,760,200 |
| Premises Related Expenses | 156,007 | 161,290 | 152,730 |
| Training & Development Expenses | 109,050 | 111,820 | 112,820 |
| Transport Related Expenses | 5,676 | 5,240 | 5,240 |
| Supplies and Services | 1,589,680 | 1,414,410 | 1,426,920 |
| Members Allowances | 188,426 | 190,430 | 194,450 |
| Central Support Services | 1,142,091 | 1,219,920 | 1,233,220 |
| Other Recharges | 184,478 | 127,540 | 130,510 |
| Capital Financing Costs | 287,882 | 248,170 | 287,880 |
| Total Expenditure | 6,990,192 | 7,026,080 | 7,303,970 |
| Income | (-1,738,673) | (-1,437,210) | (-1,413,010) |
| Recharges | (-3,734,454) | (-3,339,160) | (-3,688,890) |
| Net Expenditure | 1,517,066 | 2,249,710 | 2,202,070 |

ANALYSIS: Inclusive of recharges between services within the Service Plan

GOVERNANCE SERVICES

Occupational Health

| | | | |
|------------------------|-----------|-----------|------------|
| Expenditure | 20,042 | 22,500 | 22,600 |
| Income | 0 | 0 | 0 |
| Recharges | (-20,042) | (-22,500) | (-21,800) |
| Net expenditure | 0 | 0 | 800 |

Corporate HR Costs

| | | | |
|------------------------|-----------|------------|-----------|
| Expenditure | 32,193 | 37,700 | 39,000 |
| Income | 0 | 0 | 0 |
| Recharges | (-32,193) | (-37,200) | (-39,000) |
| Net expenditure | 0 | 500 | 0 |

Human Resources

| | | | |
|-----------------|------------------|--------------|--------------|
| Expenditure | 380,221 | 437,560 | 463,610 |
| Income | (-1,713) | 0 | (-1,400) |
| Recharges | (-423,184) | (-434,500) | (-460,200) |
| Net expenditure | <u>(-44,677)</u> | <u>3,060</u> | <u>2,010</u> |

Training & Development

| | | | |
|-----------------|------------|------------|------------|
| Expenditure | 110,330 | 113,270 | 114,460 |
| Income | (-520) | 0 | 0 |
| Recharges | (-109,810) | (-113,270) | (-114,200) |
| Net expenditure | <u>0</u> | <u>0</u> | <u>260</u> |

Union Facilities

| | | | |
|-----------------|----------|-----------|--------------|
| Expenditure | 6,190 | 14,600 | 14,950 |
| Income | 0 | 0 | 0 |
| Recharges | (-6,190) | (-14,600) | (-15,000) |
| Net expenditure | <u>0</u> | <u>0</u> | <u>(-50)</u> |

Legal Services (Corporate Procurement)

| | | | |
|-----------------|-----------------|--------------|------------------|
| Expenditure | 107,754 | 174,080 | 187,640 |
| Income | 0 | 0 | 0 |
| Recharges | (-117,549) | (-169,810) | (-224,630) |
| Net expenditure | <u>(-9,796)</u> | <u>4,270</u> | <u>(-36,990)</u> |

Relationship (Commissioning (incl Policy & Performance))

| | | | |
|-----------------|-----------------|---------------|--------------|
| Expenditure | 207,800 | 247,510 | 251,970 |
| Income | (-16,103) | 0 | 0 |
| Recharges | (-199,152) | (-202,870) | (-252,000) |
| Net expenditure | <u>(-7,455)</u> | <u>44,640</u> | <u>(-30)</u> |

Land Charges

| | | | |
|-----------------|------------------|-----------------|-----------------|
| Expenditure | 90,664 | 103,460 | 105,440 |
| Income | (-109,167) | (-110,000) | (-110,000) |
| Recharges | 0 | 0 | 0 |
| Net expenditure | <u>(-18,503)</u> | <u>(-6,540)</u> | <u>(-4,560)</u> |

Governance

| | | | |
|-----------------|------------------|------------|------------|
| Expenditure | 231,442 | 256,110 | 277,730 |
| Income | 0 | 0 | 0 |
| Recharges | (-250,357) | (-256,110) | (-277,500) |
| Net expenditure | <u>(-18,915)</u> | <u>0</u> | <u>230</u> |

Legal Services

| | | | |
|-----------------|------------------|--------------|------------------|
| Expenditure | 697,221 | 757,850 | 802,410 |
| Income | (-61,198) | (-52,400) | (-52,400) |
| Recharges | (-701,970) | (-696,360) | (-831,590) |
| Net expenditure | <u>(-65,947)</u> | <u>9,090</u> | <u>(-81,580)</u> |

Electoral Services

| | | | |
|-----------------|----------------|----------------|----------------|
| Expenditure | 591,518 | 394,570 | 395,890 |
| Income | (-235,836) | (-1,850) | (-1,850) |
| Recharges | 0 | 0 | 0 |
| Net expenditure | 355,682 | 392,720 | 394,040 |

Corporate Support Team

| | | | |
|-----------------|------------------|------------|---------------|
| Expenditure | 310,795 | 247,510 | 353,390 |
| Income | (-3,593) | 0 | 0 |
| Recharges | (-317,800) | (-202,870) | (-341,200) |
| Net expenditure | (-10,598) | 0 | 12,190 |

Chairman's Allowance

| | | | |
|-----------------|--------------|--------------|--------------|
| Expenditure | 10,530 | 9,680 | 9,680 |
| Income | (-850) | 0 | 0 |
| Recharges | 0 | 0 | 0 |
| Net Expenditure | 9,680 | 9,680 | 9,680 |

Members Services

| | | | |
|-----------------|----------------|----------------|----------------|
| Expenditure | 383,923 | 393,090 | 397,790 |
| Income | 0 | 0 | 0 |
| Recharges | 0 | 0 | 0 |
| Net Expenditure | 383,923 | 393,090 | 397,790 |

Playhouse

| | | | |
|-----------------|------------------|----------------|------------------|
| Expenditure | 2,420,437 | 2,195,360 | 2,264,010 |
| Income | -1,309,428 | (-1,272,760) | (-1,247,160) |
| Recharges | 0 | 0 | 0 |
| Net Expenditure | 1,111,009 | 922,600 | 1,016,850 |

Contact Harlow

| | | | |
|-----------------|-----------------|----------------|----------------|
| Expenditure | 1,207,199 | 1,268,000 | 1,343,580 |
| Income | -68 | 0 | 0 |
| Recharges | -1,338,422 | (-831,040) | (-899,210) |
| Net Expenditure | -131,291 | 436,960 | 444,370 |

Reprographics

| | | | |
|-----------------|---------------|------------|------------|
| Expenditure | 136,008 | 146,630 | 140,860 |
| Income | -196 | (-200) | (-200) |
| Recharges | -139,411 | (-145,790) | (-140,660) |
| Net Expenditure | -3,599 | 640 | 0 |

Communications

| | | | |
|-----------------|----------------|---------------|---------------|
| Expenditure | 331,811 | 340,470 | 366,860 |
| Income | 0 | 0 | 0 |
| Recharges | -364,259 | (-301,470) | (-319,800) |
| Net Expenditure | -32,448 | 39,000 | 47,060 |

Net Expenditure

| | | | |
|--|------------------|------------------|------------------|
| | 1,517,066 | 2,249,710 | 2,202,070 |
|--|------------------|------------------|------------------|

| HOUSING GENERAL FUND | 2019/20 Actual | 2020/21 Original | 2021/22 Original |
|-----------------------------|---------------------------|-----------------------------|-----------------------------|
| | £ | £ | £ |
| Employees Expenses | 1,168,578 | 1,245,950 | 1,217,940 |
| Premises Related Expenses | 0 | 0 | 0 |
| Transport Related Expenses | 5,941 | 6,700 | 6,700 |
| Supplies and Services | 951,027 | 1,250,880 | 1,056,620 |
| Third Party Payments | 0 | 0 | 0 |
| Central Support Services | 308,558 | 307,320 | 317,740 |
| Recharges | 825,452 | 854,590 | 875,520 |
| Capital Charges | (-33,676) | 4,400 | 4,400 |
| Total Expenditure | 3,225,879 | 3,669,840 | 3,478,920 |
| Income | (-1,164,239) | (-844,880) | (-512,800) |
| Recharges | (-824,669) | (-904,470) | (-994,340) |
| Net Expenditure | 1,236,971 | 1,920,490 | 1,971,780 |

ANALYSIS: Inclusive of recharges between services within the Service Plan

Amenity Cleaning

| | | | |
|------------------------|----------------|----------------|----------------|
| Expenditure | 360,456 | 379,760 | 378,550 |
| Income | | | |
| Recharges | | | |
| Net Expenditure | 360,456 | 379,760 | 378,550 |

Supporting People

| | | | |
|------------------------|---------------|---------------|---------------|
| Expenditure | 937,191 | 957,910 | 965,210 |
| Income | (-530,991) | (-535,700) | (-459,800) |
| Recharges | (-392,418) | (-405,040) | (-442,240) |
| Net Expenditure | 13,783 | 17,170 | 63,170 |

Landscaping

| | | | |
|------------------------|----------------|----------------|----------------|
| Expenditure | 255,333 | 246,270 | 244,100 |
| Income | | | |
| Recharges | | | |
| Net Expenditure | 255,333 | 246,270 | 244,100 |

Housing Options and Advice

| | | | |
|-----------------|----------------|------------------|------------------|
| Expenditure | 1,672,899 | 2,085,900 | 1,891,060 |
| Income | (-633,248) | (-309,180) | (-53,000) |
| Recharges | (-432,251) | (-499,430) | (-552,100) |
| Net Expenditure | <u>607,399</u> | <u>1,277,290</u> | <u>1,285,960</u> |

| | | | |
|------------------------|-------------------------|-------------------------|-------------------------|
| Net Expenditure | <u><u>1,236,971</u></u> | <u><u>1,920,490</u></u> | <u><u>1,971,780</u></u> |
|------------------------|-------------------------|-------------------------|-------------------------|

Harlow Council Pay Policy 2021/2022

PAY POLICY 2020/21

Introduction and Purpose

1. This Pay Policy Statement sets out the council's approach to pay policy in accordance with the requirements of Section 38 (1) of the Localism Act 2011 which required English and Welsh Councils to produce a Pay Policy Statement from 2012/13¹ and for each financial year thereafter and due regard to the associated Statutory Guidance including the Supplementary Statutory Guidance issued in February 2013 and the Local Government Transparency Code 2014.
2. Section 112 of the Local Government Act 1972 gives local authorities the power to appoint officers on such reasonable terms and conditions as the authority thinks fit, the pay policy sets out how the council exercises this power.
3. The pay policy statement:-
 - Must be approved formally by the Full Council.
 - Must be approved by the end of March each year.
 - May be amended during the course of the financial year.
 - Must be published on the Council's website.
 - Must be complied with
4. The statutory pay policy statement must include the Council's policy on:
 - The level and elements of remuneration for each Chief Officer.
 - The remuneration of its lowest-paid employees (together with its definition of "lowest-paid employees" and its reasons for adopting that definition).
 - The relationship between the remuneration of its Chief Officers and other Officers.
 - Other specific aspects of Chief Officers' remuneration: remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments, and transparency.
5. Remuneration is defined widely, to include not just pay but also charges, fees, allowances, benefits in kind, increases in/enhancements of pension entitlements, and termination payments.
6. Local Government, and Harlow Council is going through a period of unprecedented and rapid change as a result of a number of political, economic, social drivers and challenges, national and local most notable of which has been the Covid-19 pandemic. We recognise the need for flexibility to be able to respond to a changing landscape and our pay policy arrangements have been developed to reflect this.

¹ Approved at Cabinet 31 January 2012

7. The Council proposes to include information on other discretionary policies relating to remuneration and pensions.
8. The discretionary pay policy may include statements:-
 - a) To confirm that the JNC conditions of service for Chief Executives and Chief Officers are incorporated in those Officers' employment contracts and other related local agreements that have been included.
 - b) To confirm what any additional arrangements if any that may not amount to formal terms and conditions, but which relate to a Chief Officer's employment and which are a charge on the public purse. This may include volunteering, membership of external bodies etc.

Legislative Framework

9. Previous legislation already requires Councils to publish statements relating to remuneration:-
 - a) The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 requires Councils to formulate, review, and publish its policy on making discretionary payments on early termination of employment.
 - b) The Local Government Pension Scheme (Administration) Regulations 2014 requires Councils to publish its policy on increasing an employee's total pension scheme membership and on awarding additional pension.
 - c) The Local Government (Discretionary Payments) Regulations 1996 (as amended) requires Councils to publish its policy on amount and payment of injury allowances following loss of employment.
10. In determining the pay and remuneration of all of its employees. The Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, Small Business, Enterprise and Employment Act 2015, The Agency Workers (Amendment) Regulations 2019, and where relevant, Transfer of Undertakings (Protection of Employment) (Amendment) (Regulations) 2014 (TUPE Regulations 2014) and the Employment Rights (Miscellaneous Amendments) Regulations 2019. The Restriction of Public Sector Exit Payments Regulations 2020 (see 46 below).
11. With regard to the equal pay requirements contained within the Equality Act, the Council ensures there is no pay discrimination in its pay structures and that all pay differentials are objectively justified through the use of an equality-proofed job evaluation mechanism, which directly relates salaries to the requirements, demands and responsibilities of the role. The Council has committed and is undertaking the analysis of the operation of its current job evaluation process with TU support.

Objectives

12. The Authority clearly recognises the complex, challenging and competing drivers underpinning public sector remuneration, especially at the senior and subject matter specialist levels seeking to be able to recruit and retain high quality staff in a way which is externally competitive and internally fair, whilst acknowledging the financial constraints as pay and benefits are met from public funds.
13. In such a competitive recruitment 'market' remuneration levels need to enable the attraction of a suitably wide pool of talent, and the retention of suitably skilled and qualified individuals once in post. It should be recognised that the Council will often be seeking to recruit in competition with other public and private sector employers.
14. This pay policy applies in a consistent way from the lowest to the highest grade. This Pay Policy Statement covers all employees.

Publication of Remuneration Packages

15. The Council will continue to publish the salary ranges covering all employees on the official website for the Council. Where employees have been transferred into the Council under the Transfer of Undertakings (Protection of Employment) (Amendment) (Regulations) 2014 (TUPE Regulations 2014) their remuneration packages reflect their protected rates of pay.

Effect of this Policy

16. Nothing in this Pay Policy Statement enables unilateral changes to employees' terms and conditions of contract. Changes to terms and conditions of employment must follow consultation and negotiation with individuals and recognised trades unions as set out in agreements and in line with legislation.

Council's General Approach to Remuneration

Posts below Head of Service

17. The majority of employees are covered by the National Joint Council for Local Government Services, the National Agreement on Pay and Conditions of Service. This covers the lowest paid (grade 2) through to Heads of Service. Rates of pay for this group are reviewed annually via negotiations between the employer and trade union sides of the National Joint Council following which the council's pay and grading structure is adjusted to reflect these agreements.
18. The Council does not operate a system of performance related pay at this time. All employees, including the lowest paid and Chief Officers move through their salary banding through incremental progression, subject to satisfactory performance.

19. To adhere to historic commitment between the Council and the Trade Union a new interim pay spine was introduced effective 1 April 2020 to finalise the implementation of the 2018, 2 year pay agreement. The changes made impacted a limited number of scale points and linked grades aligned to the agreement which saw a new grade 16 introduced to ensure the pay line met the requirements set by the national agreement, this moved historic grades 16-19, to 17-20 respectfully. The Council worked with the Trade Union in the implementation and migration to the new pay spine aligned to the local agreement.
20. On 24 August 2020 a one year pay deal was agreed for staff on NJC Terms and Conditions. This saw agreement for a pay increase of 2.75% to be implemented and backdated to 1 April 2020.
21. The Council's new pay spine commences at national spinal column point, SCP 1, grade 2 £18,260 pa (rate correct as at 1 April 2020 following the NJC Pay Award agreed August 2020) and ends at local SCP 55. After grade 2 it is then divided into a further 18 grades numbered 3 to 20, containing 3 incremental points each. The Council continues with its commitment to the Real Living Wage set by the Living Wage Foundation (see paragraph 27 below).
22. The Unison NJC Committee met on 5 October 2020 to consider the contents of the NJC pay claim for 2021/22. Trade Union branches were being consulted in late 2020 and considering options for potential submission for their pay claim for 2021/22. The Trade Union Side advised their intention was to agree a claim for submission to the Local Government Association (LGA) early in 2021. At the time of going to press no further update on these discussions has been received.
23. The Council remains committed to adherence with national pay bargaining in respect of the national pay spine and any annual cost of living increases negotiated.
24. Posts are allocated to a pay grade through a process of job evaluation. The Council uses the NJC for Local Government Job Evaluation Scheme. The Council has committed and is undertaking the analysis of the operation of its current job evaluation process with TU support.
25. The lowest paid group of employees are on grade 2 (representing 0.44% of the workforce), their FTE rate of pay was £18,260, £9.46 per hour as at 1 April 2020 (after August 2020 implementation). The Council having due regard to the "Living Wage", which following the most recent announcement of November 2020, increased the rate by a further 20p per hour to £9.30 per hour resulted in a further uplift on the bottom rate of 3.48p per hour changing the lowest annual salary to £18,327 per annum. All roles impacted by the change in the Living Wage Foundation rate including apprentices employed by the Council whose rate of pay from April 2018 has been set to the Living Wage Foundation rate, received this uplift in November 2020. The Council will continue to have due regard to further Living Wage Foundation changes.

26. A number of allowances are payable for this group, depending on the roles carried out. Some are flat rate and others are linked directly to salary. These allowances are only paid for those on grades up to 20.
27. In exceptional circumstances with appropriate senior management approval the Council may pay a market supplement in addition to the salary for the role where, in the absence of such a payment, it would not be possible to recruit and retain suitable employees. The value of the market supplement takes into account the labour market pay information for similar jobs. Any market supplements are to be reviewed on an annual basis and are varied or cease as necessary according to the labour market evidence for the role in question. Such a supplement is lawful under the Equality Act 2010 where there is evidence to justify that market factors are the “material reason” for the post attracting a higher rate of pay than other posts graded similarly. The Council will review this policy in 2021/22 to ensure it continues to be effective

Senior Managers (Heads of Service and above)

28. In determining its grading structure and setting remuneration levels for any posts which fall outside its scope, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.
29. There are 3 increment salary ranges for Heads of Service (save for the additional duties completed by Deputy to the Chief Executive role, see point 30, below) and the Chief Executive, further information is available on the official website.
30. The Deputy to the Chief Executive provides appropriate senior level office cover in the absence/non-availability of the Chief Executive. The functions of this role are in addition to the Head of Service duties required and therefore provide for 2 further increments on the Head of Service salary range for these duties. Where the Deputy to the Chief Executive holds an additional official role i.e. Section 151 Officer, any linked special responsibility allowance is encapsulated within the additional increments payable for deputising for the Chief Executive.
31. No other allowances linked to these positions are paid, apart from Returning Officer remuneration (the Chief Executive) Deputy Returning Officer remuneration (to be appointed) and an allowance to be paid currently to one Head of Service, or an appropriate senior officer as designated, for undertaking the role Monitoring Officer.

Chief Executive

32. National advice states that a Head of Paid Service salary range should not be more than 20 times the FTE salary range of a Band 2 ‘Green Book’ employee. It is the Council’s policy that the FTE salary range for the post of Chief Executive will not be greater than the nationally advised level. The Chief Executive’s salary is significantly within this multiple.

33. Notwithstanding the above, the value of the scale point in the Chief Executive's grade will be updated by the pay awards notified from time to time by the Joint Negotiating Committee for Chief Executives of Local Authorities.
34. The Chief Executive also receives a relevant Returning Officer/Deputy Returning Officer fee in respect of District Council, County Council, Parliamentary and European Elections and for other national referenda or elections.
35. The Joint Negotiating Committee for Chief Officers' pay announced on 24 August 2020 a 1 year pay agreement a further 2.75% was implemented in April 2020. No further update has been received for 2021; the Council will continue to have due regard to any further Joint Negotiating Committee for Chief Officers' pay agreement for 2021, as applicable.

