

MEETING OF HARLOW COUNCIL

7.30pm on Thursday 15th December 2022

In the Council Chamber, Civic Centre

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 - 36)

To agree the minutes of the meetings held on 3 November 2022, 17 November 2022 and 22 November 2022.

4. Communications from the Chair

5. Petitions from the Public

6. Questions from the Public

7. Questions from Councillors

8. Motions from Councillors

9. References from Cabinet and Committees

a) Referral from Cabinet - Annual Treasury Management Report 2021/22 (Pages 37 - 53)

Cabinet recommends to Full Council that it notes the annual Treasury Management Report for 2021/22, as set out in Appendix A to the report, and that the Council operated within the Treasury Management Strategy Statement during 2021/22 and that the report is approved.

b) Referral from Cabinet - Treasury Management Strategy Statement 2022/23: Mid-Year Review (Pages 54 - 69)

Cabinet recommends to Full Council that it notes the Mid-Year Review of the Treasury Management Strategy as set out in Appendix A to the report.

- c) Referral from Cabinet - Local Council Tax Support Scheme Proposals (Pages 70 - 93)

Cabinet recommends to Full Council that:

- A** It acknowledges the current position regarding the 2022/23 Local Council Tax Support Scheme and endorses continuing stability within the scheme for 2023/24.
- B** Approves that the current Local Council Tax Support Scheme remains unchanged for the 2023/24 financial year.

10. Reports from Officers

11. Minutes of Cabinet and Committee Meetings

To note the following Cabinet and Committee minutes:

- a) Minutes of meeting Thursday, 13 October 2022 of Cabinet (Pages 94 - 104)
- b) Minutes of meeting Wednesday, 26 October 2022 of Development Management Committee (Pages 105 - 106)
- c) Minutes of meeting Wednesday, 9 November 2022 of Development Management Committee (Pages 107 - 109)
- d) Minutes of meeting Tuesday, 15 November 2022 of Licensing Committee (Pages 110 - 111)
- e) Minutes of meeting Wednesday, 16 November 2022 of Scrutiny Committee (Pages 112 - 115)
- f) Minutes of meeting Thursday, 17 November 2022 of Cabinet (Pages 116 - 118)
- g) Minutes of meeting Wednesday, 23 November 2022 of Audit & Standards Committee (Pages 119 - 121)
- h) Minutes of meeting Thursday, 1 December 2022 of Cabinet (Pages 122 - 132)

12. 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 COUNCIL
HELD ON**

3 November 2022

7.30 - 9.42 pm

PRESENT**COUNCILLORS**

Andrew Johnson (Chair)
Sue Livings (Vice-Chair)

David Carter	Colleen Morrison
Simon Carter	Kay Morrison
Jean Clark	Russell Perrin
Bob Davis	Daniella Pritchard
Jodi Dunne	Matthew Saggars
Tony Durcan	Stacy Seales
Tony Edwards	Lanie Shears
Michael Garnett	Clive Souter
James Griggs	John Strachan
Michael Hardware	Dan Swords
James Leppard	Chris Vince
Stephen Lemay	Nancy Watson
Ash Malik	

OFFICERS

Simon Freeman, Deputy to the
Chief Executive and Director of
Finance
Simon Hill, Director of
Governance and Corporate
Support
Hannah Marriott, Governance
Support Officer

45. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Joel Charles, Nick Churchill, Alastair Gunn, Eddie Johnson, Nicky Purse and Mark Wilkinson.

46. **DECLARATIONS OF INTEREST**

None.

47. **MINUTES**

RESOLVED that the minutes of the meeting held on 22 September 2022 are agreed as a correct record and signed by the Chair.

48. **COMMUNICATIONS FROM THE CHAIR**

The Chair advised that he had attended a number of pleasurable events including; Civic Services, a quiz in Bishops Stortford, the Streets2Homes jazz night at Redchurch Brewery and the Parndon Mill "Communi-tea".

The Chair had also attended some sad events which included the memorial for the Shakoore family and the ceremony to add a new name to the war memorial at Netteswell Cross.

The Chair noted that there were a number of events coming up including; remembrance services on 11 November and 13 November, the bonfire night fireworks display on 6 November and the Civic Service on 20 November. The Chair advised that his photo competition closes on 20 November, therefore, encouraged any entries to be made before this date. The Chair also noted that the voting for the Town Centre Awards opened on 4 November.

49. **PETITIONS FROM THE PUBLIC**

None.

50. **QUESTIONS FROM THE PUBLIC**

The questions, together with the answers, are appended to the minutes.

51. **QUESTIONS FROM COUNCILLORS**

The questions, together with the answers, are appended to the minutes.

52. **MOTIONS FROM COUNCILLORS**

a) Cost of Living Crisis Support

Proposed by Councillor Chris Vince and seconded by Councillor Tony Edwards:

“This Council recognises the impact high inflation, particularly of food and fuel prices, is and will continue to have on the people of Harlow.

This Council notes:

- i) The strong strategic lead other councils across the country are providing in practically addressing fuel and food poverty issues;
- ii) That Harlow has some of the most deprived wards in Essex;
- iii) That the cost-of-living crisis is also hitting the wider Harlow community particularly hard, with people worried as to how they will pay their food, fuel, rent or mortgage bills; and
- iv) That winter is weeks away.

This Council will:

- i) By use of its own resources and through working closely with others, ensure that easily accessible places are available

where people can be warm and get advice and support this winter;

- ii) Ensure that all residents are aware of what support is available by the end November; and
- iii) Write to the Rt. Hon. Robert Halfon MP, and the appropriate Secretary of State to request any additional government funding required to enable the Council to fund “warm spaces” and address fuel and poverty issues strategically and practically within the Town.”