Heads of Service (includes Monitoring Officer and Section 151 Officer).

36. The value of the scale points in the Heads of Service's grade will be updated by the pay awards notified from time to time by the National Joint Council for Local Government Services. The 2021 pay claim is still being discussed, see paragraph 22 for more detail.
37. Information on 'Senior Management' responsibilities and remuneration will be published on the Council's website in line with Local Government Transparency Code 2015 and the Accounts and Audit Regulations 2015.

Pay Multiples.

38.

| | 2021/22 |
|--|----------|
| Ratio of the Chief Executive's FTE salary to the median FTE salary of the Council (£29,688 inclusive of Living Wage) | 4.68 : 1 |
| Ratio of the Chief Executive's FTE salary to the lowest paid FTE employees (£18,327 at £9.50 per hour - Living Wage rate). | 7.58 : 1 |

Part Time/ Full time.

39. All annual salaries and annual allowances are paid pro rata to part time employees based on the hours contracted to work.

General Principles Applying to Remuneration of Chief Officers and Employees

40. On recruitment, individuals will ordinarily be placed on the lowest scale point within the pay grade for the post to which they are appointed. Appointment to a higher scale point will only be with the approval of the Head of Service and HR Manager (Chief Executive for senior positions). A relocation allowance may also be granted in certain exceptional cases aligned to HMRC requirements, when new starters need to move to the area, with the approval of the Chief Executive or nominated Officer.

41. Individuals will normally receive an annual increment, in line with their individual terms and conditions of employment, subject to the top of their grade not being exceeded. In exceptional circumstances, individuals will receive accelerated increments with the approval of the Head of Service and HR Manager. Again, this is subject to the top of their grade not being exceeded.
42. The Council does not apply performance-related pay or bonuses.
43. The minimum point of a pay grade will not be lower than the maximum point of the preceding pay grade.

Pensions and Termination Payments

44. All employees, with a contract of employment are enrolled into the Local Government Pension Scheme (managed by Essex County Council). Details of contributions rates are set out below, these are set by the Administering Authority ECC. Eligible workers who have opted out of the scheme will be automatically re-enrolled providing they meet the auto enrolment criteria.
45. The Council has the option to adopt a number of statutory discretions under the:-
 - (a) The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006.
 - (b) The Local Government Pension Scheme (Administration) Regulations 2014.
 - (c) The Local Government (Discretionary Payments) Regulations 1996 (as amended) (Organisational Change Policy).
46. Current policies are available on the Council's official website. The Council commits to review and revise as necessary, the written policy statements on how it will exercise the various discretions provided by the LGPS scheme. Any discretions are subject to change, either in line with any change in regulations or by due consideration of the Council. These provisions do not confer any contractual rights. The Council will exercise discretion to minimise exposure to additional costs. The exception to this is the multipliers and calculation of weekly pay used for voluntary and compulsory redundancy payments this policy follows the position adopted by most Councils.
47. The Council's policies on Flexible Retirement, Organisational Change and Redundancy Payments are available on the Council's official website. The Council has committed to review affected policies following the enactment of The Restriction of Public Sector Exit Payments Regulations 2020. At the time of preparing this statement [interim guidance](#) has been released and has been directed to be followed until the Ministry of Housing, Communities and Local Government (MHCLG) regulations come into force which is currently expected following a number of outstanding judicial reviews.

Pension Contribution bandings from April 2021

48. Following the Essex Local Government Scheme (LGPS) triennial valuation review in 2019 and subsequent notification the Council changed the current employer's superannuation rate to 20.1% from 1 April 2020, this is expected to remain in place until March 2023. The following employee contribution rates in accordance with actual pensionable pay continue to apply from April 2020. At the time of going to press no further change/updates have been advised, although Essex LGPS advise generally that pay band ranges will be increased each April in line with the cost of living. Any changes implemented by Essex LGPS will be followed:-

| <u>Actual Pensionable Pay</u> | <u>Employee contribution rate</u> | <u>50/50 Section</u> |
|-------------------------------|-----------------------------------|----------------------|
| £0 - £14,600 | 5.5% | 2.75% |
| £14,601 - £22,800 | 5.8% | 2.9% |
| £22,801 - £37,100 | 6.5% | 3.25% |
| £37,101 - £46,900 | 6.8% | 3.4% |
| £46,901 - £65,600 | 8.5% | 4.25% |
| £65,601 - £93,000 | 9.9% | 4.95% |
| £93,001 - £109,500 | 10.5% | 5.25% |
| £109,501 - £164,200 | 11.4% | 5.7% |
| More than £164,201 | 12.5% | 6.25% |

Allowances (below Head of Service)

49. Ad hoc allowances are paid as and when a duty is carried out and will be paid monthly in arrears.
50. Where possible allowances will be paid as a monthly allowance, for example where staff follow a set pattern of work.
51. Professional membership fees when associated with the role being undertaken for the Council are reimbursed to employees at the rate of 100% of fees incurred and only one membership per employee is reimbursed in any financial year.
52. In accordance with the People Resource Plan (PRP) to enhance employee wellbeing and to assist with employee retention it is necessary to consider the total rewards package available to the Council's employees. The Council currently offer many benefits including the Local Government Pension Scheme (LGPS), flexi scheme (for 98 per cent of the Council's employees), childcare vouchers (aligned to government requirements for access), a dedicated Harlow Council employee benefits discount scheme which includes access to a cycle to work scheme and an Employee Assistance Programme (EAP), that provides access to extra support to manage life's everyday challenges. It offers free, confidential information and support, including counselling and other services by telephone, email, and online to help employees gain a better work-life balance. Over the forthcoming year it is intended to continue to promote the non-cash benefits employees receive.

Review

53. If it should be necessary to amend this 2021/22 Policy during the year it applies, an appropriate resolution will be made by Full Council.

REPORT TO: CABINET

DATE: 21 JANUARY 2021

TITLE: HOUSING REVENUE ACCOUNT BUDGET 2021/22

PORTFOLIO HOLDERS: COUNCILLOR MIKE DANVERS, PORTFOLIO
HOLDER FOR RESOURCES

COUNCILLOR MARK WILKINSON, PORTFOLIO
HOLDER FOR HOUSING

LEAD OFFICERS: SIMON FREEMAN, DEPUTY TO THE CHIEF
EXECUTIVE AND HEAD OF FINANCE AND
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MANAGER (01279) 446448

DAVID WORTHINGTON, INTERIM ACCOUNTANT
(01279) 446211

This is a Key Decision

It is on the Forward Plan as Decision Number I011382

The decision is not subject to Call-in Procedures for the following reason:

The decision stands as a recommendation to Full Council

This decision will affect no ward specifically.

RECOMMENDED that Cabinet recommends to Full Council that:

- A** Approves the Housing Revenue Account estimates as set out in Appendix 2 to the report.
- B** Approves that tenant rents are increased by CPI plus 1 per cent (1.5 per cent) with effect from 5 April 2021. This equates to an average weekly rent of £93.66 an increase of £1.38 (set out in paragraph 4 of the report).
- C** Approves that the rents and personal charges for temporary accommodation be increase by an average of 1.5 per cent with effect from 5 April 2021 (set out in paragraph 5 of the report).
- D** Approves that garage rents within the 'retain and invest' category are increased by 5 per cent with effect from 1 April 2021. This equates to an average weekly

rent of £11.20, an increase of £0.53. Also approves the proportionate increases for other garages, car ports and car spaces (set out in paragraph 6 of the report).

- E** Approves that tenant service charges are increased by an average 1.5 per cent with effect from 5 April 2021 This equates to an average weekly service charge of £2.34 (see paragraphs 7 to 9 of the report and Appendix 1 attached to the report).
- F** Approves that other housing related support charges for sheltered accommodation are increased to recover full cost with effect from 5 April 2021 (see paragraphs 10 to 14 of the report and Appendix 1 attached to the report).
- G** Approves that tenant heating charges are increased by an average 2.9 per cent with effect from 5 April 2021. This equates to an average weekly heating charge of £9.50 an increase of £0.27. For tenants in sheltered accommodation this equates to an average weekly charge of £7.04 an increase £0.20 (see paragraphs 15 to 17 of the report and Appendix 1 attached to the report).
- H** Approves that the leasehold service charges are increased with effect from 1 April 2021 to ensure that all leaseholder costs are recovered (see paragraphs 18 to 22 of the report and Appendix 1 attached to the report).
- I** Approves that all other tenant charges are increased with effect from 5 April 2021 in order to recover cost (see Appendix 1 attached to the report).

REASON FOR DECISION

- A** The Housing Revenue Account (HRA) reflects the statutory requirement under Section 74 of the Local Government & Housing Act 1989 to account separately for the local authority housing services. It is a ring fenced account containing the costs of managing the Council's housing stock which is offset by tenant's rents, tenants and leaseholders service charges and other contributions. The Council has a statutory responsibility to set a balanced HRA budget and avoid any deficits.

BACKGROUND

1. The HRA Business Plan 2019-2049, approved by Full Council in January 2020 reflected a number of themes which have been developed. These include:
 - a) The Council's ambition to build new housing of all tenures;
 - b) Changes to the investment strategy to reflect the increased fire safety and associated Regulation following the fire at Grenfell Tower.

- c) An increase in the number of properties being identified with structural issues and the associated budgetary pressures upon the Housing Capital Programme;
 - d) Implementation of the Homelessness Reduction Act 2017 which imposed new statutory processes/duties;
 - e) Implementation of Universal Credit (UC) and benefit rules and its implications on tenants; and
 - f) Inflationary pressures, including that of the Council's contractual arrangement with HTS (Property and Environment) Ltd (HTS) which undertake much work for tenants and leaseholders.
2. The Business Plan 2019-2049 is now being updated to reflect recently developments including and the negative impact of the Covid-19 pandemic

HRA Business Plan Assumptions 2021/22

3. The HRA budget 2021/22 has been prepared on the basis of those assumptions agreed in the Business Plan 2019/20 to 2048/49 which are as follows.
- a) To implement the Rent Standard 2020 and increase dwelling rents annually by CPI plus 1 per cent. Uplifts are based on the Consumer Price Index (CPI) in the previous September and from April 2021 rents will increase by 1.5 per cent.
 - b) The rental income estimates assume that in 2021/22 there will be 40 right-to-buy applications and that the percentage number of voids will be 1.27 per cent of total stock or an average of 116 vacant properties.
 - c) To increase garage rents by five per cent annually.
 - d) To fully recover all utility and other premises costs from tenants and leaseholder through service charges.
 - e) Implement the staff pay award in accordance with current Government policy with effect from 1 April 2021.
 - f) The Major Repairs Allowance is no longer used to calculate the charge for depreciation. Instead the Existing Use Value for Social Housing (EUVSH) spread over the estimated life of the asset will be used.
 - g) Renew the Public Works Loan Board (PWLB) debt of £208.837 million and any additional borrowing as reflected in the current capital programme.
 - h) Maintain a minimum HRA working balance at 31 March 2021 at £4 million, being £2.5 million for extraordinary events and £1.5 million for

fire safety work the final report of the Grenfell Tower Public Inquiry to be addressed once it has been published.

- i) Retain the housing asset management plans as outlined below:
 - i) Maintain compliance of the Council's housing stock to the housing regulatory requirements. Continuing with the replacement regime (based on stock condition survey) for internal and external property components such as kitchens, bathrooms, central heating systems, roofs and external structure of homes;
 - ii) Prioritise resources to safeguard the well-being and safety of the Council's tenants in their homes in regard to increased statutory and legislative landlord requirements for fire safety, electrical (communal) safety, asbestos management and lift maintenance;
 - iii) Prioritise energy efficiency initiatives that alleviate fuel poverty;
 - iv) Prioritise resources for disabled adaptations to meet statutory requirements and keep under review annually;
 - v) Reduce resources to garage-related works and re-prioritise the approved Garage and Hardstand Strategy;
 - vi) Realise further efficiencies from responsive repairs programmes and scope of works; and
 - vii) Develop a three year housing programme to outline the aspirations for the delivery of new housing. In accordance with local plan priorities, regeneration priorities, and affordability/viability.

ISSUES/PROPOSALS

Rents – Tenants

4. The Rent Standard 2019 was introduced on 1 April 2020 following the four year period when under the Work and Welfare Reform Act 2016 rents were reduced by one per cent each year. The Rent Standard 2019 allows all registered providers of social housing to increase rents by CPI plus 1 per cent. The CPI in September 2020 was 0.5 per cent and therefore from 5 April 2021 housing rents will increase by 1.5 per cent. The average rent will increase from £92.28 to £93.66 per week.

Rents - Temporary Accommodation

5. It is proposed that the following rents in respect of Homelessness Services will be increased with effect from 5 April 2021:

- a) The rent charged for temporary accommodation in the HRA for a single room will increase from £36.05 to £36.59 per week and from £51.50 to £52.27 for a double room. In addition the weekly personal charge and recharge for council tax will increase from £20.30 to £21.59 per room.
- b) The rent charged for nightly lets for a will increase from £129.23 to £131.17 per week for a one bed studio/property, from £145.39 to £147.57 for a two bed property and from £185.89 to £188.68 for a three bed property.
- c) The rent charged for bed and breakfast accommodation will increase from £129.23 to 131.17 per week.
- d) The rent charged for non HRA temporary accommodation from £129.23 to £131.17 per week for a one bed studio/property, from £145.39 to £147.57 for a two bed property and from £185.89 to £188.68 for a three bed property.

Rents – Garages

- 6. It is proposed to increase the rent on garages held as "retain and invest" and related charges by 5 per cent. The rent of a standard garage would rise by £0.53 per week to £11.20.

Service Charges – Tenants

- 7. Service charges are made in addition to rents. In total nine separate service charges are applied and the Council has published a range of service standards to support the implementation of service charges. These are regularly reviewed in consultation with tenants to ensure the principles of service charges in terms of transparency, improved service delivery and greater accountability are delivered in practice.
- 8. The key features to the calculation of service charges are:
 - a) Actual, not estimated, cost of service charges are recovered from both tenants and leaseholders, subject to the availability of reasonable data. This means that any difference between the actual cost and estimated cost will be collected or refunded two years after the closure of accounts. This means that any difference in 2020/21 charges will be collected/refunded in 2022/23.
 - b) Charges should be consistent to tenants and leaseholders and be fully recovered wherever possible.
- 9. A schedule of proposed increases in tenant service charges is set out in Appendix 1 to the report together with a comparison with the current weekly charges.

Service Charges – Supported Housing

10. The Council's Supported Housing service consists of 16 sheltered housing schemes, one extra care scheme for the frail elderly, and a community support function for 1,000 private clients living independently across the town.
11. Housing Related Support (HRS) forms part of the Government's Health and Social Care agenda that promotes older persons wellbeing and independence. The Act does not stipulate specific services to fulfil this requirement. The Council in addition to its role as landlord delivers HRS services to older vulnerable people.
12. Following the reports to Cabinet and Scrutiny Committee in 2017, Officers have continued to work with service users of HRS, consulting widely with them and their families to ensure awareness has been raised of the funding gaps, signposting benefit entitlement, as well as possible financial support from other agencies in order to protect service users whilst increasing service income.
13. A schedule of proposed increases in supported housing and HRS charges is set out in Appendix 1 to the report together with a comparison with the current weekly charges
14. In October 2020, the Ministry of Housing, Communities and Local Government (MHCLG) published a new National Statement of Expectations (NSE) for supported housing. This sets out the Government's expectation of the standard, quality and value for money in supported housing for vulnerable people. Initially MHCLG have funded five pilot schemes to improve quality, enforcement, oversight and value for money in supported housing. There is no announcement for Harlow but it is anticipated that there will be developments in the future.

Service Charges - Heating

15. Heating charges are made in respect of blocks of flats and clustered properties where communal heating and hot water is provided via a District Heating System. The Council supplies the gas used to run the communal boilers and re-charges residents for the energy they use within their homes under the fuel charge levied.
16. The Council remains committed to tackling fuel poverty for residents. The cost of energy that is passed on to tenants is assessed each year to ensure the Council is not putting its residents at risk of fuel poverty.
17. Gas prices are increasing and it is estimated that with effect from 5 April 2021, tenants weekly heating charge will increase by 2.9 per cent. The average weekly charge to tenants will be £9.50, an increase of £0.27. For tenants in sheltered accommodation the average weekly charge will be £7.04, an increase of £0.20.

Service Charges - Leaseholders.

18. Similarly, with leaseholders it is the responsibility of the Council to recover all costs including maintenance costs and major works. All leaseholders are provided with an estimate of their annual services charges at the beginning of the financial year. Once the actual costs are known following the closure of the accounts the leaseholders are given an amended invoice showing actual cost and they are charged or refunded accordingly.
19. Current legislation allows landlords to recover the costs of administering leasehold services from its leaseholders. It is recommended that the annual management fee be reduced from £208.62 to £204.44.
20. The charge for the registration of a sublet will increase to £89.99 (£88.55 in 2020/21). The charge applies to individuals who acquire a leasehold property for the purpose of sub-letting. Under the terms of the leases all landlords must advise the Council of any under lease and these must be registered appropriately and that a fee may be charged.
21. Tenants who exercise their Right to Buy (RTB) make a one off contribution into an In Perpetuity Fund for grounds maintenance, amenity cleaning and litter picking. The contribution to the fund is intended to cover future maintenance for 80 years. It is proposed that this charge will increase in line with September 2020 CPI which was 0.5 per cent. This equates to a contribution of £5,613, an increase of £27.93.
22. It is proposed that other leasehold legal charges are also increased by September CPI with effect from 1 April 2021. A schedule of proposed increases in leaseholder legal costs is set out in Appendix 1 to the report together with a comparison with the current charges.

Revised HRA Budget 2020/21

23. The Quarter 2 HRA finance report highlighted the following variations to the approved budget primarily as a result of the Covid-19 pandemic.
 - a) In the first quarter of 2020/21 there was an increase in tenant rent arrears due the Covid-19 restrictions and the relaxation of collection procedures. The latest data shows that there has been a two per cent improvement in performance during the second quarter when benchmarked against previous years. A steady increase in the number UC applications which are taking time to process and causing debt levels to rise. The Government have issued new guidance/procedures on rent collection which means that the Councils own process will have to be updated.
 - b) Similarly, the Covid-19 restrictions have had a significant impact on the number of void properties in the first two quarters of 2020/21. In Quarter 1 there was 25 more void properties than that allowed for in the budget and the 30 year HRA business plan. The increased level in the number of void properties could have a negative impact on rental income and a detailed

plan has been established to reduce the number of voids to align with the business plan target by the end of the year.

- c) During Quarter 1, at the height of the Covid-19 restrictions, tenants and leaseholders were unable to receive all the services which they were paying for through service charges. For example “ground maintenance”. When the tenants and leaseholders are finalised they will have to be refunded for services they did not receive. This will reduce the amount of services charge income credited to the HRA.

HRA Estimates 2021/22

24. The draft HRA estimates 2021/22 is set out in Appendix 2 to the report and they have been prepared on the same basis as the business plan assumptions which have been set out in paragraph 3.

Working Balances

25. Section 25 of the Local Government Act 2003 requires the Head of Finance to report on the adequacy of reserves. In January 2020 Cabinet approved the recommendation to increase in the minimum HRA working balance to £4 million in order meet its obligations arising from recommendations from the Grenfell Tower Public Inquiry.
26. Based upon the budget figures set out at Appendix 2 to the report, the movement of the HRA working balances is shown in Table 1 below.

| | 2019/20 | 2020/21 | 2020/21 | 2021/22 |
|------------------------------|----------------|-----------------|----------------|------------------|
| Operating Account | Actual | Original | Revised | Estimates |
| | £'000 | £'000 | £'000 | £'000 |
| Balance at 1 April | 13,731 | 6,428 | 15,751 | 5,992 |
| Surplus / (Deficit) for year | 2,020 | (2,242) | (9,759) | (3,484) |
| Balance in hand at 31 March | 15,751 | 4,186 | 5,992 | 2,508 |

27. It can be seen from Table 1 that the estimate deficit as at 31 March 2022 will be well below the £4 million. This is as a result of a significant drop in service charge income as a result of the Covid-19 pandemic. Service delivery has been severely restricted which means the tenant and leaseholder cannot be charged. It is essential that the level of working balance is kept under review to ensure that the HRA is sustainable.