Councillor Dan Swords (seconded by Councillor Russell Perrin) proposed an amendment of the motion as follows:

a) After “This Council notes” insert the wording:

- i) The action Harlow Council took to help ease the cost of living in this municipal year’s budget with a £50 Council Tax Efficiency Dividend, a cancellation of the previously planned 1.99% increase of Harlow Council Tax, on top of the £150 Government Council Tax rebate for all Harlow households in Band A-D, therefore, delivering the UK’s biggest ever Council Tax cut;
- ii) The steps the Government are taking to help ease the cost-of-living pressures on Harlow households including the Energy Price Guarantee, £400 energy bills discount, Council Tax rebate, £1200 Cost of Living Payment, Universal Credit Taper Rate cut, Warm Homes discount, National Living Wage increase, Winter Fuel payment and much more besides;

b) Amend the line “The strong strategic lead other councils across the country are providing in practically addressing fuel and food poverty issues;” to read

“The strong strategic lead Harlow and other councils across the country are providing in practically addressing fuel and food poverty issues;”

c) After “This Council will” remove the wording (and renumber the subsequent paragraphs accordingly):

“By use of its own resources and through working closely with others, ensure that easily accessible places are available where people can be warm and get advice and support this winter;

“Ensure that all residents are aware of what support is available by the end November; and” and replace with:

“Continue the work the Council’s Communities Service is doing to support residents including the exploration of provision of “warm spaces”, ongoing work with the charitable sector and much more besides;

“Ensure as far as possible that all residents are aware of what support is available as soon as possible;”

- d) After the wording: “Write to the Rt. Hon. Robert Halfon MP, and the appropriate Secretary of State to request any additional government funding required to enable the Council to fund “warm spaces” and address fuel and poverty issues strategically and practically within the Town; and” insert the wording:

“Take all possible measures in next year’s budget setting process – as it did this year – to ease the cost of living through the Council Tax system and therefore the Budget will receive cross-party support.”

It was agreed that, under Rule 12.1.i, the meeting would be adjourned for 10 minutes to allow members to consider the amendment.

The amended motion was agreed by the consent of the meeting and became the substantive motion.

After a debate, Councillor Swords proposed that the matter was determined by a recorded vote. This was seconded by the required number of Councillors.

The details of the recorded vote are below.

Motion – Cost of Living Crisis Support	
Councillor David Carter	For
Councillor Simon Carter	For
Councillor Jean Clark	Abstain
Councillor Bob Davis	Against
Councillor Jodi Dunne	Abstain
Councillor Tony Durcan	Abstain
Councillor Tony Edwards	Abstain
Councillor Mike Garnett	For
Councillor James Griggs	Abstain
Councillor Michael Hardware	For
Councillor Andrew Johnson	Abstain
Councillor Steve LeMay	For
Councillor James Leppard	For
Councillor Sue Livings	For
Councillor Ash Malik	For
Councillor Kay Morrison	Abstain
Councillor Colleen Morrison	For

Councillor Russell Perrin	For
Councillor Daniella Pritchard	Abstain
Councillor Matthew Saggars	For
Councillor Clive Souter	For
Councillor Stacy Seales	For
Councillor Lanie Shears	Abstain
Councillor John Strachan	Abstain
Councillor Dan Swords	For
Councillor Chris Vince	Abstain
Councillor Nancy Watson	Abstain
Carried	

RESOLVED that the substantive motion (as amended) was carried as follows:

“This Council recognises the impact high inflation, particularly of food and fuel prices, is and will continue to have on the people of Harlow.

This Council notes:

- i) The action Harlow Council took to help ease the cost of living in this municipal year’s budget with a £50 Council Tax Efficiency Dividend, a cancellation of the previously planned 1.99% increase of Harlow Council Tax, on top of the £150 Government Council Tax rebate for all Harlow households in Band A-D, therefore, delivering the UK’s biggest ever Council Tax cut;
- ii) The steps the Government are taking to help ease the cost-of-living pressures on Harlow households including the Energy Price Guarantee, £400 energy bills discount, Council Tax rebate, £1200 Cost of Living Payment, Universal Credit Taper Rate cut, Warm Homes discount, National Living Wage increase, Winter Fuel payment and much more besides;
- iii) The strong strategic lead Harlow and other councils across the country are providing in practically addressing fuel and food poverty issues;
- iv) That Harlow has some of the most deprived wards in Essex;
- v) That the cost-of-living crisis is also hitting the wider Harlow community particularly hard, with people worried as to how they will pay their food, fuel, rent or mortgage bills; and
- vi) That winter is weeks away.

This Council will:

- i) Continue the work the Council's Communities Service is doing to support residents including the exploration of provision of "warm spaces", ongoing work with the charitable sector and much more besides;
- ii) Ensure as far as possible that all residents are aware of what support is available as soon as possible;
- iii) Write to the Rt. Hon. Robert Halfon MP, and the appropriate Secretary of State to request any additional government funding required to enable the Council to fund "warm spaces" and address fuel and poverty issues strategically and practically within the Town; and
- iv) Take all possible measures in next year's budget setting process – as it did this year – to ease the cost of living through the Council Tax system and therefore the Budget will receive cross-party support."

53. **REFERENCES FROM CABINET AND COMMITTEES**

- a) Referral from Electoral Review Working Group - Response to LGBCE Draft Recommendations

Full Council received the Electoral Review Working Group's response to the Local Government Boundary Commission for England (LGBCE) draft recommendations for the warding patterns and boundaries in Harlow.

Proposed by Councillor Simon Carter (seconded by Councillor James Leppard) it was:

RESOLVED that Full Council approved the response (attached as Appendix A to the report) to the Local Government Boundary Commission for England (LGBCE) draft recommendations for the warding patterns and boundaries in Harlow.

54. **REPORTS FROM OFFICERS**

None.

55. **MINUTES OF CABINET AND COMMITTEE MEETINGS**

RESOLVED that the minutes of the following meetings be noted.

- a) Minutes of meeting Thursday, 22 September 2022 of Cabinet
- b) Minutes of meeting Tuesday, 27 September 2022 of Development Management Committee

- c) Minutes of meeting Wednesday, 5 October 2022 of Audit & Standards Committee
- d) Minutes of meeting Wednesday, 12 October 2022 of Development Management Committee

56. **MATTERS OF URGENT BUSINESS**

None.

CHAIR OF THE COUNCIL

Full Council – 3 November 2022

Questions from the Public

1 Gary Roberts to Councillor Russell Perrin (Leader of the Council):

You have claimed your administration is about regeneration of local areas and providing locally based council services. Therefore please explain why:

The former Potter Street neighbourhood office has remained empty for over ten years and when will locally based council services return to Potter Street?

Reply from Councillor Russell Perrin (Leader of the Council):

Thank you for your question, Mr Roberts and I commend you for your ongoing campaign to improve community services in Potter Street.

As you will be aware, the neighbourhood office closed many years ago. I am committed to ensuring that building is no longer left vacant, and the Portfolio Holder for Regeneration will announce details of a scheme to regenerate that vacant building in the near future.

Supplementary question from Gary Roberts to Councillor Russell Perrin (Leader of the Council):

I thank the Leader of the Council for his answer. The former Potter Street neighboured council office was closed in 2002-2003 by some who are still sitting as Councillors today, Councillor Andrew Johnson and Councillor Simon Carter, and others despite the large Potter Street residents petition against this closure. A former council working group for which I was a member, without voting rights, was set up but it was closed anyway. By closing this office, I was told that the council would save £1 million. I doubted that figure but any savings has been lost as the office has been empty ever since. If the council has any plans to provide council services locally that office needs to be used. Doesn't it?

Supplementary reply from Councillor Russell Perrin (Leader of the Council):

As I said earlier, we are committed to regenerating the area and Councillor Swords will be announcing plans on that forthcoming. I would say that regeneration is one of the top priorities of my administration, not just locally, but in our town centre. There's lots of exciting plans coming forward and many will be announced imminently. Thank you Mr Roberts.

2 Gary Roberts to Councillor Russell Perrin (Leader of the Council):

In February this year you stated this to me:

"However, the Council is working with local residents to deliver a new Potter Street Health and Community Hub. This has been supported by the Council's staff to get this over the line. I am informed refurbishment work will start soon on the site"

Please explain why nothing has happened since on the refurbishment of the Potter Street Health and Community hub?

Reply from Councillor Russell Perrin (Leader of the Council):

Thank you for your further question.

As you will be aware, the Portfolio Holder for HTS, Properties and Facilities is reviewing this project given the enormous rise in costs. This was not foreseen at the time I responded to your previous question and the relevant Portfolio Holder will be outlining the next steps for this project. I am aware he recently met with the Community Group and will update them again shortly.

Supplementary question from Gary Roberts to Councillor Russell Perrin (Leader of the Council):

Thank you again for your answer Council Leader. In February this year I attended this meeting to ask a question on service provision in both the town in general and Potter Street in particular. You, as the record shows, told me that refurbishment work on the Potter Street wellbeing hub is due to start then. I can confirm that since then no refurbishment work has been completed on the Potter Street wellbeing hub. You have also not had the courtesy to reply to my emails on this subject. That is not leadership, therefore, I am now asking you to tell your council officers to get the refurbishment completed by this Christmas, if not earlier, because if you do not, there is a real possibility that the current funding will be lost. Leadership is a difficult but invigorating challenge that in my long career I have proudly undertaken. In contrast, your leadership will be known as your warm words without authority if you do not get this refurbishment completed. Won't it?

Supplementary reply from Councillor Russell Perrin (Leader of the Council):

Mr Roberts, I really do sincerely agree with your ambition to see your local area regenerated. The very reason I became a Councillor was for similar motivations. I saw large parts of our town falling into decline and so that's why I have made it a priority of my administration. I would be disingenuous to say

that particular area is going to be done by Christmas but, what I can say is, is that the plans are being announced imminently. It takes an awful long time to pull all these plans together and they need to be done right because we need to make sure that they meet the needs of the community. So I'm sorry that I can't give you a more sort of pleasing answer, one that you would like to hear like it would be done by Christmas, but I will tell you this, I will work tirelessly to make sure that regeneration projects that we are announcing are coming on-stream. They will be more than warm words. I'm not entirely sure that leadership is invigorating but it certainly is challenging. Thank you very much for your question Sir.

3 Colin Thorpe to Councillor Steve LeMay (Portfolio Holder for HTS, Properties and Facilities – with special responsibility for the roads):

At the full Council meeting held on the 22nd July 2022 in answer to my supplementary question regarding the cost of repairs to Osler House Councillor LeMay stated "But I will review it all and I will meet with your group, and I will go through it line by line"

Following a brief meeting at Osler House on the 20th September 2022 with Councillors LeMay, Leppard and an officer in attendance Councillor Leppard sent an email on the 21st instant with the statement as follows;

1. Cllr LeMay to obtain an updated budget and spec from HTS as soon as possible and then review this with the officer and Colin Thorpe
2. Agree a final works schedule and budget.

At the Harlow Common Residents Forum held on the 5th October 2022 with Councillors LeMay, Leppard and Wilkinson in attendance the assurance was given that the repairs budget would be discussed in full

However at the meeting I attended held at the Civic Centre on the 14th October 2022 with Councillor LeMay and the officer the revised HTS tender was not available and Councillor LeMay refused to discuss any of the cost saving measures put forward by the group and with complete disregard to the following:

Harlow's 10 Wellbeing Plan 2018-2028

The Local plan section L2-L4

Harlow Councils Resilience Strategy 2021-2022 specifically the reference to Osler House

The Social Values Act regarding procurement

Harlow Council's procurement strategy

The Equalities Act

I ask again when will the Council fulfil its commitment made to the disadvantaged groups of Harlow and commence the repairs to Osler House as promised?