Major Repairs Reserve

28. Authorities are required under the Accounts & Audit Regulations 2015 to maintain a Major Repairs Reserve (MRR) which controls an element of the capital resources required to be used on HRA assets or for capital financing

purposes. The regulations require the MRR to be credited with an amount equivalent to the total depreciation charge for all HRA assets.

29. The regulations require that the MRR can be used either to finance the capital programme or to repay housing debt. The HRA Business Plan 2020-2050 assumes that all the contributions will be used to finance the capital programme.
30. The Housing Capital Programme (HCP) can be found as a separate item on this agenda. It is estimated that there will be a nil balance on the MRR at 31 March 2021, as the estimated sum of £10.470 million will be fully used to finance the Housing Capital Programme in 2020/21.
31. Similarly, in 2021/22 the estimated sum of £10.736 million will be used to finance the HCP. The balance on the MRR as at 31 March 2022 will again be nil. The movement in the MRR is set out in Table 2 below.

| Table 2 - Estimated Movement in Major Repairs Reserve | | | | |
|--|-------------------------------------|---------------------------------------|--------------------------------------|--|
| Operating Account | 2019/20 Actual £'000 | 2020/21 Original £'000 | 2020/21 Revised £'000 | 2021/22 Estimates £'000 |
| Balance at 1 April | 0 | 0 | 0 | 0 |
| MRR Contribution | 10,624 | 10,229 | 10,470 | 10,736 |
| Financing of Capital Exp | (10,624) | (10,229) | (10,470) | (10,736) |
| Balance as at 31 March | 0 | 0 | 0 | 0 |

Housing Capital Receipts

32. During the year housing capital receipts are received from the sale of council house under right to buy as well as from the sale of housing land and other buildings. The Local Government Act 2003 and subsequent statutory instruments specifies how these receipts can be used by the Council. There are particular rules which apply to right to buy and it is for this reason that the must be kept separate from other housing capital receipts.

Retained Right to Buy Capital Receipts

33. Set out in Table 3 below is the estimated amount of the capital receipts that will be retained under right to buy and the amount to be used to finance the new build programme.

| | 2019/20 | 2020/21 | 2020/21 | 2021/22 |
|-------------------------------------|----------------|-----------------|----------------|------------------|
| Narrative | Actual | Original | Revised | Estimates |
| | £'000 | £'000 | £'000 | £'000 |
| Balance at 1 April | (3,740) | (6,558) | (9,012) | (6,844) |
| Receipts Retained from Right to Buy | (5,479) | (4,906) | (1,797) | (3,220) |
| Receipts Used to Finance New Build | 207 | 3,549 | 3,965 | 2,330 |
| | | | | |
| Balance in hand at 31 March | (9,012) | (7,915) | (6,844) | (7,734) |

34. Retained right to buy have to be spent within three years, otherwise they will have to be repaid to the Government plus interest at four per cent above base rate compounded quarterly.

Other Housing Capital Receipts

35. Housing capital receipts are also received from the sale of land and other housing buildings. Set out in Table 4 below is the movement of other housing receipts.

| | 2019/20 | 2020/21 | 2020/21 | 2021/22 |
|---------------------------------|----------------|-----------------|----------------|------------------|
| Narrative | Actual | Original | Revised | Estimates |
| | £'000 | £'000 | £'000 | £'000 |
| Balance at 1 April | (89) | (89) | (200) | 0 |
| Other Housing Receipts Received | (1,799) | (1,904) | (830) | (1,257) |
| Other Housing Receipts Used | 1,688 | 1,904 | 1,030 | 1,257 |
| | | | | |
| Balance in hand at 31 March | (200) | (89) | 0 | 0 |

36. There is currently no restriction on the use of other housing capital receipts. They can be used for any capital purpose.

Housing Capital Programme

37. The summarised HCP is set out in Table 5 below.

| Table 5 HCP 2020/21 to 2025/26 | | | | | | |
|---------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| PROJECT AREA | Revised 2020/21 £,000s | Budget 2021/22 £,000s | Budget 2022/23 £,000s | Budget 2023/24 £,000s | Budget 2024/25 £,000s | Budget 2025/26 £,000s |
| Core Programme | 20,550 | 18,552 | 12,921 | 15,107 | 13,219 | 13,236 |
| House Purchase Scheme | 12,600 | | | | | |
| New Build Programme | 618 | 7,767 | 7,999 | 3,000 | 3,000 | 1,965 |
| TOTAL HCP | 33,768 | 26,319 | 20,920 | 18,107 | 16,219 | 15,201 |
| FUNDED BY:- | | | | | | |
| RTB Capital Receipts | (3,965) | (2,330) | (2,400) | (900) | (900) | (590) |
| Other Capital Receipts | (1,030) | (1,257) | (1,200) | (1,200) | (1,200) | (1,200) |
| Major Repairs Reserve | (10,470) | (10,736) | (10,864) | (10,946) | (11,028) | (11,111) |
| Direct Revenue Financing | (7,247) | (6,559) | (856) | (2,961) | (991) | (925) |
| Borrowing | (11,056) | (5,437) | (5,600) | (2,100) | (2,100) | (1,375) |
| TOTAL FUNDING | (33,768) | (26,319) | (20,920) | (18,107) | (16,219) | (15,201) |

38. Delivery of the capital programme will depend on affordability and it essential that these schemes that are built in the budget and Business Plan are viable.

Significant Risks/Opportunities

39. The Covid-19 pandemic is having a significant impact on the HRA budget in 2020/21 and projected in 2021/22. Due to the Covid-19 restrictions the number of void properties is much higher than normal and this reduces rental and service charge income.
40. In addition during the lockdown restrictions both tenants and leaseholders have not had the same level of service that they would have normally. This reduced level of service will result in a reduction in service charge income.
41. Most of the services that tenants and leaseholders receive are provided by HTS under contract. Under the terms of the contract these payments will still have to be made because HTS is not responsible for the reduction in service.
42. Demand for homelessness and Harlow's housing shortage is well known, and remains high. In addition, the number of local residents on the Council's Housing Needs Register continues to grow and is a key measure of local housing need. Added pressures, as a result of Covid-19 have meant increased duties on local authorities. The ongoing internal/external accommodation provision will be affected by Government guidelines and constraints that will have a financial impact on housing need at Harlow, and the use of temporary accommodation. This has been reflected in the HRA revenue estimates for 2021/22. This will be reviewed during the year.

43. Coupled with a significant loss of service charge income is the urgent need carry out cladding work at Joyners Field Towers and the need to maintain the core capital programme. This is putting an extra strain on resources and the HRA balances are unacceptably low.

Consultation

44. During the pandemic Tenant and Leaseholder Panels have been suspended and there have been no meetings of the Housing Standards Board. Representatives are being provided with electronic and hard copies of the reports in order to obtain feedback whilst keeping the Housing Standards Board updated.
45. Dialogue with Tenant and Leaseholder representatives continue during these unprecedented times allowing them to make contributions, provide feedback, and ask questions relating to Cabinet reports. In addition, briefing papers relating to the Cabinet reports have been presented to the Housing Standards Board.

Conclusion

46. The HRA budget estimates for 2021/22 reflect the complex and ongoing fluid environment; stock owning local authorities are operating under. Significant risks and uncertainties have been outlined in the report and will be kept under review and reported in subsequent reports. Updates will be advised to Cabinet as part of its performance management/budgetary reporting process.
47. Accordingly, it has not been appropriate to update the current (January 2020 approved) HRA Business Plan due to the ongoing uncertainty caused by the implications for HRA Business Plan principles that have been in operation since 2012. It is anticipated work will commence on reviewing last year's Business plan approval in the first quarter of 2021/22.

IMPLICATIONS

Environment & Planning (Includes Sustainability)

As contained within the report.

Author: Andrew Bramidge, Head of Environment and Planning

Finance (Includes ICT)

As contained within the report.

Author: Simon Freeman, Deputy to the Chief Executive and Head of Finance and Property Services

Housing

Service implications and significant risks are set out within the report, and will form the basis of the updated Housing Revenue Account (HRA) Business Plan, when it is reviewed in 2021/22

Author: Andrew Murray, Head of Housing

Community Wellbeing (Includes Equalities and Social Inclusion)

No specific implications.

Author: Jane Greer, Head of Community Wellbeing

Governance (Includes HR)

As contained in the report.

Author: Simon Hill, Head of Governance

Appendices

Appendix 1 – Schedule of Service & Housing Related Charges

Appendix 2 – HRA Estimates 2021/22

Background Papers

None.

Glossary of terms/abbreviations used

CPI – Consumer Price Index

EUVSH – Existing Use Value for Social Housing

HCP – Housing Capital Programme

HRA – Housing Revenue Account

HRS – Housing Related Support

HTS – HTS (Property and Environment) Ltd

MHCLG – Ministry of Housing, Communities and Local Government

MRR – Major Repairs Reserve

NSE – National Statement of Expectations

PWLB – Public Works Loan Board

RTB – Right to Buy

UC – Universal Credit

| APPENDIX 1 - SERVICE AND HOUSING RELATED SUPPORT CHARGES 2021/22 | | | | |
|---|-------------------|-------------------|-------------------|---------------------|
| TYPE OF SERVICE/SUPPORT | Highest | Lowest | Average | Average |
| | Weekly Chg | Weekly Chg | Weekly Chg | Weekly Chg |
| Charges | Highest (£) | Low est (£) | Average (£) | Ave all tenants (£) |
| Amenity Cleansing - Gullies | 1.32 | 0.01 | 0.09 | 0.06 |
| Amenity Cleansing - Bins | 1.42 | 0.06 | 0.31 | 0.03 |
| Caretaking | 27.17 | 0.89 | 7.52 | 0.61 |
| Cleaning | 17.28 | 0.18 | 5.54 | 0.80 |
| Door Entry Management | 1.47 | 1.47 | 1.47 | 0.12 |
| Grounds Maintenance | 2.98 | 0.01 | 0.43 | 0.34 |
| Landlord's Lighting | 5.91 | 0.37 | 1.13 | 0.48 |
| Window Cleaning- General Needs | 0.27 | 0.07 | 0.13 | 0.01 |
| Window Cleaning- Sheltered | 0.65 | 0.12 | 0.25 | 0.01 |
| Cleaning - Summers Farm Close | 8.08 | 8.08 | 8.08 | 0.04 |
| TOTAL Estimate for 2021/22 (2020/21 £2.79) | | | | 2.50 |
| Adjustment in respect of 2019/20 | | | | (0.16) |
| Actual charge for 2021/22 | | | | 2.34 |
| District Heating: Fuel only | 555.53 | 277.76 | 425.28 | |
| Sheltered Accommodation | | | | |
| Meal Charges Summers Farm Close | 6.10 | | | |
| Housing Related Support Charges | | | | |
| Dispersed Community Alarms | 4.47 | | | |
| Harlow Community Support | 7.45 | | | |
| Sheltered Housing Support | 8.32 | | | |
| Alarm System Monitoring | 1.95 | | | |
| Intensive Housing Management | 2.04 | | | |
| Leaseholder Service Charges Only | | | | |
| Amenity Cleansing - Gullies | 68.50 | 0.26 | 4.51 | |
| Amenity Cleansing - Bins | 73.80 | 3.28 | 16.12 | |
| Caretaking | 1,412.66 | 46.47 | 390.84 | |
| Cleaning | 898.76 | 9.59 | 288.31 | |
| Door Entry Management | 76.65 | 76.65 | 76.65 | |
| Grounds Maintenance | 149.69 | 0.66 | 21.80 | |
| Landlord's Lighting | 307.55 | 19.17 | 58.66 | |
| Lifts | 363.99 | 112.00 | 189.30 | |
| Management Fee | 204.44 | | | |
| Registration of Sublet Fee | 88.99 | | | |
| Annual Management Fee | 204.44 | | | |
| Contribution to Perpetuity Fund- Savoy Wood | 99.76 | | | |
| Enquiry Release Fees | 32.02 | | | |
| Insurance Policy - Key Facts | 11.48 | | | |
| Insurance | 154.66 | | | |
| Interest Free loans administration Fee | 300.00 | | | |
| Lease Extension Fee | 172.29 | | | |
| Mandatory and Discretionary Loan Fee | 141.56 | | | |
| Non Compliance Letters | 49.21 | | | |
| Re-mortgage Fee | 21.37 | | | |
| Sublet - Registration Fee | 88.99 | | | |
| Solicitors Enquires w ithout Insurance | 108.99 | | | |
| Solicitors Enquires w ith Insurance | 149.17 | | | |
| Solicitors additional information | 39.64 | | | |
| Voluntary Charge Fee | 300.00 | | | |

| APPENDIX 2 | | | | |
|--|-----------------|-----------------|-----------------|------------------|
| HOUSING REVENUE ACCOUNT ESTIMATES 2021/22 | | | | |
| HEADING | 2019/20 | 2020/21 | 2020/21 | 2021/22 |
| | Actual | Original | Revised | Estimates |
| | £'000 | £'000 | £'000 | £'000 |
| <u>Expenditure</u> | | | | |
| General Management | 10,908 | 13,958 | 13,890 | 10,295 |
| Special Management | 7,331 | 8,334 | 8,165 | 8,418 |
| Repairs | 10,305 | 11,023 | 11,250 | 11,262 |
| Rents, Rates & Taxes | 85 | 85 | 120 | 87 |
| Supporting People | 5 | 5 | 5 | 5 |
| Provision for Bad Debts | 358 | 240 | 363 | 357 |
| Depreciation | 10,624 | 10,229 | 10,470 | 10,736 |
| Direct Revenue Financing | 0 | 2,198 | 7,247 | 6,559 |
| Debt Management Exp | 6 | 16 | 16 | 17 |
| Capital Charges: | 6,673 | 6,770 | 7,067 | 7,261 |
| Total Expenditure | 46,295 | 52,858 | 58,593 | 54,997 |
| <u>Income</u> | | | | |
| Dwelling Rents | (42,155) | (42,838) | (42,796) | (43,763) |
| Garage Rents | (1,031) | (1,049) | (1,049) | (1,081) |
| Other Rents | (62) | (65) | (65) | (65) |
| Service Charges: Tenants | (1,197) | (1,319) | (1,053) | (1,175) |
| Service Charges: Leaseholders | (1,602) | (2,286) | (2,176) | (2,434) |
| Other Charges for Services | (1,457) | (2,370) | (1,003) | (2,340) |
| Transfers from General Fund | (616) | (626) | (609) | (623) |
| Interest on Revenue Balances | (195) | (63) | (82) | (32) |
| Total Income | (48,315) | (50,616) | (48,834) | (51,513) |
| Balance at 1 April | (13,731) | (6,428) | (15,751) | (5,991) |
| (Surplus) / Deficit for year | (2,020) | 2,242 | 9,760 | 3,483 |
| Balance in hand at 31 March | (15,751) | (4,186) | (5,991) | (2,508) |

REPORT TO: CABINET

DATE: 21 JANUARY 2021

TITLE: CAPITAL AND TREASURY REPORT 2021- 22

PORTFOLIO HOLDER: COUNCILLOR MIKE DANVERS, PORTFOLIO HOLDER FOR RESOURCES

LEAD OFFICERS: SIMON FREEMAN, DEPUTY TO THE CHIEF EXECUTIVE AND HEAD OF FINANCE AND PROPERTY SERVICES (01279) 446228

SENIOR MANAGEMENT BOARD (01279) 446004

CONTRIBUTING OFFICERS: REBECCA KEENE, PRINCIPAL FINANCE MANAGER (01279) 446448

DAVID WORTHINGTON, HRA ACCOUNTANT (01279) 446211

This is a Key Decision

It is on the Forward Plan as Decision Number I011383

The decision is not subject to Call-in Procedures for the following reasons:

The decision stands as a recommendation to Full Council

This decision will affect no ward specifically.

RECOMMENDED that Cabinet recommends to Full Council that:

- A** The following Capital and Treasury Reports be approved:
- i) The Capital Strategy Report (attached as Appendix A to the report).
 - ii) The Capital Programme Strategy Statement 2021/22 (attached as Appendix B to the report).
 - iii) The Investment Strategy Report 2021/22 (attached as Appendix D to the report).
 - iv) The Minimum Revenue Provision Statement 2021/22 (attached as Appendix E to the report).
- B** The proposed revised Treasury Management Strategy Statement 2021/22 (attached as Appendix C to the report) be approved for implementation with effect from 1 April 2021.

REASON FOR DECISION

- A** The Capital Strategy Report 2021/22 (attached as Appendix A to the report) covers the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code 2017, including the prudential indicators. The report should be approved by Full Council before the start of the new financial year.
- B** The Capital Programme Strategy Statement 2021/22 (attached as Appendix B to the report) is provided within this report to provide context for capital investment explained elsewhere. Specifically, for 2021/21, it sets out the Council's programme for building council homes.
- C** The Treasury Management Strategy Statement 2021/22 (attached as Appendix C to the report) covers the requirements of the CIPFA Treasury Management Code of Practice 2017, including the treasury management indicators. .
- D** The Investment Strategy Report 2021/22 (attached as Appendix D to the report) covers the requirements of the Ministry of Housing, Communities and Local Government (MHCLG) Investment Guidance 2018, including the investment indicators.
- E** The Minimum Revenue Provision Statement 2021/22 (attached as Appendix E to the report) covers the requirements of the MHCLG Guidance on Minimum Revenue Provision.

BACKGROUND

1. This report brings together a number of documents in order to comply with new Government (MHCLG) and accountancy professional (CIPFA) guidance.
2. One of the new requirements is the submission of an overarching document, a Capital Strategy Statement, which sets out the Council's longer term plan for capital expenditure, and the way in which it is to be funded. The approval of the Strategy (as set out in Appendix A to the report) is a requirement of Council.
3. To provide further context a medium term strategy for the Capital Programme 2019/20 – 2024/25 is given (as set out in Appendix B to the report) allowing a separate report to this meeting to concentrate on approval of the current and immediate forthcoming year: 'Capital Programmes 2019/20-2020/21'.
4. At the heart of this document are statements governing treasury management, now split into three separate documents (as set out in appendices C, D and E).
5. Treasury management is defined as “the management of the Council'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.”

6. The primary requirements of the current guidance are as follows:
- a) Creation and maintenance of a Treasury Management Policy Statement
 - b) Creation and maintenance of Treasury Management Practices (TMP)
 - c) Receipt of an annual Treasury Management Strategy Statement (TMSS)
 - d) Presentation of a mid-year review of the TMSS and an annual report (stewardship report) to Full Council
 - e) Delegation by the Council for responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions
 - f) Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For the Council the current TMSS specifies the responsibility for the delegated scrutiny role is delegated to the Cabinet Overview Working Group, as well as to the Audit and Standards Committee as may be required
 - g) Submission of an Investment Strategy (as set out in Appendix D to the report)
 - h) Submission of a Minimum Revenue Provision Statement (as set out in Appendix E to the report).

ISSUES/PROPOSALS

- 7. All reports have been prepared in compliance with respective guidance.
- 8. Members are invited to refer/approve these documents as appropriate.

IMPLICATIONS

Environment & Planning (Includes Sustainability)

None specific.

Author: Andrew Bramidge, Head of Environment & Planning

Finance & Property (Includes ICT)

Any specific implications are set out within the report and supporting appendices. The strategies are key documents underpinning key aspects of financial management across the Council which enable sound financial management to be applied and for resources and assets to be protected.

Author: Simon Freeman, Deputy to the Chief Executive and Head of Finance and Property Services

Housing

None specific.

Author: Andrew Murray, Head of Housing

Community Wellbeing (Includes Equalities and Social Inclusion)

None specific.

Author: Jane Greer, Head of Community Wellbeing

Governance (Includes HR)

None specific.

Author: Simon Hill, Head of Governance

Appendices

Appendix A – Capital Strategy Report

Appendix B – Capital Programme Strategy Statement 2021/22

Appendix C – The Treasury Management Strategy Statement 2021/22

Appendix D – The Investment Strategy Report 2021/22

Appendix E – The Minimum Revenue Provision Statement 2021/22

Background Papers

None.