Reply from Councillor Steve LeMay (Portfolio Holder for HTS, Properties and Facilities – with special responsibility for the roads):

As I have explained to Mr Thorpe, I am committed to the best possible healthcare provision in our town. I was previously the Chair of the Harlow Health Centres Trust (HHCT) before resigning to become a councillor. This charity has done enormous amounts for healthcare in Harlow and I was a trustee for many years.

The meeting at Osler House was not brief, it was extensive, and I made very clear the financial constraints, we as a council face. The price of the works has nearly double and there is an extremely large funding gap. That is why I have made clear that small savings from the list Mr Thorpe has will not cover the funding gap.

I also met with the community group and made clear I am not dismissive of the project, I care passionately about healthcare provision, but explained in detail the financial constraints we as a council face and that we have a large gap in the finances/funding between what we have the allocated budget and what is required.

I have now received the revised figures from HTS and am working with officers to finalise the new project cost. Once I have this confirmed, I will do as I have always committed to doing, advise the community group on the way forward. I have done exactly as I promised to throughout.

This is purely based on what we can be afforded and the best value for money to the taxpayer.

Supplementary question from Colin Thorpe to Councillor Steve LeMay (Portfolio Holder for HTS, Properties and Facilities – with special responsibility for the roads):

At the council meeting held on 22 July of this year, Councillor LeMay stated that the costs of repairs to Osler House had almost doubled from the amount allocated for those repairs. This is incorrect as the amount budgeted for those repairs was £226,000, which had it almost doubled would be £452,000, whereas the tender for repairs resulted to £325,000 which is a shortfall of £99,000 and not the nearly £127,000 as suggested. Within the tender price, it allows for £22,000 for alterations which the trustees themselves have to pay for. My question is why is Councillor LeMay not taking into account the amount the trustees have to pay for these alterations suggested at £22,000,

and may have risen, and the loss of revenue from the rent of Osler House, some £68,000, and the suggested items which may be are cosmetic, being a further saving of £10,000 which amounts to £100,000 and is covering the sum of the adjusted overspend of £99,000?

Supplementary reply from Councillor Steve LeMay (Portfolio Holder for HTS, Properties and Facilities – with special responsibility for the roads):

Colin, as I've promised, as soon as I've finalised the figures with the officers, which will hopefully be the middle of next week, I will meet with you and I will go through it line by line as I've said all along.

4 Colin Thorpe to Councillor Alastair Gunn (Portfolio Holder for Governance):

Is it now par for the course that regardless of which side of this Chamber you sit for Councillors to disregard emails sent to them?

Out of the 33 emails I sent to the Councillors who supposed to be representing the people of Harlow I received 4 replies with one stating that the particular Councillor was on holiday giving dates in May 2022!!

With those emails was an attachment of the Potter Street Health and Wellbeing Trust's proposal for a Wellbeing Hub situated in Potter Street but available to all the residents of Harlow

Councillor Code of Conduct (Part 1) General Provisions

1 Introduction and Interpretation

1.1 As a Councillor you are a representative of this Council and the public will view you as such Your actions impact on how the Council as a whole is viewed and can have both positive and negative impacts on the Council

4 General Obligations

4.1 You must treat others with respect

As a resident of Harlow the Chair of Harlow Common Residents Forum and the Treasurer of the Potter Street Health and Wellbeing Trust by ignoring 29 out of the 33 emails sent have Councillors created a negative effect on the Council as a whole and treated me with respect as laid down in that Code of Conduct?

Reply from Councillor Alastair Gunn (Portfolio Holder for Governance):

Councillors are elected to serve residents in their ward. Except insofar as they may have wider responsibilities such as being a Portfolio Holder or being a Member Champion, Councillors would not be expected to reply to any correspondence received from those they are not elected to represent and to whom they are not democratically accountable.

It is also important to recognise that Councillors are not full-time officers and have to balance their public sector responsibilities with jobs, families and other commitments.

I trust this explains to Mr Thorpe why he was unlikely to receive responses from Councillors that do not represent the Harlow Common ward.

Supplementary question from Colin Thorpe to Councillor Alastair Gunn (Portfolio Holder for Governance):

The reason I addressed the question to the 33 councillors of Harlow Council was that I wasn't sure that they actually know that what the health and wellbeing hub is proposing is for the entire Harlow and not just Potter Street, and therefore, if ever this Council was to have a vote on it they would need to know what it was all about. So my question is, how many of those councillors actually read the question that I sent to them and the business plan which I sent to them with that and do they understand what the Potter Street health and wellbeing hub is going to do for the disadvantaged groups of this town?

Supplementary reply from Councillor Dan Swords on behalf of Councillor Alastair Gunn (Portfolio Holder for Governance):

Thank you Mr Thorpe for this supplementary question. I recognise the point that you are making. You mentioned about the Council having a vote on the matter. The allocated budget was voted through the usual Cabinet process I believe by the previous Administration. The Capital Programme has since been updated as on-going. I noted that in your initial question you said that you only received four responses for the 33 Councillors so I do find it interesting that there is a lot of Opposition Councillors nodding but they didn't respond to your email. However, I think that the answer that you took as read set out very clearly that Councillors are accountable to those who elect them unless, as the response said, they are Portfolio Holders or other such rank and of course have a wider responsibility. There also is a realism that Councillors received hundreds of emails from lots of people. They would be doing a dis-service to those people who they are here to represent if they were to respond to and deal with every query that they received, therefore, it will be dealt with by the Portfolio Holder and the Administration when the appropriate time comes as all other matters that affect many wards around the town are and that's a well versed process.

5 Cliff Phillips to Councillor Simon Carter (Portfolio Holder for Housing):

We have received some contradictory replies to the questions regarding pitched roof surveys, the when and who will be carrying it out? Reply from Simon Carter on 19th August was that the pitched roof surveys will be carried out by Harlow Council and its specialist consultants Stace.