Glossary of terms/abbreviations used

See Appendix C, Annex E for glossary of terms.

Capital Strategy Report 2021/22

Introduction

1. The capital strategy report gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.
2. Decisions made this year on capital and treasury management will have financial consequences for the Council for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.

Capital Expenditure and Financing

3. Capital expenditure is where the Council spends money on assets, such as property or vehicles that will be used for more than one year. In local government this includes, in addition, spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £5,000 are not capitalised and are charged to revenue in year.
4. The Council's policy on capitalisation can be found in the Accounting Policies in the annual Statement of Accounts.
5. In 2021/22, the Council is planning capital expenditure of £44.139 million as summarised in Table 1:

| Table 1 Prudential Indicator - Estimates of Capital Expenditure | | | | | | | |
|--|-------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | Actual 2019/20 £,000 | Revised 2020/21 £,000s | Budget 2021/22 £,000s | Budget 2022/23 £,000s | Budget 2023/24 £,000s | Budget 2024/25 £,000s | Budget 2025/26 £,000s |
| Non Housing Capital Programme | | | | | | | |
| Core Programme | 2,404 | 5,399 | 5,249 | 4,413 | 2,814 | 3,317 | 976 |
| Building Council Homes | 45 | 49 | 4,211 | | | | |
| Enterprise Zone | 5,649 | 8,251 | 3,360 | | | | |
| Prentice Place | 1,887 | 276 | | | | | |
| HTS Equity Share & Loan | | 1,500 | | | | | |
| Future High Street Project | | 1,250 | | | | | |
| Town Regeneration Partnership | | | 5,000 | | | | |
| | | | | | | | |
| Sub Total | 9,985 | 16,725 | 17,820 | 4,413 | 2,814 | 3,317 | 976 |
| Housing Capital Programme | | | | | | | |
| Core Programme | 14,182 | 20,550 | 18,552 | 12,921 | 15,107 | 13,219 | 13,236 |
| House Purchases and New Build | 582 | 13,218 | 7,767 | 7,999 | 3,000 | 3,000 | 1,965 |
| | | | | | | | |
| Sub Total | 14,764 | 33,768 | 26,319 | 20,920 | 18,107 | 16,219 | 15,201 |
| | | | | | | | |
| Total | 24,749 | 50,493 | 44,139 | 25,333 | 20,921 | 19,536 | 16,177 |

6. It can be seen from Table 1 that in 2021/22 a significant element of the Non Housing Capital Programme (NHCP) relates to the ongoing development of Harlow's Enterprise Zone and Science Park. In addition there will be a significant investment in the new Town Regeneration Partnership which will act as catalyst to regenerate the town centre.
7. The Housing Capital Programme (HCP) is split between the core programme such as compliance, lift maintenance and the house purchase and new build projects. In line with business plan assumptions the core programme is financed from the Major Repairs Reserve (MRR), available capital receipts and direct revenue financing. The house purchase and new build programme is financed from right to buy receipts and borrowing.

8. There is a further house building scheme totalling £4.2 million planned to be funded through the Non Housing Capital Programme.
9. Further details of projected capital expenditure are contained in the 'Capital Programme Strategy Statement' (see Appendix B to this Report).

Governance

10. Service Managers commence a process annually in September to bid for projects in the Council's Non Housing Capital Programme. Bids are collated by the Finance Department who calculate the financing costs (which can be nil if the project is fully externally financed) and formulate capital project appraisals. The Deputy to the Chief Executive and Head of Finance & Property Services presents capital proposals to the Senior Management Board (SMB) for review. The review is based on a comparison of corporate priorities and service priorities and considers projected capital costs, financing costs and any resulting ongoing service costs. Recommendations from SMB formalise the Capital Programme for approval by Cabinet and to Full Council in January / February each year.
11. For full details of the Council's latest Capital Programme, see the report entitled 'Capital Programmes 2021/22', which is presented separately in the agenda to Cabinet (21 January 2021) and, upon publication, is available on the Council's website pages.
12. Capital expenditure may only be financed either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, and leasing).
13. The planned financing of the above expenditure is set out in Table 2 as follows:

| Table2 Prudential Indicator - Financing Capital Expenditure | | | | | | | |
|--|-------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | Actual 2019/20 £,000 | Revised 2020/21 £,000s | Budget 2021/22 £,000s | Budget 2022/23 £,000s | Budget 2023/24 £,000s | Budget 2024/25 £,000s | Budget 2025/26 £,000s |
| NHCP | | | | | | | |
| Earmarked Grant Funding | (30) | (20) | (20) | (20) | (20) | | |
| Capital Receipts | (766) | (1,236) | (650) | | | | |
| Ear Marked Capital Reserves | | (152) | (466) | | | | |
| Direct Revenue Financing | (805) | (327) | (362) | (156) | (156) | (150) | (150) |
| Disabled Facilities Grant | (736) | (500) | (500) | (500) | (500) | (500) | (500) |
| Towns Fund - Eastgate Grant | | (1,000) | | | | | |
| SELEP Getting Building Fund Grant | | (200) | (3,360) | | | | |
| Home Renovation Loan repayments | | (5) | (5) | (5) | (5) | (5) | |
| Other contributions | | (35) | | | | | |
| Borrowing requirement | (7,649) | (13,235) | (11,194) | (3,732) | (2,133) | (2,662) | (326) |
| RTB Capital Receipts | | (15) | (1,263) | | | | |
| Sub Total | (9,986) | (16,725) | (17,820) | (4,413) | (2,814) | (3,317) | (976) |
| HCP | | | | | | | |
| RTB Capital Receipts | (207) | (3,965) | (2,330) | (2,400) | (900) | (900) | (590) |
| Other Capital Receipts | (1,688) | (1,030) | (1,257) | (1,200) | (1,200) | (1,200) | (1,200) |
| Major Repairs Reserve | (10,624) | (10,470) | (10,736) | (10,864) | (10,946) | (11,028) | (11,111) |
| Direct Revenue Financing | | (7,247) | (6,559) | (856) | (2,961) | (991) | (925) |
| Other Contributions | (2,244) | | | | | | |
| Borrowing | | (11,056) | (5,437) | (5,600) | (2,100) | (2,100) | (1,375) |
| Sub Total | (14,763) | (33,768) | (26,319) | (20,920) | (18,107) | (16,219) | (15,201) |
| Total | (24,749) | (50,493) | (44,139) | (25,333) | (20,921) | (19,536) | (16,177) |

Borrowing and Capital Financing Requirement

14. Borrowing and leasing is an intermediate source of finance, since loans and leases must be repaid. The 2003 England and Wales Regulations place on local authorities in England and Wales a duty to charge to the revenue account a 'minimum revenue provision' (MRP) which is deemed to be prudent for the repayment of debt'. Set out in Appendix E is the Councils statement on the calculation of MRP and Table 3 shows the estimated MRP over the next five years

| | Actual 2019/20 £,000 | Revised 2020/21 £,000s | Budget 2021/22 £,000s | Budget 2022/23 £,000s | Budget 2023/24 £,000s | Budget 2024/25 £,000s | Budget 2025/26 £,000s |
|---------------------|-------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| General Fund | 459 | 555 | 636 | 662 | 676 | 694 | 695 |

15. The capital financing requirement (CFR) is the Council's cumulative debt outstanding and is split between the HRA and General Fund. The CFR increases with new capital expenditure financed by borrowing and reduces with the repayment of debt. (MRP). The CFR is expected to increase by £24.186 million during 2021/22. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

| | Actual 2019/20 £,000 | Revised 2020/21 £,000s | Budget 2021/22 £,000s | Budget 2022/23 £,000s | Budget 2023/24 £,000s | Budget 2024/25 £,000s | Budget 2025/26 £,000s |
|-------------------------|-------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| General Fund CFR | 62.655 | 75.785 | 86.784 | 90.321 | 92.259 | 94.726 | 94.857 |
| HRA CFR | 187.370 | 198.426 | 203.863 | 209.463 | 211.563 | 213.663 | 215.038 |
| Total CFR | 250.025 | 274.211 | 290.647 | 299.784 | 303.822 | 308.389 | 309.895 |

Asset Management and Non-Housing Capital Receipts

16. The Council has recently reviewed its Asset Management Strategy and has undertaken a detailed stock condition survey of all of its non-housing property assets. The strategy and associated action plan combined with the results of the stock condition survey have been applied to develop a future non housing capital investment programme.
17. The strategy also sets out the intention to dispose or transfer those assets which no longer fulfil an operational, community or commercial objective. This is essential especially where there is a clear investment requirement which would outweigh the long term benefits of undertaking that investment.

18. The objective of the strategy is to recognise the Council’s asset portfolio as a resource which whilst providing operational and community benefits. The Strategy sets out a framework for governance of the portfolio which seeks to achieve greater engagement with users and elected councillors in order to ensure that capital investment decisions are aligned with the agreed corporate priorities as set out in the Council’s Corporate Plan.

Asset disposals:

19. When an asset is no longer required it may be sold and the capital precepts used to repay debt or finance new capital expenditure. The Council plans to receive £300,000 capital receipts in the coming financial year, 2021/22, as shown in Table 5

| | 2019/20 | 2020/21 | 2020/21 | 2021/22 |
|-------------------------------|----------------|-----------------|----------------|------------------|
| Narrative | Actual | Original | Revised | Estimates |
| | £'000 | £'000 | £'000 | £'000 |
| Balance at 1 April | (649) | (649) | (2,155) | (1,919) |
| Non Housing Receipts Received | (2,012) | (250) | (1,000) | (300) |
| Non Housing Receipts Used | 506 | 209 | 1,236 | 650 |
| Balance in hand at 31 March | (2,155) | (690) | (1,919) | (1,569) |
| | | | | |
| | | | | |

20. Further details of projected asset disposals are included in the ‘Capital Programme Statement’ (Appendix B).

Treasury Management

21. Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council’s spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by temporary borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.
22. Due to decisions taken in the past, the Council currently (as at 31 December 2020) has £211.837m borrowing at an average interest rate of 3.31% and £20.445m treasury investments at an average rate of 0.432%.

Borrowing strategy:

23. The Council’s main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore

seeks to strike a balance between low cost short-term loans (currently available at around 0.4%) and long-term fixed rate loans where the future cost is known but higher (currently around to 1.4%). The Council also utilises its ability to “internally borrow” which is very attractive when it has surplus funds available and it is unable to achieve any significant return through its Treasury Management activities with external interest rates for investments being at historic lows.

24. Projected levels of the Council’s total outstanding debt are shown below, compared with the capital financing requirement (see above).

Table 6: Prudential Indicator: Gross Debt and the CFR

| | 31.3.2020 Actual £000 | 31.3.2021 Revised £,000 | 31.3.2022 Budget £,000 | 31.3.2023 Budget £,000 | 31.3.2024 Budget £,000 |
|-------------------------------|--------------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|
| Borrowing | 211.837 | 211.837 | 235.837 | 252.437 | 254.737 |
| Capital Financing Requirement | 250.026 | 274,211 | 290,647 | 299,784 | 303,822 |

- 25 Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 6, the Council expects to comply with this in the medium term

Affordable Borrowing Limit

- 26 The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year and to keep it under review. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit

Table 7: Prudential Indicators: Authorised limit and operational boundary

| | 2020/21 Limit £,000 | 2021/22 Limit £,000 | 2022/23 Limit £,000 | 2023/24 Limit £,000 |
|----------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Authorised limit – borrowing | 301.000 | 315.500 | 320.200 | 325.200 |
| Operational boundary – borrowing | 291.000 | 305.500 | 310.200 | 315.200 |

- 27 Further details on borrowing are given in paragraphs 31 to 42 of the ‘Treasury Management Strategy’ (Appendix C).

Investment strategy:

- 28 Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

29 The Council's policy on treasury investments is to prioritise security and liquidity over yield; that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, which might include bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.

30 Further details on treasury investments are in paragraphs 43 to 66 of the 'Treasury Management Strategy' (Appendix C).

Governance

31 Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Deputy to the Chief Executive and Head of Finance & Property Services and staff, who must act in line with the treasury management strategy approved by Full Council. Half-yearly reports on treasury management activity are presented to Cabinet. The Cabinet Overview Working Group is responsible for scrutinising treasury management decisions.

Investments for Service Purposes

32 The Council makes investments to assist local public services, including making loans to promote economic growth and lending to its subsidiary company, HTS (Property and Environment) Ltd, which provides extensive building maintenance, grounds and environmental maintenance services to the Council. In light of the public service objective, the Council is willing to take more risk than with treasury investments, however it still plans for such investments to, at least, break even after all cost

33 All decisions to date have been made subject to formal reporting and approval by Cabinet. Further details on service investments are in paragraphs 6 to 10 of the 'Appendix D

Commercial Activities

34 With central government financial support for local public services declining, some Councils are investing in commercial property purely or mainly for financial gain. Harlow Council has not followed this course of action to date.

35 New Guidance requires Councils to disclose any property that it holds primarily or partially to generate a profit. Councils are no longer allowed to borrow from the Public Works Loan Board at favourable rates to finance commercial investments.

36 Harlow Council has only four such assets, namely, the golf course, two cottages and a former farmhouse. These generate an income of just under £82,000 a year (see Appendix D, 'Investment Strategy').

37 The Nexus building at the Harlow Enterprise Zone has been completed. This will be a wholly owned asset which will be let to commercial tenants and whilst it will deliver an income stream to the Council a key determinant in the decision to proceed with the building was the regeneration and economic benefits it would bring to Harlow. The Council has been successful in obtaining additional grant funding of £3.6 million to further develop the Enterprise Zone.

Liabilities

38 In addition to debt of £211.837m detailed above, the Council is committed to making future payments to cover its pension fund deficit (valued at £90.200m as at 31 March 2020). It has also set aside £2.533m to cover risks of Business Rates appeals and £5.900m for other minor provisions. The Council is also covers the risk of having to pay for small-value insurance claims for which self-insurance is in place and managed through earmarked reserves.

Governance:

39 Decisions on incurring new discretionary liabilities are taken by Senior Management Board in consultation with the Deputy to the Chief Executive and Head of Finance & Property Services. It is the responsibility of Senior Managers to consult the Deputy to the Chief Executive and Head of Finance & Property Services on any matter liable to affect the Council's finances materially (for values above £50,000). In the event of any substantial liabilities arising during the course of the financial year, these are highlighted in the financial and performance monitoring reports, presented quarterly to Cabinet and onwards to Full Council.

40 Further details guarantees are set out in the Investment Strategy 2021/22 (Appendix D, paragraph 14), whilst further details of contingent liabilities are contained in Note 32 of the Statement of Accounts 2019/20.

Revenue Budget Implications

41 Although capital expenditure is not charged to revenue it does have revenue implications. Both the, interest payable on loans and the repayment of debt (MRP)} is charged to revenue. This is offset by any investment income receivable. The net capital financing charge compared to the net revenue stream i.e. for the General Fund, the amount funded from Council Tax, business rates and general government grants; and for the Housing Revenue Account, predominantly housing rent income. Set out in Table 9 is the prudential indicator which compare the net capital financing charge with the net income stream

Table 9: Proportion of financing costs to net revenue stream

| | 2019/20 Actual £,000 | 2020/21 Revised £.000 | 2021/22 Budget £,000 | 2022/23 Budget £,000 | 2023234 Budget £000 |
|----------------------------------|----------------------------|-----------------------------|----------------------------|----------------------------|---------------------------|
| General Fund | | | | | |
| Financing costs | 0.824 | 1.110 | 1.305 | 1.354 | 1.383 |
| Proportion of net revenue stream | 0.076% | 0.111% | 0.117% | 0.118% | 0.120% |
| HRA | | | | | |
| Financing costs | 6.673 | 7.067 | 7.261 | 7.460 | 7.535 |
| Proportion of net revenue stream | 13.81% | 14.47% | 14.09% | 14.07% | 13.95% |

Sustainability

- 42 Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 50 years into the future. Capital investment decision making is not only about ensuring the initial allocation of capital funds meets the corporate and service priorities but ensuring the asset is fully utilised, sustainable and affordable throughout its whole life, which also includes the affordability of its debt financing costs. In approving the inclusion of schemes and projects within the Capital Programme the Deputy to the Chief Executive and Head of Finance & Property Services will need to have been satisfied that the proposed capital programme is prudent, affordable and sustainable.

Knowledge and Skills

- 43 The Council employs professionally qualified and experienced staff across a range of disciplines including finance, legal and property that follow Continuous Professional Development (CPD). The Council encourages apprenticeships and study programmes for staff with the ambition to achieve a professional qualification.
- 44 Recognising the scale of the Council's staffing, where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers, Wilks Head and Eve LLP as property valuation advisers, as well as other reputable firms of property consultants to support it in assessing the condition of its asset, advising on property transactions and any new developments. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite

- .
- 45 Internal and external training is offered to elected Members to ensure they have up to date knowledge and expertise to understand and challenge capital and treasury decisions taken by the administration, the Strategic Management Board and the Deputy to the Chief Executive and Head of Finance & Property Services.

Capital Programme Strategy Statement 2021/22

Introduction

1. This Appendix sets out the Council’s strategy for financing capital expenditure as part of the Medium Term Financial plan in order to supplement the ‘Capital Strategy Report’ in Appendix A
2. The Capital Programme is divided between a Housing Capital Programme (HCP) and Non Housing Capital Programme (NHCP). Both are then sub-divided between their Core Programmes and specific projects:
3. In the HCP the core programme includes the housing investment programme to maintain dwellings to a decent standard, .compliance testing and lift maintenance. The non-core HCP includes the house purchase and new build schemes’
4. In the NHCP the core programme includes the maintenance of community buildings enhancements to the Civic Centre and environmental projects. The non-core element includes the Enterprise Zone, the contribution to the new regeneration partnership and new builds schemes outside the HRA.

The Housing Capital Programme (HCP)

5. The estimates and funding of the HCP can be summarised in Table 10

| Table 10 HCP 2020/21 to 2025/26 | | | | | | |
|--|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| PROJECT AREA | Revised 2020/21 £,000s | Budget 2021/22 £,000s | Budget 2022/23 £,000s | Budget 2023/24 £,000s | Budget 2024/25 £,000s | Budget 2025/26 £,000s |
| Core Programme | 20,550 | 18,552 | 12,921 | 15,107 | 13,219 | 13,236 |
| House Purchase Scheme | 12,600 | | | | | |
| New Build Programme | 618 | 7,767 | 7,999 | 3,000 | 3,000 | 1,965 |
| TOTAL HCP | 33,768 | 26,319 | 20,920 | 18,107 | 16,219 | 15,201 |
| FUNDED BY:- | | | | | | |
| RTB Capital Receipts | (3,965) | (2,330) | (2,400) | (900) | (900) | (590) |
| Other Capital Receipts | (1,030) | (1,257) | (1,200) | (1,200) | (1,200) | (1,200) |
| Major Repairs Reserve | (10,470) | (10,736) | (10,864) | (10,946) | (11,028) | (11,111) |
| Direct Revenue Financing | (7,247) | (6,559) | (856) | (2,961) | (991) | (925) |
| Borrowing | (11,056) | (5,437) | (5,600) | (2,100) | (2,100) | (1,375) |
| TOTAL FUNDING | (33,768) | (26,319) | (20,920) | (18,107) | (16,219) | (15,201) |

6. The HRA Business Plan, approved by Full Council in January 2020, reflects that the HCP has been prepared in accordance with the following principles.

- a) That the HCP core projects are financed from contributions from the Major Repairs Reserve. Any shortfall will be financed from available housing capital receipts and direct revenue contributions
- b) That the HCP new build projects are financed from retained right to buy receipts and borrowing.

New Build Schemes

7. Set out in Table 11 is a summary of new build schemes included in the HCP

| | | Approved | Revised | | | | | |
|------------------|-----------|---------------|------------|--------------|--------------|--------------|--------------|--------------|
| | No of | Scheme | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 |
| Name of Scheme | Units | Cost | Budget | Budget | Budget | Budget | Budget | Budget |
| | | £,000 | £,000 | £,000 | £,000 | £,000 | £,000 | £,000 |
| The Readings | | | 13 | | | | | |
| Bushey Croft | 16 | 4,140 | 20 | 2,781 | 1,202 | | | |
| Lister House | 46 | 14,000 | 370 | 2,400 | 3,000 | 3,000 | 3,000 | 1965 |
| The Yorkes | 13 | 3,015 | 36 | 1,482 | 1,475 | | | |
| Brenthall Towers | 8 | 2,585 | 38 | 830 | 1,692 | | | |
| Stackfield | 5 | 550 | 40 | 156 | 350 | | | |
| The Hill | 2 | 500 | 101 | 118 | 280 | | | |
| Total | 90 | 24,790 | 618 | 7,767 | 7,999 | 3,000 | 3,000 | 1,965 |
| | | | | | | | | |
| | | | | | | | | |

8. The Readings project was removed from the Capital Programme at the December Cabinet meeting. Details of the progress made on all the other new build projects can be found in the Capital Programmes 2021/22 report. Set out in Table is an analysis of how the new build programme is funded

| PROJECT AREA | Budget 2021/22 £,000s | Budget 2022/23 £,000s | Budget 2023/24 £,000s | Budget 2024/25 £,000s | Budget 2025/26 £,000s |
|----------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| New Build Programme | 7,767 | 7,999 | 3,000 | 3,000 | 1,965 |
| Financed By | | | | | |
| RTB Capital Receipts | (2,330) | (2,400) | (900) | (900) | (590) |
| Borrowing | (5,437) | (5,600) | (2,100) | (2,100) | (1,375) |
| TOTAL FUNDING | (7,767) | (8,000) | (3,000) | (3,000) | (1,965) |

The Non Housing Capital Programme (NHCP)

9. The estimates and funding of the NHCP can be summarised in Table 13

Table 13 NHCP 2020/21 to 2025/26

| PROJECT AREA | Revised 2020/21 £,000s | Budget 2021/22 £,000s | Budget 2022/23 £,000s | Budget 2023/24 £,000s | Budget 2024/25 £,000s | Budget 2025/26 £,000s |
|-----------------------------------|------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Core Programme | 5,399 | 5,249 | 4,413 | 2,814 | 3,317 | 976 |
| Special Projects | 11,277 | 8,360 | 0 | 0 | 0 | 0 |
| General Fund New Build | 49 | 4,211 | 0 | 0 | 0 | 0 |
| TOTAL NHCP | 16,725 | 17,820 | 4,413 | 2,814 | 3,317 | 976 |
| FUNDED BY:- | | | | | | |
| Earmarked Grant Funding | (20) | (20) | (20) | (20) | | |
| Capital Receipts | (1,236) | (650) | | | | |
| Ear Marked Capital Reserves | (152) | (466) | | | | |
| Direct Revenue Financing | (327) | (362) | (156) | (156) | (150) | (150) |
| Disabled Facilities Grant | (500) | (500) | (500) | (500) | (500) | (500) |
| Towns Fund -Eastgate Grant | (1,000) | | | | | |
| SELEP Getting Building Fund Grant | (200) | (3,360) | | | | |
| Home Renovation Loan repayments | (5) | (5) | (5) | (5) | (5) | |
| Other contributions | (35) | 0 | 0 | 0 | 0 | |
| Borrowing requirement | (13,201) | (8,246) | (3,732) | (2,133) | (2,662) | (326) |
| New Build | | | | | | |
| RTB Capital Receipts | (15) | (1,263) | | | | |
| Borrowing requirement | (34) | (2,948) | | | | |
| Total Project Funding | (16,725) | (17,820) | (4,413) | (2,814) | (3,317) | (976) |

10. Financing of the NHCP follows the same principles as the HCP in that the financing of the Elm Hatch new build project will be from retained RTB and borrowing.

11. Part of the NHCP is financed from non- housing capital receipts and Table 14 below shows the estimated availability of those receipts in 2021/22.

| Table 14 Movement in Non Housing Capital Receipts | | | | |
|--|-----------------|-------------------|------------------|--------------------|
| Narrative | 2019/20 | 2020/21 | 2020/21 | 2021/22 |
| | Actual £'000 | Original £'000 | Revised £'000 | Estimates £'000 |
| Balance at 1 April | (649) | (649) | (2,155) | (1,919) |
| Non Housing Receipts Received | (2,012) | (250) | (1,000) | (300) |
| Non Housing Receipts Used | 506 | 209 | 1,236 | 650 |
| Balance in hand at 31 March | (2,155) | (690) | (1,919) | (1,569) |

12. The remaining elements of the NHCP will be financed by Disabled Facilities Grant, direct revenue contributions and borrowing. Excluding the borrowing to finance the Elm Hatch new build project and the £5.0 million contribution to the new Regeneration Partnership the estimated borrowing required to finance the 2021/22 NHCP is £3.246 million .

Treasury Management Strategy Statement 2021/22

Summary of the Report

1. This Treasury Management Strategy Statement (TMSS) sets out the treasury management issues in accordance with proper practice.
2. The Council uses treasury management advisors to help its decision making, keeping officers up to date with economic developments and providing training and support. Arlingclose Limited has been the Council's appointed advisor since December 2012.
3. The UK economy is in an uncertain state as the impacts of the Covid-19 pandemic continue to be felt and the implications of the new trade deal with the European Union begin to be understood.
4. As a steward of public finance, the Council will continue to take all practical steps to protect its investment portfolio. In this respect emphasis remains in this order of priority:
 - **Security:** which includes the following, some of which might appear contradictory:
 - Reducing risk in order to protect the return of capital sums, particularly in relation to the Council's investments;
 - The repayment of the sums invested ; and / or
 - Attempting as far as possible, within the parameters of this document, a total return equal to or higher than the prevailing rate of inflation.
 - **Liquidity:** availability of cash when needed (adequate but not excessive liquidity).
 - **Yield:** a return commensurate with the level of risk.
5. Harlow Council has embarked on a number of major projects which will deplete surplus cash held. It is anticipated that, during 2021/22, the Council will need to undertake external borrowing.

Introduction

6. Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council has 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 financial risk are therefore central to the Council's prudent financial management.

7. Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's 'Treasury Management in the Public Services: Code of Practice 2017 Edition' (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the 'Local Government Act 2003' to have regard to the CIPFA Code.
8. Investments held for service purposes or for commercial profit are considered in a different report, the 'Investment Strategy' (Appendix D).
9. **Interest rate forecast:** The Council's treasury management adviser Arlingclose is forecasting that the Bank Rate will remain at 0.1% until at least the end of 2023.
10. For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 0.4%, and that new long-term loans will be borrowed at an average rate of 3%.

Local Context

11. On 31 December 2020, the Council held £211.837m of borrowing and £20.445m of investments.
12. 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. The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.
13. The Council has an increasing CFR due to the capital programme, but minimal investments and will therefore be required to borrow up to £46.1m over the forecast period.
14. CIPFA's 'Prudential Code for Capital Finance in Local Authorities' recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. The Council expects to comply with this recommendation during 2021/22.

Borrowing Strategy

15. The Council currently holds £211.837m of loans, being the same as the previous year, as part of its strategy for funding previous years' capital programmes. The 2021/22 capital programme indicates that the Council expects to borrow up to £32m in 2021/22. The Council may also borrow

additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £301 million.

16. **Objectives:** The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.
17. **Strategy:** Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it remains likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead. Where longer-term loans are utilised, they will be considered in the context of ensuring interest rates will be adequately balanced by income streams associated with the capital investment being financed.
18. By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal/ short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2021/22 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.
19. The Council has previously raised all of its long-term borrowing from the PWLB. PWLB loans are no longer available to Councils planning to buy investment assets primarily for yield. The Council intends to avoid this activity in order to retain its access to PWLB loans.
20. Alternatively, the Council may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.
21. In addition, the Council may borrow short-term loans to cover unplanned cash flow shortages, although this eventuality is highly unlikely to occur because the spread of investments provides for sufficient cash liquidity to meet forecast cash flows.
22. **Sources of borrowing:** The approved sources of long-term and short-term borrowing are:
 - Public Works Loan Board (PWLB) and any successor body

- any institution approved for investments (see below)
 - any other UK public sector body
 - any other bank or building society authorised to operate in the UK
 - UK public and private sector pension funds (except Essex County Council Pension Fund)
 - capital market bond investors
 - UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues.
23. **Other sources of debt finance:** In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as debt liabilities:
- Leasing
 - Hire purchase
 - Private Finance Initiative
 - Sale and leaseback
24. **Municipal Bonds Agency:** UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to Cabinet and Full Council.
25. **Short-term and variable rate loans:** These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below. Financial derivatives may be used to manage this interest rate risk (see section below).
26. **Debt rescheduling:** The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

Investment Strategy

27. The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £19.5m and £42.4m. The expenditure profile of the Council is changing dramatically which will mean surpluses available for investment will reduce to about £10m.
28. **Objectives:** The CIPFA Code requires the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.
29. **Negative interest rates:** In the event that the Bank of England sets the Bank Rate at or below zero security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.
30. **Strategy:** Given the increasing risk and very low returns from short-term unsecured bank investments, the Council will retain diversification into more secure and/or higher yielding asset classes during 2021/22 where cash is identified as available for longer-term investment. This diversification will represent a continuation of the current strategy.
31. **Approved counterparties:** The Council may invest its surplus funds with any of the counterparty types in table 3 below, subject to the cash limits (per counterparty) and the time limits shown.
32. With reduce cash surpluses anticipated to be available, the cash limits assume an investment portfolio between £10m and £20m.
33. Harlow Council's typical day-to-day investments are with local authorities for up to one year.

Table 3: Approved investment counterparties and limits

| Credit rating | Banks unsecured | Banks secured | Government | Corporates | Registered Providers |
|---|-------------------|-----------------------|-------------------------------|--------------------|----------------------|
| UK Govt | n/a | n/a | £ Unlimited 50 years | n/a | n/a |
| AAA | £1m 5 years | £2m 20 years | £2m 50 years | £1m 20 years | £1m 20 years |
| AA+ | £1m 5 years | £2m 10 years | £2m 25 years | £1m 10 years | £1m 10 years |
| AA | £1m 4 years | £2m 5 years | £2m 15 years | £1m 5 years | £1m 10 years |
| AA- | £1m 3 years | £2m 4 years | £2m 10 years | £1m 4 years | £1m 10 years |
| A+ | £1m 2 years | £2m 3 years | £1m 5 years | £1m 3 years | £1m 5 years |
| A | £1m 13 months | £2m 2 years | £1m 5 years | £1m 2 years | £1m 5 years |
| A- | £1m 6 months | £2m 13 months | £1m 5 years | £1m 13 months | £1m 5 years |
| None | £0.5m 6 months | n/a | £2m 25 years | £50,000 5 years | £1m 5 years |
| Pooled funds and real estate investment trusts | | £4m per fund or trust | | | |

This table must be read in conjunction with the notes below

34. **Credit rating:** Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.
35. **Banks unsecured:** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.
36. **Banks secured:** Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

37. **Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Central Government may, in principle, be made in unlimited amounts for up to 50 years, although tying up the Council's cashflow for such an extensive period is particularly unlikely and an unforeseen occurrence.
38. **Local Authorities:** The Council's day-to-day investment transactions have moved more towards investments with other local authorities rather than banks. Councils have a legal duty to pass a balanced budget, have revenue raising powers, and a lender of last resort in the form of the Public Works Loan Board. In unusual circumstances, the lender is able to recoup the principal sum lent under the Local Government Act 2003, sections 6 and 13. In spite of continued reductions in central government funding, making the setting of budgets and budget monitoring even more challenging, the risk of default remains very low. Where a Council issues a notice under Section 114(3) of the Local Government Finance Act 1988 – as is currently the case with Northamptonshire County Council – then section 115(6) of the Act prevents local authority lending. The local government community is becoming more concerned about some entering into a new field of excessive commercial activity. This Council will exercise a degree of caution and will not lend where it feels the risk is too great. The Council may consider using an investment platform (iDealTrade) which contains qualitative information about borrowers.
39. **Corporates:** Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made either following an external credit assessment or to a maximum of £50,000 per company as part of a diversified pool in order to spread the risk widely.
40. **Registered providers:** Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing and registered social landlords, formerly known as housing associations. These bodies are tightly regulated by the Regulator of Social Housing (in England). As providers of public services, they retain the likelihood of receiving government support if needed.
41. **Pooled funds:** Shares or units in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

42. Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.
43. **Operational bank accounts:** The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £4m (except over the Christmas period, defined as 20 December to 4 January inclusive when the limit will be £6m). The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.
44. **Risk assessment and credit ratings:** Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made,
 - any existing investments that can be recalled or sold at no cost will be, and
 - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
45. Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.
46. **Other information on the security of investments:** The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No

investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

47. When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.
48. **Investment limits:** The maximum that will be lent to any one organisation (other than the UK Government) will be £4m. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.
49. The cash limits assume an investment portfolio between £10m and £20m. If, as anticipated, the cash holding falls to £12.2m then the approved investment limits will be reduced accordingly on instruction to officers by the Deputy to the Chief Executive and Head of Finance & Property Services.

Table 4: Investment limits

| | Cash limit |
|---|-------------------|
| Any single organisation, except the UK Central Government | £2m each |
| UK Central Government | unlimited |
| Any group of organisations under the same ownership | £2m per group |
| Any group of pooled funds under the same management | £5m per manager |
| Negotiable instruments held in a broker's nominee account | £5m per broker |
| Foreign countries | £2m per country |
| Registered providers and registered social landlords | £5m in total |
| Unsecured investments with building societies | £2m in total |
| Loans to unrated corporates | £2m in total |
| Money market funds | £20m in total |
| Real estate investment trusts | £5m in total |

50. **Liquidity management:** The Council uses a purpose-built cash flow forecasting spreadsheet to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium-term financial plan and cash flow forecast.

Treasury Management Indicators

51. The Council measures and manages its exposures to treasury management risks using the following indicators.
52. **Interest rate exposures:** This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

| Interest rate risk indicator | Limit |
|--|----------|
| Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates | £113,641 |
| Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates | £113,641 |

53. The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates.
54. **Maturity structure of borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

| Refinancing rate risk indicator | Upper limit | Lower limit |
|---------------------------------|-------------|-------------|
| Under 12 months | 25% | 0% |
| 12 months and within 24 months | 50% | 0% |
| 24 months and within 5 years | 100% | 0% |
| 5 years and within 10 years | 100% | 0% |
| 10 years and above | 100% | 0% |

55. 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.
56. **Principal sums invested for periods longer than a year:** The purpose of this indicator is to control the Council'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 will be:

| Price risk indicator | 2021/22 | 2022/23 | 2023/24 |
|---|---------|---------|---------|
| Limit on principal invested beyond year end | £5m | £5m | £5m |

Related Matters

57. The CIPFA Code requires the Council to include the following in its treasury management strategy.
58. **Policy on apportioning interest to the Housing Revenue Account:** On 1 April 2012, the Council notionally split each of its existing long-term loans into General Fund and HRA pools. In the future, new long-term loans borrowed will be assigned in their entirety to one pool or the other. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account. Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured each month and interest transferred between the General Fund and HRA at the Council's average interest rate on investments, adjusted for credit risk.
59. **Policy on the use of Financial Derivatives:** Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the 'Localism Act 2011' removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

60. The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.
61. Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.
62. In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.
63. **Markets in Financial Instruments Directive:** The Council has opted up to professional client status with its providers of financial services, including advisers, brokers and fund managers, allowing it access to a smaller range of services but with the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Deputy to the Chief Executive and Head of Finance & Property Services believes this to be the most appropriate status.

Financial Implications

64. The budget for investment income in 2020/21 is £149,000, based on an average investment portfolio of £21 million at an interest rate of 0.34%. The budget for debt interest paid in 2021/22 is £7.729 million, based on an average debt portfolio of £235.837 million at an average interest rate of 3.31%. If actual levels of investments and borrowing, or actual interest rates, differ from those forecast, performance against budget will be correspondingly different.

Other Options Considered

65. The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Deputy to the Chief Executive and Head of Finance & Property, having consulted the Portfolio Holder (Resources), believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

| Alternative | Impact on income and expenditure | Impact on risk management |
|---|--|---|
| Invest in a narrower range of counterparties and/or for shorter times | Interest income will be lower | Lower chance of losses from credit related defaults, but any such losses may be greater |
| Invest in a wider range of counterparties and/or for longer times | Interest income will be higher | Increased risk of losses from credit related defaults, but any such losses may be smaller |
| Borrow additional sums at long-term fixed interest rates | Debt interest costs will rise; this is unlikely to be offset by higher investment income | Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain |
| Borrow short-term or variable loans instead of long-term fixed rates | Debt interest costs will initially be lower | Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain |
| Reduce level of borrowing | Saving on debt interest is likely to exceed lost investment income | Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain |

Annex A

Glossary of Terms and Definitions

Bank Rate:

The term 'Bank Rate' is 'the official Bank Rate paid on commercial bank reserves', i.e. reserves placed by commercial banks with the Bank of England as part of the Bank's operations to reduce volatility in short term interest rates in the money markets. Previously referred to as "repo rate" this term has been replaced as a result of the change in terminology used by the Bank of England as from May 2006

Base Rate:

The term Base Rate refers to the rate which is set by each high street bank; it is the key foundational rate on which they each base all their various lending rates to customers. It is normally set at the same rate as the Bank Rate (q.v.) and changes in line with, and very soon after changes in Bank Rate.

BRRD: 'Bank Recovery and Resolution Directive'

CD: see 'Certificate of deposit'.

CDS: see 'Credit Default Swaps'

CFR: see 'Capital Financing Requirement'

CP: see 'Commercial paper'.

CRA: see 'Credit Rating Agency'.

Call Account: 'Call account' is a bank deposit where funds can be withdrawn at any time.

Callable Deposit

Placing a deposit with a bank or building society at a set rate for a set amount of time. However, the borrower has the right to repay the funds on pre agreed dates before maturity. This decision is based upon how market rates have moved since the deal was agreed. If rates have fallen, the likelihood of the deposit being repaid rises, as cheaper money can be found by the borrower.

Capital Financing Requirement

The Capital Financing Requirement reflects the Council's underlying need to borrow for capital purposes. Thus, if new capital expenditure is incurred and not financed from sources other than by borrowing, the CFR will increase by the amount of that expenditure. Borrowing, up to the value of the CFR, may be either from internal cash balances or externally, such as from the Public Works Loan Board (q.v.).

Certificate of Deposit

A certificate of deposit is an unsecured investment issued by a bank or building society which is a fixed deposit, giving a guaranteed interest return. These differ from term deposits in that the lender is not obliged to hold the investment through to maturity and may realise the cash by selling the CD into an active secondary market. This may be useful in instances where the counterparty receives a downgraded credit rating, or the investor encounters an unexpected cashflow issue. CDs are obtained through specialist brokers who deal through the primary and secondary market. CDs offer liquidity and greater access to counterparties who do not trade in term deposits.

CIPFA: Chartered Institute of Public Finance and Accountancy.

CIPFA Treasury Management Code of Practice

This represents official practitioners' guidance, which is produced by CIPFA. The government expects Councils and other public service authorities to adopt and comply with the code. The recommendations made in the Code provide a basis for all these public service organisations to create clear treasury management objectives and to structure and maintain sound treasury management policies and practices.

CLG: Department of Communities and Local Government.

Commercial Paper

Short-term obligations with maturities ranging from 2 to 270 days issued by banks, corporations and other borrowers. Such instruments are unsecured and usually discounted, although some may be interest bearing.

Corporate Bond

Strictly speaking, corporate bonds are those issued by companies. However, the term is used to cover all bonds other than those issued by governments in their own currencies and includes issues by companies, supranational organisations and government agencies

Counterparty

A counterparty is a party with which a transaction is done.

CPI: Consumer Prices Index

Credit Default Swaps

A CDS is a contract between two counterparties in which the buyer of the contract makes quarterly payments to the seller of the contract in exchange for a payoff if there is a credit event (e.g. default) of the reference entity (i.e. the third party on whom the contract is based). The contract essentially provides a means of insurance to the buyer of the CDS against default by a borrower. The "spread" (effectively the premium paid by the CDS buyer) provides an indication of the perceived risk of a default occurring.