However that, it would seem is not the case now, answers received at a recent Cabinet meeting and also by emails suggests that the on-site building contractor will be carrying out the surveys.

So could you confirm that all pitched roof surveys are now being carried out after the scaffolding has been erected, and by the builders on site and not as firstly informed by a Harlow surveyor?

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

Thank you for your question. I will reiterate for the benefit of all questioners tonight that you have a single point of contact for your questions who can provide more information, more quickly, than waiting for a Council or Cabinet meeting. I don't need to repeat who that is because the details have already been provided to you all.

I confirm that scaffolding has been erected at some of the flat blocks at Five Acres and surveys are being carried out to the pitch roofs. Once a contract has been awarded and the Contractor is on site it becomes their site and they become responsible for access to the site and all aspects of health and safety etc. Therefore, the Contractor would have had to grant access to the scaffolding for both STACE and Harlow Surveyor in order for them to carry out the surveys. The contractor would have assisted them by removing tiles and observed the condition of the roofs so that when the roofs are either repaired or replaced, part of the contract is for them to oversee this work.

Supplementary question from Cliff Phillips to Councillor Simon Carter (Portfolio Holder for Housing):

It would seem that at last some common sense may now prevail. We now have been informed in the last couple of days that the scaffolding is not now necessary for the roof surveys, even though the scaffolding on block one is fully erected and includes a tin hat for weather protection. The roof surveys will now be completed using a cherry picker. The scaffolding has an estimated cost of £3,000 per leaseholder. So why was a cherry picker not used to survey before the STACE report was configured and tender submitted? Would you not agree that this is another case of a farcical expense laid at our doors?

Supplementary reply from Councillor Simon Carter (Portfolio Holder for Housing):

Thank you for your question. This is a detailed operational matter which I don't have with me but I will make enquiries and get back to you.

6 Cliff Phillips to Councillor Simon Carter (Portfolio Holder for Housing):

When similar major works were proposed on the blocks of 30 flats at The Hides, a Report to Development Management Committee was produced laying out the proposal for works. This was before a Specification of Works was produced as carried out by Stace for the Five Acre site.

We have not been made aware of, or seen a Report of Development for proposed work on Five Acres. Why is this?

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

Thank you for your question.

A report to Development Management committee is for planning permission and relates to the purpose of the site and its design and appearance. It has no operational connection to major works carried out by the landlord.

Reports were prepared for Planning Officers for the five blocks and four were approved under delegated powers and the fifth, for 45-49 Five Acres, was approved by the Development Management Committee on 27 September. Full details of the application and reports are available on the council website. Notice of the planning applications were advertised on yellow notices posted near the relevant buildings in accordance with planning regulations.

But I reiterate, these are entirely separate functions and have no relation to each other.

Supplementary question from Cliff Phillips to Councillor Simon Carter (Portfolio Holder for Housing):

What also concerns us is will it not be questionable that the builders who have been awarded a very high and almost non-competitive contract will carry out an unbiased survey to establish the need for the roof replacement? Especially when they already have the roof tiles on site ready to go?

Supplementary reply from Councillor Simon Carter (Portfolio Holder for Housing):

I'm not sure I understand the question. It has already been explained in previous questions that we are only using scaffolding or the cherry picker for the Council's surveyors to get up there. The area is now under the control and responsibility of the contractors and they have the responsibility of undertaking it. We have explained that the surveys are being done by the Council's surveyors and STACE as our consultants. The contractors are merely there to facilitate our inspection.

7 Janet Jackman to Councillor Simon Carter (Portfolio Holder for Housing):

I note that in the minutes of the Cabinet meeting on 24 March 2022 it states that Simon Carter said there has been no maintenance on the five acres blocks for over six years due to the council requirement to have to reduce council tenants rents. Due to this, there has been no funds available for maintenance. Also, in the minutes, it states that Simon Carter said because of this works will be more costly. I note that Simon Carter did also state four times there has been no maintenance for over 20 years but, for some reason, it is not in the minutes.

Simon Carter also stated that leaseholders would be invited at various stages during the works to express our view in an environment of openness and transparency to ensure works are fair and reasonable.

To this date we have been told there will be no meetings or discussions about the works. Due to this we are very unhappy with the way we have been treated. Please can you explain why no further meetings have taken place?

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

Thank you for your question Ms Jackman.

The minutes of the Cabinet meeting of the 24 March 2022 state "Over the last five to six years there has been a shortage of funds in the HRA due to the requirements to lower rents which meant "some" maintenance couldn't be done earlier and resulted in higher costs." As previous advised Harlow Council has undertaken repairs and maintenance to the properties of Five Acres in accordance with the agreed repairs and maintenance strategy, prioritised within the budgets and resources available.

Harlow Council have not refused to meet with individuals on a one-to-one basis to discuss the works.

Supplementary question from Janet Jackmen to Councillor Simon Carter (Portfolio Holder for Housing):

We explained that Simon Carter says six years because he said four times in the other meeting that there has been no maintenance for 20 years. You can see it for yourself because there are trees growing out of the store cupboard roof and all sorts, it is pretty terrible. In the actual leases, it says that the freeholder of the properties should maintain their properties. Well, you can see that Harlow Council hasn't maintained the properties and I don't think that's a good enough excuse with budgets. Because you haven't maintained it means that the store cupboards, it's a little one with three doors, is going to cost us £13,000 because its gone to the state of non-repair. Why should it cost us more? It should cost the council more because they have not done their job and it says in the lease you should maintain your buildings and you haven't.

Supplementary reply from Councillor Simon Carter (Portfolio Holder for Housing):

As I say, we have maintained repairs and maintenance on an on-going basis for the day to day stuff, it is more the long-term. Repairs and maintenance have been happening on an on-going basis which we have to do to ensure the safety and sustainability of the property. Bigger works, like roofs and so forth, are obviously more expensive but they are not just more expensive for you, it is more expensive to us as well. We have to watch our pennies as well as you do. If you have day to day questions like rubbish bins you have a single point of contact available to all residents in Five Acres to report to and get stuff done quickly. You don't have to wait to come here as I said earlier. The other issue is if you are clearly unhappy with what the Council has done, rather than what it is going to do, you do have the ability to appeal to the First Tier Tribunal to which we have contact details.

8 Sally Jones to Councillor Simon Carter (Portfolio Holder for Housing):

Please can you provide me with the written brief to Stace LLP which led them to produce the Specification of Works for the External Repairs and Refurbishment Works on Five Acres?

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

Thank you for your question Ms Jones.

As this request is not part of the statutory requirements under current legislation a request must be made via Freedom of Information Act 2000.

You can also email or write to Contact Harlow to request information. If you do this, you will need to include: your name and address for correspondence a description of the information or documents you would like to access. Once you have submitted your request, we will respond within 20 working days.

We may charge a fee for postage or photocopying if the cost is more than £5.00.

9 Jenny Cassidy to Councillor Simon Carter (Portfolio Holder for Housing):

On the Stace schedule of works for Five Acres, section 3, block 5 -17, item no. 7.04 I quote "The contractor cannot use any of the existing hard standing areas for vehicular parking or sitting storage containers. The landscaped areas may be used provided they are reinstated and made good on completion of works". End quote.

In September, Cosmur fenced off 5 spaces in the car park. This is the hard standing area that Stace referred to. On the 13th October Cosmur took another 2 more car park spaces for material storage. Altogether that's 7 spaces. There was no consultation beforehand with the residents.

I reside at Five Acres, I, with many other residents use and rely on the car parking area on a daily basis. This is a highly populated area with a number of elderly and disabled residents. My disabled elderly neighbour was recently in tears and very distressed at not being able to find a parking space near to where she lives due to the 7 parking spaces Cosmur have taken against the criteria laid down by Stace.

My question is; as the contractors should not use any of the existing hard standing areas when will the contractors be made to remove their containers and materials from the car park to the landscaped area that Stace specified.

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

The STACE schedule of works for Five Acres, section 3, block 7-17 (not 5-17), item 7.04 the full quote states:

"The Contractor cannot use any of the existing hard standing areas for vehicular parking or siting storage containers. The landscaped areas may be used provided they are reinstate and made good on completion of the works, subject to prior agreement with the Local Authority. The Contractor is to provide proposals for the location of site accommodation, materials, compounds, hoardings, scaffolding and major plant. The locations are proposed must ensure that safe access is maintained to all residents' car parking areas and pedestrian footpaths."

When the schedule of works was put together it was the intent not to have the contractor assuming a certain area would be available or offered at the commencement of the project.

At a Pre-Contract meeting (following contract award) it is the duty of the client to assist the contractor in finding a suitable and appropriate areas for site compound/welfare. It was at this point that the area of the car park would be best suited, and permission was given by Harlow Council. To note, landscaped areas were considered but due to the size of the required compound and weight of the containers this would not have been suitable especially this time of year.

We can confirm that no spaces in the car parking area were designated disabled spaces.

Supplementary question from Jenny Cassidy to Councillor Simon Carter (Portfolio Holder for Housing):

In that case, why did STACE when compiling their specification work insist that the landscaped areas should be used and the hard standing must not be used for the site compound or contractor parking? Morally, I believe that, we the residents, are being rushed over and made to feel like second class citizens. How can you justify this?

Supplementary reply from Councillor Simon Carter (Portfolio Holder for Housing):

Those conditions would have been the normal conditions that we put into any contract regarding parking spaces and the use of other space available. With Five Acres, there's not a great deal of space but also, at this time of year, the use of open spaces would not be appropriate. This would obviously vary at the time of year but certainly at the moment with the amount of rainfall we are having it would do too much damage to the grass and wouldn't be safe to use. It would appear from the answer that we didn't notify you that this would happen for which I am obviously extremely sorry and I will take up with the officers about it.

10 Jan Addison to Councillor Simon Carter (Portfolio Holder for Housing):

Jan cannot attend the meeting in person. Due to her special circumstances, it has been agreed that her questions will be read out on her behalf.

Would the council clearly state whether the proposed roof survey at flats nos. 5 to 17 five Acres has actually been completed already. Yes or no?

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

Please thank Ms Addison for her questions but will reiterate my opening comments about the Single Point of Contact for queries and questions relating to the site.

The flat block is 7 – 17 Five Acres and not 5 - 17 as stated. Yes, the roof survey is completed. When all the roof surveys have been completed Harlow Council will review them and as previously stated all Leaseholders will be provided with a copy.

11 Jan Addison to Councillor Simon Carter (Portfolio Holder for Housing):

Jan cannot attend the meeting in person. Due to her special circumstances, it has been agreed that her questions will be read out on her behalf.

Will the copy of the survey provided to leaseholders before work starts clearly state, in simple terms the identified problems that require the roof to be replaced rather than just repaired?

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

Yes, the roof surveys are carried out by Chartered Surveyors STACE and are in a particular format. The survey will include photographs to support the reports' findings. When you receive a copy of the report should you require clarification of any of the content then you can contact the Single Point of Contact for Five Acres.

12 Denise Gillies to Councillor Simon Carter (Portfolio Holder for Housing):

At the last cabinet meeting the council spoke about how the cost of living is really affecting people, such as stress anxiety and mental health issues. which I am now suffering from myself.

So my question is to Councillor Carter is, how can you send leaseholders these ridiculous estimated bills of up to 30.000 and deliberately causing stress anxiety and mental health issues. Isn't this contradicting on what the council proposed at the last cabinet meeting?

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

Thank you for your question Ms Gillies.

The Council are incredibly aware of the impact of the cost of living and energy crisis and we have reviewed the range of payment options. In answer to question from Councillor Edwards at the Cabinet meeting of 13 October 2022

I announced for those leaseholders who reside in their property the interest free loan has been extended from 5 to 10 years.