Credit Rating

A credit rating is an estimate of the quality of a debt from the lender viewpoint in terms of the likelihood of interest and capital not being paid and of the extent to which the lender is protected in the event of default.

An individual, a firm or a government with a good credit rating can borrow money from financial institutions more easily and cheaply than those who have a bad credit rating.

Credit Ratings are evaluated by Credit Rating agencies (q.v.).

Credit rating agency

'Credit rating agency', or 'rating agency', or CRA, is a firm that issues opinions on companies' ability to pay back their bonds. These opinions are often abbreviated on an alphanumeric scale ranging from AAA to C (or equivalent). The three CRAs used by the Council are Fitch, Moody's and Standard and Poor's.

DMADF: see 'Debt Management Agency Deposit Facility'

DMO: see 'Debt Management Office'

Dealing

Is the process of carrying out transactions with a counterparty (q.v.), including agreeing the terms of an investment. This is usually conducted through a broker.

Debt Management Agency Deposit Facility

Deposit Account offered by the Debt Management Office (q.v.), guaranteed by the UK government.

Debt Management Office

The Debt Management Office (DMO) is an executive agency of HM Treasury responsible for carrying out the government's debt management policy and managing the aggregate cash needs of the Exchequer. It is also responsible for lending to local authorities and managing certain public sector funds.

Derivative

A contract whose value is based on the performance of an underlying financial asset, index or other investment. e.g. an option is a derivative because its value changes in relation to the performance of an underlying stock.

ECB: European Central Bank

Equity

A share in a company with limited liability. It generally enables the holder to share in the profitability of the company through dividend payments and capital gain.

EU: European Union

Fed: The Federal Reserve (US)

FLS: Funding for Lending Scheme

Floating Rate Notes

Bonds on which the rate of interest is established periodically with reference to short-term interest rates

Forward Deal

The act of agreeing today to deposit funds with an institution for an agreed time limit, on an agreed future date, at an agreed rate.

Forward Deposits: see 'forward deal'

Fund Manager

The individual responsible for making decisions related to any portfolio of investments in accordance with the stated goals of the fund.

GDP: Gross Domestic Product

Gilt

Registered British government securities giving the investor an absolute commitment from the government to honour the debt that those securities represent.

Gilt Funds

Pooled fund investing in bonds guaranteed by the UK government.

HRA: Housing Revenue Account

HRACFR: Housing Revenue Account Capital Financing Requirement

iTraxx benchmark

A group of international credit derivative indexes that are monitored by the International Index Company (IIC). The credit derivatives market that iTraxx provides allows parties to

transfer the risk and return of underlying assets from one party to another without actually transferring the assets. iTraxx indexes cover credit derivatives markets in Europe, Asia and Australia.

Lender Option Borrower Option

'Lender Option Borrower Option' (LOBO) is a floating rate instrument which allows the lender to designate an adjustment rate at periodic reset dates and lets the borrower decide whether to pay the rate or redeem the bond.

Liquidity

Liquidity refers to an asset that can be turned into cash or the ability to quickly sell or buy an asset

LIBID: see 'London Interbank Bid Rate'

LIBOR: see 'London Interbank Offer Rate'

LOBO: see 'Lender Option Borrower Option'

London Interbank Bid Rate

The 'London Interbank Bid Rate' (LIBID) is the rate of interest at which first-class banks in London will bid for deposit funds. Often used as a benchmark for deposit rates. LIBID is not fixed in the same way as LIBOR (q.v.), but is typically one-sixteenth to one-eighth of a per cent below LIBOR.

London Interbank Offer Rate

'London Interbank Offer Rate' (LIBOR) is the interest rate which banks pay when lending to each other. It is calculated at a specified time each day and based on what it would cost a panel of banks to borrow funds for various periods of time and in various currencies. It then creates an average of the individual banks' figures.

Markets in Financial Instruments Directive II

New client classification rules were introduced from 3 January 2018 as a result of the UK's implementation of the second Markets in Financial Instruments Directive (MiFID II). Local authorities were transferred to 'client status' unless it requested to institutions to continue to be treated as a professional client in respect of all the regulated financial services that are provided.

MHCLG: Ministry of Housing, Communities and Local Government

MiFID II: see Markets in Financial Instruments Directive II

MMF: see 'Money Market Fund'

Money Market Fund

Money Market Funds are mutual funds that invest in short-term debt instruments. They provide the benefits of pooled investment, as investors can participate in a more diverse and high-quality portfolio than they otherwise could individually. Like other mutual funds, each investor who invests in a money market fund is considered a shareholder of the investment pool, a part owner of the fund. Money market funds are actively managed within rigid and transparent guidelines to offer safety of principal, liquidity and competitive sector-related returns. It is very similar to a unit trust, however, in a MMF equities are replaced by cash instruments. Returns are typically around 1 month LIBID (q.v.), and the average maturity is generally below 60 days.

MPC: Monetary Policy Committee

MRP: Minimum Revenue Provision, for the repayment of debt.

Open Ended Investment Companies (OEIC)

Investment funds that partly resemble an investment trust and partly a unit trust. Like investment trusts, they issue shares on the London Stock Exchange and invest money raised from shareholders in other companies. The term open-ended means that when demand for the shares rises the fund manager just issues more shares, instead of there being a rise in the share price. The price of OEIC shares is determined by the value of the underlying assets of the fund.

Other Bond Funds

Pooled funds investing in a wide range of bonds.

PWLB: see 'Public Works Loan Board'

Programme of Development

The balance of Programme of Development funding (POD) represents monies received from Central Government for regeneration in the east of England, and is held by the Council on behalf of a Partnership comprising local councils and partners from the third and private sectors. The funding was received after a series of successful bids by the Partnership.

Public Works Loan Board

The Public Works Loan Board (PWLB) is a UK Government statutory body whose function is to lend money from the National Loans Fund to Councils and other public bodies and to collect the repayments.

Rating Agency: see 'Credit Rating Agency'

Repo: see 'Repurchase Agreement'

Repurchase Agreement

'Repurchase agreement', or repo, is a contract where the seller of certain securities agrees to buy them back from the purchaser at a specified time for an agreed price.

Reverse Gilt Repo

This is a transaction as seen from the point of view of the party which is buying the gilts. In this case, one party buys gilts from the other and, at the same time and as part of the same transaction, commits to resell equivalent gilts on a specified future date, or at call, at a specified price.

Sovereign Issues (Ex UK Gilts)

Bonds issued or guaranteed by nation states, but excluding UK government bonds.

Supranational Bonds

Bonds issued by supranational bodies, e.g. European Investment Bank. These bonds – now known as Multilateral Development Bank bonds – are generally AAA rated and behave similarly to gilts, but pay a higher yield ("spread") given their relative illiquidity when compared with gilts.

T-bills: see 'Treasury Bills'.

Term Deposit

(or 'Time deposit') is a generic term for a bank deposit where funds cannot be withdrawn for a fixed period of time. The lender receives a fixed rate of interest. These are unsecured investments and place the lender at risk of bail-in should this occur during the term of the investment.

Time Deposit: see 'Term Deposit'

Treasury Bills

Treasury bills are a AAA/AA+ rated, short-dated form of Government debt, issued by the Debt Management Office (q.v.), via a weekly tender, on a Friday. Lenders would use the services of a specialist broker to access the market. These usually have a maturity of one, three or six months and provide a return to the investor by virtue of being issued at a discount to their final redemption value. There is also an active secondary market for T-bills which means that lending may be available for a range of dates. Interest rates tend to be higher than the DMADF (q.v.).

Treasury Management Strategy

This is the Council's overall policy and framework by which it will carry out that policy in relation to its borrowing and investment needs in the coming financial year.

Treasury Management Policy Statement

This is the Council's statement of intention in respect of its treasury management. It is prescribed by the CIPFA Treasury Management Code of Practice (q.v.).

Variable Rate Asset Value

'Variable Rate Asset Value' (VNAV) occurs where the net asset value, or principal sum, invested may change depending on trading conditions. The value is calculated at the end of the business day based on the value of investments less any liabilities divided by the number of shares outstanding. With investments carrying this attribute, the capital sum invested may not be equal to the capital sum repaid.

VNAV: see 'Variable Net Asset Value'.

Weighted Average Maturity

'Weighted average maturity', or WAM, is used to measure interest rate risk. WAM is calculated by taking the maturity of the underlying money market instruments held by the fund, weighted according to the relative holdings per instrument.

Investment Strategy Report 2021/22

Introduction

1. The Council invests its money for three broad purposes:
 - because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
 - to support local public services by lending to other organisations (**service investments**), and
 - to earn investment income (known as **commercial investments** where this is the main purpose).
2. This investment strategy meets the requirements of statutory guidance issued by the government in January 2018, and focuses on the second and third of these categories.

Service Investments: Loans

3. **Contribution:** The Council lends money to its subsidiary and a local business, to support local public services and stimulate local economic growth.
4. HTS (Property and Environment) Ltd is a wholly owned subsidiary of Harlow Council which began trading on 1 February 2017. The Council provided a start-up loan to the business of £1.209m repayable over five years, two months, approved on 21 July 2016. The balance outstanding as at 31 March 2019 was £0.468m. The company is also in the process of replacing plant and equipment for which the Cabinet has agreed a further loan of £670,000 likely to be drawn down before 31 March 2021
5. HTS (Housing & Property) Ltd is a wholly Owned subsidiary of Harlow Council and has been provided with Loans of £1,011,000 to enable the acquisition of Property for rent, These loans are repayable over a 40 year period on a commercial interest basis set at 4% per annum. These loans were advance during the period October to December 2020
6. Harlow Property Limited was provided with two loans to support the development of a part of the Harlow Enterprise Zone, approved on 23 January 2014. The amounts loaned were £1m on 15 March 2016 and a further £1.5m on 3 March 2017. Interest accrues on these loans. The total outstanding as at 31 March 2020 was £2.935m.

7. **Security:** The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Council, upper limits on the outstanding loans to each category of borrower have been set as follows:

Table 1: Loans for service purposes in £ millions

| Category of borrower | 31.3.2020 Actual | | | 2021/22 |
|----------------------|------------------|----------------|------------------------|----------------|
| | Balance owing | Loss allowance | Net figure in accounts | Approved Limit |
| Subsidiaries HTS P&E | 0.468 | - | 0.468 | 0.234 |
| Subsidiaries VPFE | 0 | - | 0 | 0.670 |
| Subsidiaries HTS H&P | 0 | - | 0 | 1.007 |
| Local businesses | 2.935 | - | 2.935 | 3.220 |
| Local residents | 0.021 | - | 0.021 | 0.100 |
| | | | | |
| TOTAL | 3.424 | - | 3.424 | 5.231 |

Accounting standards require the Council to set aside loss allowance for loans, reflecting the likelihood of non-payment. The Council considers that this loss should be zero because, (1) + (2) + (3) HTS is the sole shareholder of the Council; (4) HPL loans are a charge secured against property which considerably exceeds the value of the loan.

8.

Service Investment Equity

9. The Council has acquired 450,000 £1 shares in HTS (Housing & Property) Ltd. The Investment is to enable HTS (H&P) Ltd to provide rented accommodation within the Harlow District.
10. The Council is to provide a £5 million contribution during 2021-22 to the Town Centre limited liability partnership. This is a partnership with private developers to help stimulate private sector investment and regenerate the town centre

Commercial Investments: Property

11. The Ministry of Housing, Communities and Local Government (MHCLG) defines property to be an investment if it is held primarily or partially to generate a profit.
12. **Contribution:** The Council has historically held nine commercial and residential properties with the intention of making a profit that will be spent on

local public services. These include a Golf Club, and three other properties. Annual income from all these assets is about £81,980.

Table 2: Property held for investment purposes in £ millions

| Property | Actual | 31.3.2020 Actual | | 31.3.2021 expected | |
|---------------------|--------------|-------------------|-------------------|--------------------|-------------------|
| | Value | Gains or (losses) | Value in accounts | Gains or (losses) | Value in accounts |
| Golf Club | 0.782 | - | 0.782 | - | 0.782 |
| Stewards Farm | 0.322 | - | 0.322 | - | 0.322 |
| Barrow Farm Cottage | 0.153 | - | 0.153 | - | 0.153 |
| Canons Cottage | 0.116 | - | 0.116 | - | 0.116 |
| TOTAL | 1.373 | - | 1.373 | - | 1.373 |

Loan Commitments and Financial Guarantees

13. Although not strictly counted as investments, since no money has exchanged hands yet, loan commitments and financial guarantees carry similar risks to the Council and are included here for completeness.
14. In 1987 and 1992 the Council agreed to undertake joint liability with a number of other local authorities to guarantee loans of £66.3 million and £17.3 million to Home Housing Association (previously called North Housing Association) in support of their private initiative for the provision of housing in Harlow and surrounding authorities. The guarantee is for a 50-year period ending 2037. The Council's proportion of the total liability is £4.5 million. The Council considers that the probability of the guarantee being called upon is low.

Capacity, Skills and Culture

15. **Elected members and statutory officers:** Strategic investment decisions are subject to the advice from officers or treasury management advisors. Elected members are also invited to formal or informal training. The process is subject to scrutiny through the Overview Working Group, Cabinet and Full Council.

Investment Indicators

16. The Council has set the following quantitative indicators to allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions.

17. **Total risk exposure:** The first indicator shows the Council's total exposure to potential investment losses. This includes amounts the Council is contractually committed to lend but have yet to be drawn down and guarantees the Council has issued over third party loans.

Table 3: Total investment exposure in £millions

| Total investment exposure | 31.03.2020 Actual | 31.03.2021 Forecast | 31.03.2022 Forecast |
|-------------------------------------|------------------------------|--------------------------------|--------------------------------|
| Treasury management investments | 26,135 | 20.445 | 15.500 |
| Service investments: Loans | 3.424 | 5.005 | 4.907 |
| Service investments: HTS H&P Shares | - | .450 | .450 |
| Service Investment TC LLP | - | - | 5.000 |
| Commercial investments: Property | 1.373 | 1.373 | 1.373 |
| TOTAL INVESTMENTS | 30.932 | 27.273 | 27.230 |

18. **How investments are funded:** Government guidance is that these indicators should include how investments are funded. Since the Council does not normally associate particular assets with particular liabilities, this guidance is difficult to comply with. However, the following investments could be described as being funded by borrowing. The remainder of the Council's investments are funded by usable reserves and income received in advance of expenditure.

Table 4: Investments funded by borrowing in £millions

| Investments funded by borrowing | 31.03.2020 Actual | 31.03.2021 Forecast | 31.03.2022 Forecast |
|--|------------------------------|--------------------------------|--------------------------------|
| Town Centre LLP | - | - | 5.000 |
| Treasury management investments | Nil | Nil | Nil |
| TOTAL FUNDED BY BORROWING | Nil | Nil | Nil |

19. **Rate of return received:** This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Table 5: Investment rate of return (net of all costs)

| Investments net rate of return | 2019/20 Actual | 2020/21 Forecast | 2021/22 Forecast |
|---------------------------------------|---------------------------|-----------------------------|-----------------------------|
| Treasury management investments | 0.83% | 0.43% | 0.34% |
| Service investments: Loans | 4.69% | 4.52% | 4.51% |
| Commercial investments: Property | 6.0% | 6.0% | 6.0% |

Minimum Revenue Provision Statement 2021/22

1. Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The 'Local Government Act 2003' requires the Council to have regard to the Ministry of Housing, Communities and Local Government's 'Guidance on Minimum Revenue Provision' (the MHCLG Guidance), with revisions relating to MRP most recently issued in 2018.
2. The broad aim of the MHCLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.
3. The MHCLG Guidance requires the Council to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance.
4. For capital expenditure incurred before 1 April 2008, and for supported capital expenditure incurred on or after that date, MRP will be determined in accordance with the former regulations that applied on 31 March 2008. For Harlow Council, the adjusted Capital Financing Requirement upon which the MRP is calculated is negative in each year prior to April 2008. The MRP on this portion of CFR is therefore zero. (*Option 1 in England & Wales*)
5. For unsupported capital expenditure incurred after 31 March 2008, with the exception of pump-priming economic development (defined below), MRP will be determined by charging the expenditure over the expected useful life of the relevant asset in equal instalments, starting in the year after the asset becomes operational. (*Option 3, the "Asset Life method", in England and Wales*)
6. Economic development is defined as the following capital expenditure projects: Prentice Place and the Enterprise Zone.
7. For assets acquired by finance leases, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.
8. Minimum Revenue Provision will not be made in relation to the following specific circumstances:

- Capitalised loan advances to other organisations or individuals. Instead of MRP, the capital receipts arising from the capitalised loan repayments will be used as provision to repay debt. However, revenue MRP contributions would still be required equal to the amount of any impairment of the loan advanced.
 - Any capital investment made in projects aligned with Harlow's Enterprise Zone where third party funding is guaranteed to meet the costs of that investment (repayment of debt principal and interest) and borrowing has been aligned with the life of the designated enterprise zone.
 - Any capital investment made in regeneration projects where those projects are deemed to be viable including the financing and repayment of any associated debt.
 - The Housing Revenue Account (HRA) is not subject to a statutory requirement to make a minimum revenue provision payment, and is not currently doing so.
9. Capital expenditure incurred during 2020/21 will not be subject to a MRP charge until 2021/22.
10. Based on the Council's latest estimate of its Capital Financing Requirement (CFR) on 31 March 2020, the budget for MRP has been set as follows:

| | 31.03.2020 Estimated CFR £m | 2020/21 Estimated MRP £ |
|---------------------------------------|-----------------------------------|-------------------------------|
| Capital expenditure before 01.04.2008 | 5.455 | 0 |
| Capital expenditure after 31.03.2008 | 57.799 | 305,000 |
| Total General Fund | 63.254 | 305,000 |
| Assets in the Housing Revenue Account | 187.370 | 0 |
| Total Housing Revenue Account | 187.370 | 0 |
| Total | 250.624 | 305,000 |

REPORT TO: CABINET

DATE: 21 JANUARY 2021

TITLE: CAPITAL PROGRAMMES 2020/22 – 2022/23

PORTFOLIO HOLDERS: COUNCILLOR MIKE DANVERS, PORTFOLIO
HOLDER FOR RESOURCES

COUNCILLOR MARK WILKINSON, PORTFOLIO
HOLDER FOR HOUSING

LEAD OFFICERS: SIMON FREEMAN, DEPUTY TO THE CHIEF
EXECUTIVE AND HEAD OF FINANCE AND
PROPERTY SERVICES (01279) 446228

ANDREW MURRAY, HEAD OF HOUSING (01279)
446676

SENIOR MANAGEMENT BOARD (01279) 446004

CONTRIBUTING OFFICERS: DAVID WORTHINGTON, HRA ACCOUNTANT
(01279) 446211

This is a Key Decision

It is on the Forward Plan as Decision Number I011384

The decision is not subject to Call-in Procedures for the following reasons:

The decision stands as a recommendation to Full Council

This decision will affect no ward specifically.

RECOMMENDED that Cabinet recommends to Full Council that it approves:

- A** The Housing Capital Programme (HCP) 2021/22 as set out in Appendix 1 to the report
- B** The inclusion in the Non Housing Capital Programme (NHCP) of an additional provision of £618,000 to finance the Town Wide Paddling Pools and Staple Tye Splash Park improvements. Consequently the 2020/21 revised budget will increase by £152,000 and the 2021/22 estimates by £466,000.
- C** The inclusion in the NHCP a provision of £3.56 million for additional capital expenditure at the Enterprise Zone funded by grant from the South East Local Enterprise Partnership (SELEP) Getting Building Fund. Consequently the 2020/21 revised budget will increase by £200,000 and the 2021/22 estimates by £3.36 million.
- D** The NHCP bids for £5.57 million additional investment in 2021/22 as set out in Table 10 of the report.

E The NHCP 2021/22 as set out in Appendix 2 to the report.

REASON FOR DECISION

A Approval of the Capital Programme is the responsibility reserved for the Full Council and reflects its investment priorities and health and safety obligations. This is necessary because the approved programme gives authority for the procurement and resourcing of individual projects so that the investment priorities can be delivered.