All buildings age and require care and maintenance from time to time. The Council has a duty to ensure its building are safe and secure for both its tenants and leaseholders. The Council also has a duty to ensure it obtains value for money both for itself and its leaseholders. All tenders are appropriately evaluated, carrying out intensive checks to ensure that tenders meet the Council's requirements which include quality and insurances, as well as financial and economic standing. You will note both quality and price are evaluated separately to ensure a balanced award of any contract, with quality evaluated first. The estimated figure is based on the tender submitted. When the works are completed and signed, an invoice will be raised, and a full breakdown of the works carried out to individual blocks will be supplied to all leaseholders. The values may alter as work progresses and individual aspects refined after investigation.

The Council has in place several repayment options to help Leaseholders spread the cost of these works. Occupying and investor leaseholders have been provided with their relevant information on several occasions.

Supplementary question from Denise Gillies to Councillor Simon Carter (Portfolio Holder for Housing):

Everybody sends you emails with questions. It seems to me that you do a group answer when people have asked you individual questions so why don't you answer those questions to individual questions?

Supplementary reply from Councillor Simon Carter (Portfolio Holder for Housing):

I have mentioned now that there is a single point of contact for all questions on Five Acres. As explained in a previous answer, I, as do all other Councillors, receive a lot of emails and obviously the Five Acres ones are more important. Either I try to answer them as soon as I can or I have to wait for technical support for the question. As I say, if you do have a question, your best bet is to contact your single point of contact.

Full Council – 3 November 2022

Questions from Councillors

1 Councillor Lanie Shears to Councillor Alastair Gunn (Portfolio Holder for Governance):

Following disastrous recent and ongoing events many residents in this town are worried about the future, they are concerned that their income is reducing or stagnating whilst prices are soaring in the most horrendous cost of living crisis.

Whatever reason may be given for these events be it Brexit, Putin, pandemic or government incompetence is beside the point.

The Council must ensure that the residents of Harlow are supported, and that information regarding that support is put out in an accessible and timely manner.

This information should be relevant, up to date and easily accessible. Information may change from time to time as the situation unfolds and residents will need to be updated.

Too often 'online' is seen as the way to publish information and whilst it is a really good platform to do so , many people are left out because they do not have access to or do not use the Internet.

Will you ensure that all information is delivered to every household, available in a plethora of venues such as libraries, shop windows, places of worship, given to voluntary groups and schools, put on notice boards, made available in sheltered housing complexes, supported housing, CAB and any other relevant places and ensure that the distribution of such information to these locations is repeated as soon as updates are available?

Will you also ensure that the operators at Contact Harlow are fully briefed on the available measures and how they can be accessed in order that they can speedily provide up to date information to residents?

Reply from Councillor Alastair Gunn (Portfolio Holder for Governance):

Thank you for your question which raises many important points. The Council is absolutely committed to doing everything possible to ensure residents are well informed. The Council is actively working to improve communications and undertook a recent Local Government Association Peer Review of its communications and will take steps to improve further.

We are already doing a number of things to actively promote and address the issues you mention, including, but not restricted to:

- The Council is working very closely with health colleagues through the West Essex Health Inequalities Workstream on impacts of cost of living crisis and available support for residents. This work aims to ensure frontline services can refer people to the right sources of help and advice
- This is a cross sector issue and the Council is one of a number of bodies looking to address the issue locally, alongside NHS and County Council as well as advice groups and voluntary sector; all groups are working together to provide a joined up approach and same information across the board
- The Community Hub co-ordinated by Rainbow Services provides face to face advice and information through outreach sessions to the community and referral to services that can offer direct support such as the Foodbank, local Citizens Advice Bureau etc and is funded by Harlow Council
- Council's web pages dedicated to cost of living support are signposted from landing pages and cover a number of key questions residents may ask (Help with the cost of living | Harlow Council) this covers not only financial help from the Council and others, but also information on health and wellbeing, support for older residents and free and low cost activities. Again this is a source of information that can be used by frontline services to direct people to where they can find assistance
- Regular cost of living information has featured in Harlow Times since the summer. Information appeared in the autumn edition and will appear again in the winter edition out in December. The magazine is delivered to all Harlow households
- Signposting information has been included on the front of the quarterly rent statements sent out to council tenants
- A social media campaign is being developed to reach people within Harlow on Facebook and target different local interest groups with cost of living information. This will include targeting those looking for help and support, but also those who can pass on information to family, friends and neighbours
- Regular information will also be circulated to places around town to help reach those not online. As part of this we will investigate circulating information to as many of the locations as we can that Cllr Shears has suggested.
- Contact Harlow provide advice and information on a variety of services the Council offers and signposting residents to other available support remains part of the service they provide to residents.
- Report to Scrutiny Committee on 16 November includes recommendations to review locations and contents of community noticeboards to reflect key messages from the Council and public sector bodies, including within health sector.

- Working with our fantastic local news outlet, YourHarlow.com to ensure residents are fully engaged.

2 Councillor Tony Edwards to Councillor Simon Carter (Portfolio Holder for Housing):

As a Ward Councillor in the last three months, I have been made aware of three major roofing repairs.

The first was a top floor flat where guttering problems have caused significant water penetration; the repair has taken over a year to be addressed.

The second was a house where rain was pouring in through a porch way roof. Which has not been addressed properly for several years.

The third is a house with a young family, where in August due to rain penetration the kitchen ceiling collapsed. Where it took until the 14th of October to get the roof temporarily sheeted and made weather tight. And where the tenant still hasn't been told when the roof will be permanently fixed.

Can you tell me how many Harlow Council homes are there currently where reroofing is necessary and how long (in weeks) in the majority of such cases, does it take from the time a problem is first referred until reroofing is completed?