BACKGROUND

1. In January 2020, the Council approved the 2020/21 HCP and NHCP together with the 2019/20 to 2024/25 Medium Term Financial Strategy and the 30 year Housing Revenue Account (HRA) business plan.
2. In December 2020, the 2020/21 HCP and NHCP were reviewed and Cabinet approved a number of additions, deletions and re-profiling to both programmes

Housing Capital Programme (HCP)

3. The HCP has been prepared in conjunction with the updated Housing Asset Management Plan (AMP) and the HRA Business Plan 2020-2049.
4. The AMP is compiled from the stock condition survey which identifies the capital expenditure required to maintain the housing stock over the next 30 years. The expenditure is broken down over individual; components such as lift replacement and forms the core capital programme
5. The HRA Business Plan, approved by Full Council in January 2020, reflects that the HCP has been prepared in accordance with the following principles.
 - a) That the HCP core projects are financed from contributions from the Major Repairs Reserve. Any shortfall will be financed from available housing capital receipts and direct revenue contributions
 - b) That the HCP new build projects are financed from retained right to buy receipts and borrowing.

HCP Revised 2020/21

6. Set out in Table 1 below is a summary of the changes approved by Cabinet in December 2020

| Budget Stage | Budget £,000 | Date Approved |
|---|-------------------------|--------------------------|
| Current Budget 2020/21 | 48,642 | 03/12/2020 |
| Quarter 2 - Approved Carryovers into 2021/22 | (15,369) | 03/12/2020 |
| Quarter 2 - Removal of The Readings New Build Project | (1,305) | 03/12/2020 |
| Quarter 2 - Add Joyners Field Towers Cladding Works | 1,800 | 03/12/2020 |
| Revised Budget 2020/21 | 33,768 | |

7. It can be seen from Table 1 that the Covid-19 pandemic is having a significant impact on the delivery of the 2020/21 HCP, with a requirement to re-profile £15.369 million of the 2020/21 programme in to future years, of which £11.4 million results from the impact on the new build programme and £4 million relates to the core housing repair programme.
8. The HCP requires continued investment in Council dwellings to maintain decent homes standard. However, the Housing Investment Programme (HIP) has been updated to recognise changes required by fire, health and safety regulations. As a consequence of these changes additional cladding works at Joyners Field Towers was added to the HCP in December. This work will be largely funded from the additional £1.5 million headroom created in the HRA Working Balance previously agreed to support funding for fire safety works.
9. The 2020/21 revised HCP reflects the changes made to the re-profiling of the new build projects, which are set out in Table 2 below.

| Name of Scheme | No of Units | Approved Scheme Cost £,000 | Revised 2020/21 Budget £,000 | 2021/22 Budget £,000 | 2022/23 Budget £,000 | 2023/24 Budget £,000 | 2024/25 Budget £,000 | 2025/26 Budget £,000 |
|-----------------------|------------------------|---|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| The Readings | | | 13 | | | | | |
| Bushey Croft | 16 | 4,140 | 20 | 2,781 | 1,202 | | | |
| Lister House | 46 | 14,000 | 370 | 2,400 | 3,000 | 3,000 | 3,000 | 1965 |
| The Yorkes | 13 | 3,015 | 36 | 1,482 | 1,475 | | | |
| Brenthall Towers | 8 | 2,585 | 38 | 830 | 1,692 | | | |
| Stackfield | 5 | 550 | 40 | 156 | 350 | | | |
| The Hill | 2 | 500 | 101 | 118 | 280 | | | |
| Total | 90 | 24,790 | 618 | 7,767 | 7,999 | 3,000 | 3,000 | 1,965 |

10. Progress on all the new build projects in Table 2 has been evaluated in order to re-profile the expenditure to a more accurately reflect the expected delivery timescales taking in to account the impacts of Covid-19, the planning process and any possible impacts of exiting the EU at the end of the transition period. The revised programme takes into account the following.

a) The Readings

- i) This project was removed from the Capital Programme at the December Cabinet meeting. However in 2020/21 there is still £13,000 in consultancy fees still to be paid

b) Bushey Croft

- i) In December, Cabinet approved the preferred contractor for this development. The approved contract sum including contingencies is £2,800,000, which is £1,340,000 below the current budget. The project is planned to commence in March 2021 and it is anticipated that it will be completed in June 2022.

c) Lister House site (Perry Road)

- i) This is a development to construct a residential block of 59 social and affordable flats. The project is progressing with a possibility that further planning approval may be required due to expected variations required to the original scheme. The current profiling anticipates that contractors will start in August 2021 and will be completed by 2025/26 but this is subject to the planning matters

d) The Yorkes

- i) This is a development to construct 13 social/affordable dwellings. Site clearance and ground surveys have taken place and designs are progressing in order to seek planning permission in March 2021. It is anticipated that work will start in late 2021 and will take approximately 12 months to complete.

e) Brenthall Towers

- i) This is a development to construct eight social/affordable dwellings. Ground surveys have taken place and designs are progressing in order to seek planning permission in March 2021. , It is anticipated that work will start in December 2021 and will take approximately 12 months to complete.

f) Stackfield

- i) Stage 2 designs are being prepared and following consultation it is anticipated that the site will accommodate five new houses. Formal planning applications are expected to be made by June 2021 with the 10 month deliver phase anticipated to commence in early 2022.

g) The Hill

- i) This is a development to demolish an existing derelict semi-detached property leaving the remaining privately owned house

as a detached residence. Two new properties will then be constructed to be let at social rent. Planning permission was granted in June 2020. It is anticipated the following a procurement process the work will commence in or around March 2021.

HCP Estimates 2021/22

11. In January 2020 Full Council approved the Medium Term Financial Strategy (MTFS) for the period 2020/21 to 2024/25. Set out in Table 3 below is the movement in the 2021/22 HCP estimates since the MTFS was approved.

| Budget Stage | Budget £,000 | Date Approved |
|--|-----------------|------------------|
| Original Estimates 2021/22 as per MFSS - | 25,714 | 30/01/2020 |
| Re-profiling from 2020/21 | 15,369 | 03/12/2020 |
| Re-profiling to 2022/23 | { 14,764} | |
| Requests for Additional Investment | - | |
| Total Estimates 2021/22 | 26,319 | |

12. Reasons for the need to re-profile elements of the 2020/21 programme were reported to Cabinet in December within the Capital Programmes Quarter 2 finance report and those schemes to be re-profile in to future years are detailed in this report
13. There are currently no additional requests for investment in 2021/22 and a detailed analysis of the HCP is set out in Appendix 1 to the report.
14. It can be seen from Appendix 1 that almost a third of the HCP is carried out by HTS (Property and Environment) Ltd (HTS) (and just over 40 per cent of the core programme). In particular, HTS is responsible for the compliance and testing work for all the properties in the HRA. Even though there is re-profiling electrical testing and inspection programmes these were reviewed following latest Government guidance and HTS Ltd now carries out its programme of testing in accordance with Corvid restrictions
15. The Housing Investment Programme forms part of the core HCP and consists of block refurbishment including communal areas, roof and windows. Within the AMP there is a sum of £2.5 million for this work. Previously, this was reduced by £500,000 to support the demand for structural work but now the budget has been restored in line with the planned programme of work.
16. The budget allocation for fire safety, generally, has been established following the fire at Grenfell Tower in London. Outcomes from the public enquiry are ongoing and landlord responsibilities are increasing. Updated risk assessments continue to be aligned to the three year programme and Government guidance.
17. The Grenfell fire public enquiry has been suspended. The outcomes from phase 1 have meant additional building regulatory requirements and certification. Fire

risk assessments continue across the stock and are prioritised accordingly against this new regulatory framework. In addition, to the tower blocks annual risk assessments as well as other fire stopping works there is a requirement for more detailed assessments for medium and low risk blocks which will form part of the Council's fire safety works programme.

18. The three year fire safety works programme has included fire stopping, strengthening compartmentation, as well as the decommissioning of outdated warm air heating systems. Due to the intrusive nature of these works, and Covid-19 constraints this work has been interrupted. The December 2020 HRA/Cabinet performance report identified that £1million of this work would be re-profiled into 2021/22, with an expectation that further works in the programme will be re-profiled into 2022/23
19. The increased expenditure on asbestos removal is as a result of work being identified whilst undertaking various capital improvements to both individual and block works across the town. Due to the complex nature of the works currently being undertaken as part of this year's programme, the Council has been required to carry out additional removal and testing.

Financing HCP Core Projects 2021/22

20. In accordance with business plan assumptions the core element of the HCP should be financed from the Major Repairs Reserve (MRR). Table 4 below shows the contributions to the MRR as well as the amount available to fund the core element of the HCP.

| | 2019/20 | 2020/21 | 2020/21 | 2021/22 |
|-------------------------------|----------------|-----------------|----------------|------------------|
| Narrative | Actual | Original | Revised | Estimates |
| | £'000 | £'000 | £'000 | £'000 |
| Balance at 1 April | 0 | 0 | 0 | 0 |
| MRR Contribution | 10,624 | 10,229 | 10,470 | 10,736 |
| Financing Capital Expenditure | (10,624) | (10,229) | (10,470) | (10,736) |
| Balance in hand at 31 March | 0 | 0 | 0 | 0 |

21. It can be seen from Table 4 that there is £10.736 million available to fund the core HCP in 2021/22 and the balance on the reserve will be fully utilised.
22. If the MRR contributions are insufficient to finance core element of the HCP, it is assumed in the business plan that any available housing capital receipts will be used. These are the receipts from the sale of housing land and other non-dwelling assets and the amount available is shown in Table 5 below.

| Narrative | 2019/20 Actual £'000 | 2020/21 Original £'000 | 2020/21 Revised £'000 | 2021/22 Estimates £'000 |
|---------------------------------|----------------------------|------------------------------|-----------------------------|-------------------------------|
| Balance at 1 April | (89) | (89) | (200) | 0 |
| Other Housing Receipts Received | (1,799) | (1,904) | (830) | (1,257) |
| Other Housing Receipts Used | 1,688 | 1,904 | 1,030 | 1,257 |
| Balance in hand at 31 March | (200) | (89) | 0 | 0 |

23. It can be seen from Table 5 that it is estimated that all available housing capital receipts will be used to finance the core HCP. If the MRR contributions and available capital receipts are still insufficient to finance the core HCP then the balance will have to be financed from direct revenue contributions
24. It can be seen from Appendix 1 that the MRR contributions plus available capital receipts are not sufficient to fund the core HCP and the shortfall of £6.559 million has to be finance by a revenue contribution from the HRA.

Financing HCP New Build Projects 2021/22

25. The HRA Business Plan also assumes that all new build projects will be financed from retained Right to Buy (RTB) receipts and borrowing. Set out in Table 6 below is how the new build programme is being financed.

| PROJECT AREA | Budget 2021/22 £,000s | Budget 2022/23 £,000s | Budget 2023/24 £,000s | Budget 2024/25 £,000s | Budget 2025/26 £,000s |
|----------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| New Build Programme | 7,767 | 7,999 | 3,000 | 3,000 | 1,965 |
| Financed By | | | | | |
| RTB Capital Receipts | (2,330) | (2,400) | (900) | (900) | (590) |
| Borrowing | (5,437) | (5,600) | (2,100) | (2,100) | (1,375) |
| TOTAL FUNDING | (7,767) | (8,000) | (3,000) | (3,000) | (1,965) |

26. Under the current rules only 30 per cent of the new build cost can be financed from retained RTB receipts. The balance has to be financed from borrowing unless there are other resources available.
27. As properties are sold under RTB retained receipts accumulate and set out in Table 7 below is an estimate of the retained receipts which will be available at 31 March 2022.

| Narrative | 2019/20 Actual £'000 | 2020/21 Original £'000 | 2020/21 Revised £'000 | 2021/22 Estimates £'000 |
|-------------------------------------|----------------------------|------------------------------|-----------------------------|-------------------------------|
| Balance at 1 April | (3,740) | (6,558) | (9,012) | (6,844) |
| Receipts Retained from Right to Buy | (5,479) | (4,906) | (1,797) | (3,220) |
| Receipts Used for House Purchases | | | 3,780 | |
| Receipts Used to Finance New Build | 207 | 3,549 | 185 | 2,330 |
| Balance in hand at 31 March | (9,012) | (7,915) | (6,844) | (7,734) |

28. It can be seen from Table 7 the balance of retained RTB receipts is more than is required to fund the existing new build programme. New schemes are currently being developed in order to utilise these receipts and currently total nearly £16 million over the 2022/23 – 2025/26 period as shown in Table 6.

Non Housing Capital Programme (NHCP)

29. The NHCP has been prepared in conjunction with the Medium Term Financial Strategy approved by Full Council in January 2020 and the Asset Management Plan.

NHCP Revised 2020/21

30. Set out in Table 8 is a summary of the changes approved by Cabinet in December, 2020 plus the additional provision for the town wide paddling pools and Tye splash park improvements Also included is additional capital expenditure in the Enterprise Zone funded from the Getting Building Fund.

| Budget Stage | Budget £,000 | Date Approved |
|---|-----------------|------------------|
| Current Budget 2020/21 | 15,175 | 03/12/2020 |
| Re-profiling into 2021/22 and 2022/23 | {2,898} | 03/12/2020 |
| Enterprise Zone - additional costs | 224 | 03/12/2020 |
| HTS Equity Share and Loan | 1,500 | 03/12/2020 |
| Eastgate Project - Accelerated Funding | 1,000 | 03/12/2020 |
| Upgrading - IT Equipment | 122 | 03/12/2020 |
| Future High Streets Project | 1,250 | 03/12/2020 |
| Town Wide Paddling Pools & Tye Splash Park | 152 | |
| Enterprise Zone additional grant funded expenditure | 200 | |
| Revised Budget 2020/21 | 16,725 | |

31. Explanations for all the changes were reported in the Quarter 2 Capital Programmes report and once again it is clear that Covid-19 is having significant impact on the delivery of the Capital Programme.

32. One of the schemes re-profiled in to 2021/22 relates to in the redevelopment of Elm Hatch. Planning complications linked to the height of the development and

its relationship to the Grade II listed church could lead to a requirement to reduce the overall size of the proposed development and consequently the number dwellings and the study centre. If this becomes a significant reduction in the project may be no longer viable. Negotiations are also ongoing in relation to existing long term lease agreements and are proving to be challenging and also causing some potential delays.

33. A detailed analysis of the revised budget is set out in Appendix 2 to the report and this could be subject of a further review during the latter part of 2020/21 financial year and the Quarter 3 Capital Programmes Report to be considered by Cabinet in March 2021.

NHCP Estimates 2021/2

34. In January 2020 Cabinet approved the Medium Term Financial Strategy (MTFS) for the period 2020/21 to 2024/25. Set out in Table 9 below are the changes in the 2021/22 NHCP estimates since the MTFS was approved.

| Table 9 NHCP Adjustments to Estimates in MTFS | |
|--|-----------------|
| Budget Stage | Budget £,000 |
| Original Estimates 2021/22 as per MTFS | 6,847 |
| Re-profiling from 2020//21 | 2,645 |
| Other Adjustments and Amendments | (1,068) |
| Bids for Additional Investment (see Table 10) | 5,570 |
| Town Wide Paddling Pool & Tye Splash Park | 466 |
| Enterprise Zone Grant Funded Expenditure | 3,360 |
| NHCP Estimates 2021/22 | 17,820 |

35. Details of the re-profiled schemes from 2020/21 were reported in the Quarter 2 Capital Programme Report to the December Cabinet. In addition, as capital schemes progress, minor amendments are made which will impact on the overall cost of the project.
36. There is a need for continuing capital investment and as part of the budget process bids are requested for new projects to be included in the NHCP. Set out in Table 10 is a list of new bids which reflect current priorities in the delivery of the Town Investment Plan.

| PROJECT AREA | Estimates 2021/22 £,000s | Estimates 2022/23 £,000s |
|---|---|---|
| Town Centre Regeneration | | |
| Contribution to Regeneration Partnership | 5,000 | |
| Environmental Health inc Strategic Housing | | |
| Town Park Entrance Improvement & Tree Survey | 33 | |
| Conservation Management Vehicle | 23 | |
| Community Buildings | | |
| Pets Corner Improvements - Aquarium | 14 | |
| Harlow Museum Walled Gardens Enhancements | 36 | |
| Greyhound Toilet redevelopment | 40 | 200 |
| Civic Centre | | |
| Civic Centre - LED Lighting | 155 | |
| HR - Payroll Supplementary Systems | 25 | |
| Finance - ICT | | |
| Desktop Virtualisation Infrastructure | 80 | |
| Corvid 19 - Replacement of Equipment | 60 | |
| Community & Wellbeing | | |
| Pets Corner Paddock Improvements | 24 | |
| Town Centre Improvements | 80 | |
| Total Bids for Additional Investment 2021/22 | 5,570 | 200 |

37. A comprehensive business case has been prepared to support each bid and each bid has been supported by the Senior Management Board (SMB).
38. As it can be seen from Table 10, the most significant bid is for the £5million contribution to the limited liability partnership. This is a partnership with private developers to regenerate the Town. Further reports will be provided as the partnership is created and plans developed. The Council's contribution will be financed from borrowing.
39. In addition to the bids for additional capital investment, the 2021/22 NHCP capital estimates include the £466,000 provision to complete the refurbishment of town wide paddling pools and Tye splash park improvements.
40. The Council has made two successful bids to the South East Local Enterprise Partnership (SELEP) Getting Building Fund to continue the investment in the Enterprise Zone. A grant of £1.96 million will be allocated to Modus and £1.6 million to Nexus. The balance of grant £3.36 million will be spent in 2021/22

Financing NHCP Projects 2021/21

41. Financing of the NHCP follows the same principles as the HCP in that the financing of the Elm Hatch new build project will be from retained RTB and borrowing.

42. Part of the NHCP is financed from non- housing capital receipts and Table 11 below shows the estimated availability of those receipts in 2021/22.

| Table 11 Movement in Non Housing Capital Receipts | | | | |
|--|----------------|-----------------|----------------|------------------|
| | 2019/20 | 2020/21 | 2020/21 | 2021/22 |
| Narrative | Actual | Original | Revised | Estimates |
| | £'000 | £'000 | £'000 | £'000 |
| Balance at 1 April | (649) | (649) | (2,155) | (1,919) |
| Non Housing Receipts Received | (2,012) | (250) | (1,000) | (300) |
| Non Housing Receipts Used | 506 | 209 | 1,236 | 650 |
| Balance in hand at 31 March | (2,155) | (690) | (1,919) | (1,569) |

43. The remaining elements of the NHCP will be financed by Disabled Facilities Grant, direct revenue contributions and borrowing. Excluding the borrowing to finance the Elm Hatch new build project the estimated borrowing required to finance the 2021/22 NHCP is £3.328 million .

Risks

44. Budgets are prepared using the best available information. The following risks should be noted.

Housing Capital Programme

45. The cost of any fire safety works required once the final report from the Grenfell Tower Public Inquiry is published, which may impact on the HRA minimum working balance.

Non Housing Capital Programme

46. Key risks in the NHCP are centred around the implications of the completed stock condition survey on the asset management programme. The survey found that there is a substantial backlog of work required in order to refurbish and maintain council assets. This will shape the future of the non housing programme over the next five years.
47. There is risk in respect of asset disposals, whereby if disposals do not take place resulting in a capital receipt there will be increased pressure on the Council's borrowing requirement.

IMPLICATIONS

Environment & Planning (Includes Sustainability)

As contained within the report.

Author: Andrew Bramidge, Head of Environment & Planning

Finance (Includes ICT)

As contained in the body of the report.

Author: Simon Freeman, Deputy to the Chief Executive and Head of Finance and Property Services

Housing

Revised presentation of the Housing Capital Programme (HCP) allows for greater transparency in forecasting profile and financial funding. Any further reductions in the core Housing Capital Programme will mean the Council as a stock owning landlord will fall below minimum regulatory and statutory requirements. Short, medium, and long term asset management priorities will be reviewed as part of the updated 2021 HRA Business Plan.

Author: Andrew Murray, Head of Housing

Community Wellbeing (Includes Equalities and Social Inclusion)

None specific.

Author: Jane Greer, Head of Community Wellbeing

Governance (Includes HR)

None specific.

Author: Simon Hill, Head of Governance

Appendices

Appendix 1 – HCP 2020/21 – 2025/26

Appendix 2 – NHCP 2020/21 – 2025/26

Background Papers

None.

Glossary of terms/abbreviations used

AMP – Asset Management Plan

HCP – Housing Capital Programme

HIP – Housing Investment Programme

HRA – Housing Revenue Account

HTS – HTS (Property and Environment) Ltd

MRR – Major Repairs Reserve

MTFS- Medium Term Financial Strategy

NHCP – Non Housing Capital Programme

RTB – Right to Buy

| Appendix 1 HCP 2020/21 to 2025/26 | | | | | | |
|--|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| PROJECT AREA | Revised 2020/21 £,000s | Budget 2021/22 £,000s | Budget 2022/23 £,000s | Budget 2023/24 £,000s | Budget 2024/25 £,000s | Budget 2025/26 £,000s |
| HTS | | | | | | |
| HTS - ASC | 1,036 | 1,056 | 1,092 | 1,129 | 1,173 | 1,190 |
| HTS - Internal Works | 3,036 | 2,015 | 2,894 | 3,127 | 2,911 | 2,911 |
| HTS - External & Estate works | 261 | 1,000 | - | - | - | - |
| HTS -Aids and Adaptations | 1,287 | 900 | 750 | 750 | 750 | 750 |
| HTS -Compliance - Electrical/Fire | 1,600 | 2,422 | 1,800 | 1,000 | 1,000 | 1,000 |
| HTS Garage Refurbishment (HRA) | 238 | 650 | 194 | 194 | 350 | 350 |
| Total HTS | 7,458 | 8,043 | 6,730 | 6,200 | 6,184 | 6,201 |
| Other Works | | | | | | |
| Housing Investment Programme | 3,211 | 3,027 | 3,341 | 7,157 | 5,285 | 5,285 |
| Energy Efficiency and Fuel Poverty | 100 | 155 | 100 | 100 | 100 | 100 |
| Energy Efficiency - Boiler Renewal | 284 | - | - | - | - | - |
| Fire Safety - Compartmentation | 3,000 | 2,739 | 1,600 | 500 | 500 | 500 |
| Fire Safety SE Ducts | 2,000 | 911 | | | | |
| Energy Efficiency - .Boilers | - | 1,700 | | | | |
| Health & Safety & External works | 276 | - | - | - | - | - |
| Property Conversions | 300 | 220 | | | | |
| Contingency | | 220 | | | | |
| Asbestos Removal | 400 | 100 | 400 | 400 | 400 | 400 |
| CDM | 61 | 50 | 50 | 50 | 50 | 50 |
| Damp | 109 | 100 | 100 | 100 | 100 | 100 |
| Structural | 1,328 | 837 | 500 | 500 | 500 | 500 |
| Housing IT | 223 | 450 | 100 | 100 | 100 | 100 |
| Joyners Field Towers Cladding | 1,800 | | | | | |
| Core Programme | 20,550 | 18,552 | 12,921 | 15,107 | 13,219 | 13,236 |
| House Purchase Programme | 12,600 | | | | | |
| New Build Programme | 618 | 7,767 | 7,999 | 3,000 | 3,000 | 1,965 |
| TOTAL HCP | 33,768 | 26,319 | 20,920 | 18,107 | 16,219 | 15,201 |
| FUNDED BY:- | | | | | | |
| RTB Capital Receipts | (3,965) | (2,330) | (2,400) | (900) | (900) | (590) |
| Other Capital Receipts | (1,030) | (1,257) | (1,200) | (1,200) | (1,200) | (1,200) |
| Major Repairs Reserve | (10,470) | (10,736) | (10,864) | (10,946) | (11,028) | (11,111) |
| Direct Revenue Financing | (7,247) | (6,559) | (856) | (2,961) | (991) | (925) |
| Borrowing | (11,056) | (5,437) | (5,600) | (2,100) | (2,100) | (1,375) |
| TOTAL FUNDING | (33,768) | (26,319) | (20,920) | (18,107) | (16,219) | (15,201) |

Appendix 2 NHCP 2020/21 to 2025/26

| PROJECT AREA | Revised 2020/21 £,000s | Budget 2021/22 £,000s | Budget 2022/23 £,000s | Budget 2023/24 £,000s | Budget 2024/25 £,000s | Budget 2025/26 £,000s |
|-------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Place Services | | | | | | |
| Env Health inc Strategic Housing | 891 | 900 | 713 | 595 | 515 | 515 |
| Latton Bush Centre | 208 | 506 | 733 | 1,131 | 1,314 | 0 |
| Commercial Properties | 95 | 698 | 490 | 140 | 123 | 120 |
| Highways & Car Parks | 53 | 146 | 243 | 75 | 765 | 0 |
| Drainage work | 161 | 40 | 40 | 40 | 40 | 40 |
| Community Buildings | 408 | 711 | 552 | 330 | 47 | 20 |
| Contingency - Other Public Schemes | 182 | 569 | 708 | 100 | 172 | 50 |
| Civic Centre | 430 | 236 | 695 | 166 | 110 | 0 |
| Garages | 205 | 156 | 158 | 156 | 150 | 150 |
| Total Place Services | 2,633 | 3,962 | 4,332 | 2,733 | 3,236 | 895 |
| Other Services | | | | | | |
| Governance | 86 | 30 | 15 | 15 | 15 | 15 |
| Finance - ICT | 358 | 176 | 36 | 36 | 36 | 36 |
| Community & Wellbeing | 2,322 | 1,081 | 30 | 30 | 30 | 30 |
| Total Other Services | 2,766 | 1,287 | 81 | 81 | 81 | 81 |
| Other Projects | | | | | | |
| Prentice Place | 272 | - | - | - | - | - |
| Enterprise Zone | 8,251 | 3,360 | - | - | - | - |
| HTS (H & R) Ltd Equity Share & Loan | 1,500 | - | - | - | - | - |
| Grant Funded = POD | 4 | - | - | - | - | - |
| Future High Street Project | 1,250 | | | | | |
| Town Regeneration Partnership | | 5,000 | | | | |
| Sub Total. | 11,277 | 8,360 | 0 | 0 | 0 | 0 |
| SUB TOTAL NHCP | 16,676 | 13,609 | 4,413 | 2,814 | 3,317 | 976 |
| General Fund New Build | 49 | 4,211 | 0 | 0 | 0 | 0 |
| TOTAL NHCP | 16,725 | 17,820 | 4,413 | 2,814 | 3,317 | 976 |
| FUNDED BY:- | | | | | | |
| Earmarked Grant Funding | (20) | (20) | (20) | (20) | | |
| Capital Receipts | (1,236) | (650) | | | | |
| Ear Marked Capital Reserves | (152) | (466) | | | | |
| Direct Revenue Financing | (327) | (362) | (156) | (156) | (150) | (150) |
| Disabled Facilities Grant | (500) | (500) | (500) | (500) | (500) | (500) |
| Towns Fund -Eastgate Grant | (1,000) | | | | | |
| SELEP Getting Building Fund Grant | (200) | (3,360) | | | | |
| Home Renovation Loan repayments | (5) | (5) | (5) | (5) | (5) | |
| Other contributions | (35) | 0 | 0 | 0 | 0 | |
| Borrowing requirement | (13,201) | (8,246) | (3,732) | (2,133) | (2,662) | (326) |
| New Build | | | | | | |
| RTB Capital Receipts | (15) | (1,263) | | | | |
| Borrowing requirement | (34) | (2,948) | | | | |
| Total Project Funding | (16,725) | (17,820) | (4,413) | (2,814) | (3,317) | (976) |

**MINUTES OF THE COVID-19 RECOVERY WORKING GROUP
HELD ON**

22 October 2020

6.30 - 7.22 pm

PRESENT

Committee Members

Councillor Eugenie Harvey (Chair)
Councillor Simon Carter
Councillor Joel Charles
Councillor Tony Durcan
Councillor Tony Edwards
Councillor Mark Ingall
Councillor Andrew Johnson
Councillor Frances Mason
Councillor Nancy Watson

Officers

Andrew Bramidge, Head of Environment and Planning
Hannah Criddle, Governance Support Officer
Simon Freeman, Head of Finance and Deputy to the Chief Executive
Jane Greer, Head of Community Wellbeing
Simon Hill, Head of Governance
Brian Keane, Chief Executive
Andrew Murray, Head of Housing
Lisa Thornett, Corporate Governance Support Officer

35. **APOLOGIES FOR ABSENCE**

None.

36. **DECLARATIONS OF INTEREST**

Councillor Simon Carter declared a pecuniary interest as a remunerated Council appointed Director of HTS (Property and Environment) Ltd.

37. **MINUTES**

RESOLVED that the minutes of the meeting held on 23 September 2020 are agreed as a correct record and signed by the Chair.

38. **MATTERS ARISING**

a) Minute 31 - Outbreak Prevention and Planning

Councillor Simon Carter reported his view that the one way system in Broadwalk in the Town Centre was not working due to a lack of signage. Jane Greer, Head of Community Wellbeing, confirmed that new signage

had been ordered and was due soon. Brian Keane, Chief Executive, also confirmed that a number of Covid Ambassadors would be employed to assist around the Town Centre. Brian Keane also confirmed that he had recently had discussion with the Water Gardens and Harvey Centre and encouraged them to do more.

Councillor Simon Carter also stated that he had written to Councillor Eugenie Harvey on planning for Christmas. Brian Keane confirmed that the Water Gardens and Harvey Centre both had plans for Christmas e.g. lights and electric screens. Jane Greer confirmed that Broadwalk would have its normal light display.

Councillor Mark Ingall confirmed that the joint letter had been sent to Essex County Council and a response had been received. Councillor Tony Edwards expressed concerns about domiciliary care in Harlow as workers did not have access to regular testing and were visiting multiple properties in one day. It was agreed that a follow up letter would be sent to the County Council to request that attention was also given to domiciliary care workers.

39. **UPDATE ON COVID INFECTION RATES IN HARLOW**

The Working Group received an update on the Covid-19 infection rates in Harlow. Andrew Bramidge, Head of Environment and Planning, provided the Working Group with updated infection figures from the week.

Councillor Joel Charles suggested that the Council work in collaboration with cross border Local Authorities e.g. East Herts and Uttlesford. Brian Keane confirmed that he had regular conversations with the East of England Chief Executives. Andrew Bramidge also confirmed that there was regular communication between Harlow Council's and East Herts' Environmental Health Officers.

The Working Group agreed that shopping traffic and social distancing in the local hatches needed monitoring. Andrew Bramidge confirmed the Covid Ambassadors could assist with this.

The Working Group discussed the consistently lower rates in Harlow. However, it was noted that Harlow, Epping and Uttlesford all had roughly the same daily figures for the number of people presenting themselves for tests. The group agreed that this was encouraging.

40. **FUNDING ALLOCATIONS: RECOVERY BUDGETS**

The Working Group received a report on the process for the approval of the allocated funding for recovery measures.

RESOLVED that the Working Group recommend to Cabinet that:

- A** The process for the approval of the allocated funding for recovery measures, as set out in Appendix A to the report, be approved.
- B** The proposed allocation criteria, set out in Appendix B to the report, be approved.
- C** The final allocation of the recovery budget be delegated to Work Stream lead officers in consultation with the Work Stream appointed Councillors and relevant Portfolio Holders.

41. **LETTER TO, AND RESPONSE FROM, COUNCILLOR JOHN SPENCE
R.E. COVID-19 INFECTIONS IN CARE HOMES**

The Working Group received a copy of the letter sent to Councillor John Spence from both Group Leaders and the letter from Councillor John Spence received in response. The Working Group noted that the response was very full and received quickly.

As agreed earlier in the meeting, a follow up letter would be sent by both Group Leaders to request that the same attention was also given to domiciliary care workers.

The Working Group also noted that HDC Environmental Health Officers were receiving weekly updates from the County Council and requested that these updates were also provided to the Working Group.

42. **MATTERS OF URGENT BUSINESS**

None.

CHAIR OF THE WORKING GROUP

**MINUTES OF THE COVID-19 RECOVERY WORKING GROUP
HELD ON**

19 November 2020

6.30 - 7.20 pm

PRESENT

Committee Members

Councillor Eugenie Harvey (Chair)
Councillor Simon Carter
Councillor Joel Charles
Councillor Tony Durcan
Councillor Tony Edwards
Councillor Mark Ingall
Councillor Frances Mason

Officers

Brian Keane, Chief Executive
Andrew Bramidge, Head of Environment and Planning
Simon Freeman, Head of Finance and Property and Deputy to the Chief Executive
Jane Greer, Head of Community Wellbeing
Simon Hill, Head of Governance
Andrew Murray, Head of Housing
Adam Rees, Governance Support Officer
Lisa Thornett, Corporate Governance Support Officer

43. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Andrew Johnson and Russell Perrin.

44. **DECLARATIONS OF INTEREST**

Councillor Simon Carter declared a pecuniary interest as a remunerated Council appointed Director of HTS (Property and Environment) Ltd.

Councillor Joel Charles declared a pecuniary interest as a remunerated Council appointed Director of HTS (Housing and Regeneration) Ltd and HTS Group Ltd.

45. **MINUTES**

RESOLVED that the minutes of the meeting held on 22 October 2020 are agreed as a correct record.

46. **MATTERS ARISING**

a) Minute 39 - Update on Covid Infection Rates in Harlow

In response to questions from Councillor Carter it was explained that Covid Marshalls had been active since the first week of November. They had been dealing with complaints about possible breaches received from members of the public. They had also received training on physical and hidden disabilities, and people suffering from anxiety.

New signage in the Town Centre was being set up over the next few days.

b) Minute 41 - Letter to, and Response from, Councillor John Spence r.e. Covid Infections in Care Homes

It was confirmed that the letter seeking assurances about support for domiciliary care workers had been sent.

47. **UPDATE ON COVID WEEKLY BRIEFING REPORTS**

Andrew Bramidge, Head of Environment and Planning, updated the Working Group on the rates of infection in Harlow. The latest data showed a significant increase in infection rates to 145 per 100,000. This reflected increases throughout Essex and the East of England.

The Council had now been informed that the fast test facilities to be opened across Harlow would have tests completed on site. The Council's role would be to provide premises. These tests would be targeted at employers, those in high priority areas such as care homes, and those who had been in contact with someone who has tested positive for Covid-19.

Brian Keane, Chief Executive, explained that Princess Alexandra Hospital was not currently at capacity and had a spare ward available in the event of increased demand.

48. **FEEDBACK FROM BUSINESS NETWORKING EVENT ON 13 NOVEMBER 2020**

The Chair said that the event had been encouraging and there had been an engaged discussion which could help start something useful.

In response to a question by Councillor Charles, the Chair said that the event would be used as a springboard to aid business recovery, and that levels of participation in the future, monthly, events would be monitored.

49. **BUSINESS GRANTS**

Simon Freeman, Head of Finance and Property and Deputy to the Chief Executive, provided an update on the administration of grants for businesses that had been impacted by Covid-19. Applications would be live by Monday 23 November 2020.

The Council had received £2.8 million, which may be increased if the lockdown period was extended. Businesses were limited to receiving a maximum of £3,000 over a four week period.

Simon Freeman said that the implementation of business grants would be reported back to the Working Group, including businesses that weren't eligible. Whilst the Council could show some discretion on providing support to businesses, it still had to work within the framework set by the Government.

50. **MATTERS OF URGENT BUSINESS**

In response to questions raised by Councillor Charles, Brian Keane said that he had been working with the Police and the MP to develop and implement a town centre action plan to help deal with public order issues.

Through the Community Hub the Council had been contacted all residents on the NHS' clinically extremely vulnerable list to ensure they had the support they needed, and was also circulating a leaflet which provided useful support information.

**MINUTES OF THE CABINET POLICY DEVELOPMENT WORKING GROUP
HELD ON**

26 November 2020

7.30 - 8.09 pm

PRESENT

Cabinet Policy Development Working Group Members

Councillor Jodi Dunne (Chair)
Councillor Maggie Hulcoop (Vice-Chair)
Councillor David Carter
Councillor Simon Carter
Councillor Jean Clark
Councillor Shona Johnson
Councillor Lanie Shears

Other Councillors

Councillor Tony Edwards

Officers

Donna Beechener, Revenues and Benefits Manager
Hannah Criddle, Governance Support Officer
Simon Freeman, Head of Finance and Deputy to the Chief Executive
Lisa Thornett, Corporate Governance Support Officer

1. **APOLOGIES FOR ABSENCE**

None.

2. **DECLARATIONS OF INTEREST**

None.

3. **MINUTES**

RESOLVED that the minutes of the meeting held on 12 March 2020 be agreed as a correct record.

4. **MATTERS ARISING**

Councillor Simon Carter noted that an interim report on the Regeneration Strategy was considered at the last meeting but was not listed on the Work Plan.

Councillor Simon Carter (seconded by Councillor Jean Clark) proposed that a member sub group be re-convened for the purpose of producing the Regeneration Strategy.

RESOLVED that a member sub group would be re-convened with members volunteering their involvement.

5. **LOCAL COUNCIL TAX SUPPORT SCHEME**

The Working Group received a report on the Local Council Tax Support Scheme.

RESOLVED that the Policy Development Working Group acknowledged the current position regarding the 2020/21 Local Council Tax Support Scheme and endorses continuing stability within the scheme for 2021/22.

6. **TREASURY MANAGEMENT STRATEGY**

The Working Group received a report on the Treasury Management Review. The Working Group suggested that potential issues for Cabinet to consider were the impact of the Covid-19 virus and changes to interest rates.

RESOLVED that the Working Group:

A Considered the report and the underpinning principles that support the Council's Treasury Management Strategy.

B Recommended to Cabinet that the impact of the Covid-19 virus, and changes to interest rates are considered in the development of the Treasury Management Strategy.

7. **WORK PLAN**

The Working Group requested an update on when the Climate Change and Transport Strategies would be going to the Working Group. Simon Freeman, Head of Finance and Deputy to the Chief Executive, agreed to come back to the Working Group with an update.

RESOLVED that the Work Plan was noted.

8. **MATTERS OF URGENT BUSINESS**

None.

CHAIR OF THE CABINET POLICY
DEVELOPMENT WORKING GROUP

**MINUTES OF THE COVID-19 RECOVERY WORKING GROUP
HELD ON**

17 December 2020

6.30 - 7.15 pm

PRESENT

Committee Members

Councillor Eugenie Harvey (Chair)
Councillor Joel Charles
Councillor Tony Edwards
Councillor Mark Ingall
Councillor Andrew Johnson
Councillor Nancy Watson

Officers

Andrew Bramidge, Head of Environment and Planning
Simon Hill, Head of Governance
Andrew Murray, Head of Housing
Adam Rees, Governance Support Officer

51. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Simon Carter and Tony Durcan.

52. **DECLARATIONS OF INTEREST**

None.

53. **MINUTES**

RESOLVED that the minutes of the meeting on 19 November 2020 were agreed as a correct record and signed by the Chair.

54. **MATTERS ARISING**

None.

55. **UPDATE ON COUNCIL POSITION FOLLOWING MOVE TO TIER 3**

The Working Group received an update following Harlow's placement into Tier 3. It was explained that the infection rate had risen to 301.2 per 100,000 and this had increased rapidly following a period of stable infection rates. In particular the infection rate among over 60's had been growing at a faster rate than the rest of the population.

Brian Keane, Chief Executive, said that discussions were ongoing with the County Council and the Department for Health about additional testing facilities in Harlow.

The other issue was compliance and communications were vital in addressing this. A screen had been installed in Broadwalk and the Council had a number of Covid Ambassadors and Wardens. The Council had also sent out a leaflet and continued to operate the Community Hub.

Andrew Bramidge, Head of Environment and Planning, said that the Council had been asked to assist with contact tracing of people in Harlow.

The Working Group asked that the recovery plans were reviewed at the next meeting of the Working Group.

The Working Group also expressed concern about the lack of figures being provided by the Hospital Trust and it was agreed that Brian Keane would speak to Princess Alexandra Hospital about this.

56. **DATE OF NEXT MEETING**

The next meeting would be moved from 7 January to a date to be fixed later in January.

57. **MATTERS OF URGENT BUSINESS**

None.