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

Thank you for your questions. The Council is trying to deal with the roofing issues in date order with a priority influence. There are 47 Houses that do not have orders for work and 13 flat blocks. The waiting time can be anywhere between 1 and 4 years, as the revenue and capital budgets are under so much pressure and there are other priorities.

We do, however, expect that properties are kept watertight in between.

Supplementary question from Councillor Tony Edwards to Councillor Simon Carter (Portfolio Holder for Housing):

Could you please elucidate on what you mean by the revenue and the capital budgets are under so much pressure? Could you, for the record, please tell us how much pressure in terms of are the current capital budgets spent up for this year? Therefore people will have to wait for next year? What are the capital budgets? And what are the capital revenue budgets?

Supplementary reply from Councillor Simon Carter (Portfolio Holder for Housing):

There were quite a few points you covered there. Probably the basic one is what is the difference between the revenue and the capital programme. The others, if you would be kind enough to write to me for answers, I am sure I will be able to send the answers to you. The revenue budgets are more for day to day patches and repairs which can be done quite easily and simply. The capital programme will be for the major works like re-roofing. We have explained, several times before, all of our budgets are under pressure, particularly following the rent reduction for four years. That has had a major impact and it is taking a while to catch up. We will of course be reviewing our budget for 2023-24 and again it will be priority lead. If you let me know the other details, I will reply back to you.

3 Councillor Tony Edwards to Councillor Simon Carter (Portfolio Holder for Housing):

In addition to the three issues raised in my previous question, I have also been made aware of a fourth outstanding repair.

The fourth is a top floor flat where a hole in the ceiling due to rain penetration was first reported on Boxing Day of last year and where the ceiling still has not yet been fixed

Can the relevant portfolio holder please tell me.

How many Council roofs and / or ceiling repairs are currently outstanding and how long is it taking for such work to be completed in the majority of such cases?

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

The total number of complete roof renewals referred for the re-roofing Capital Programme is 60, this figure includes both individual street properties and flat blocks. The Council has identified within its Housing Capital Programme the ongoing requirement to fund re-roofing projects as part of its Asset Management strategy and makes an annual allocation to fund these projects. Work is delivered through two programmes firstly through a Roof Renewal Programme and secondly through the wider Housing Investment Programme which scope includes roofing works. It will depend on when a property is referred as to when the works will be delivered.

Supplementary question from Councillor Tony Edwards to Councillor Simon Carter (Portfolio Holder for Housing):

Particularly given that you didn't answer my original question, my original question was how many council roofs and/or single repairs are currently

outstanding? It wasn't how many complete roofs renewals there are. My understanding from talking to officers is that we are talking in excess of 1,200 currently outstanding. So could you please confirm for me, the number of roofs and/or single repairs that are currently outstanding?

Supplementary reply from Councillor Simon Carter (Portfolio Holder for Housing):

As I mentioned, there are the revenue programme and the capital programme as well. The roofing number came from the capital programme but other repairs may well come under the repair programme. You mention a number of 1,200 but you have no indication as to how much work is actually involved. Some may be just a replacement tile, others may be several tiles but again its not the kind of operational information that I carry around with me. I will go away and find out and let you know.

4 Councillor Chris Vince to Councillor Russell Perrin (Leader of the Council):

Following comments online by the portfolio for strategic growth on the 8th August where he said 'Switch them off' can the leader of the council put on record his administration's support for the need for night time street lighting?

Reply from Councillor Russell Perrin (Leader of the Council):

I fully appreciate the importance of street lighting and the strength of feeling many people have about this matter. There are currently no plans to turn off the streetlights.

5 Councillor Chris Vince to Councillor Russell Perrin (Leader of the Council):

At the cabinet meeting in September, I asked for figures related to vacancies within the council which I am yet to receive. Could the leader of the council tell me what work is being done or will be done to fill the vacancies which are across the organisation and ensure the retention of current staff?

Reply from Councillor Russell Perrin (Leader of the Council):

I understand that the information you asked for was requested from the relevant Director of the Council after the meeting. I was unaware that this had not been provided to you and therefore, chased this yesterday. I have today been provided with that information and will send this to you. I can only apologise on the Directors behalf that this information took so long to reach you.

I have personally asked the Interim Chief Executive to oversee the ongoing recruitment and appointment of council staff noting the concerns you raise.

In terms of retention, I am absolutely committed to ensuring the Council is a fantastic place to work and that all members of staff feel valued with strong measures in place to retain staff. A number of such measures are in place and I understand that our turnover of permanent staff is below the national average, but there is always more to do and I will continue to work with the Interim Chief Executive to ensure that happens.

Supplementary question from Councillor Chris Vince to Councillor Russell Perrin (Leader of the Council):

Should we do a staff satisfaction survey could members see the results and potentially contribute to the staff satisfaction survey going forward to ensure that it is fit for purpose?

Supplementary reply from Councillor Russell Perrin (Leader of the Council):

You can certainly see the results. I am happy to take views on the construction thereof.

6 Councillor Jean Clark to Councillor Simon Carter (Portfolio Holder for Housing):

The Care Quality Commission inspected Sumners Farm Close in August and issued a damning report on the 'provider', as reported in Your Harlow recently.

What particular concerns did the government highlight about the provision of care for our highly vulnerable residents? What recommendations were made to improve the quality of care?

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

The care agency at Sumners Farm is commissioned by Essex County Council who have met with the agency to talk through the report and awaiting an action plan to rectify the issues.

Supplementary question from Councillor Jean Clark to Councillor Simon Carter (Portfolio Holder for Housing):

When a meeting has been arranged and during discussion, could the report be publicised and the recommendations? Can we be involved in those

discussions and the recommendations rather than just reading the outcome in Your Harlow?

Supplementary reply from Councillor Simon Carter (Portfolio Holder for Housing):

I really think these questions ought to be aimed at the County Councillors who are much closer to the decision making. Certainly we will be involved to see what the outcome is, we would be able to write to you separately to release that information which comes out but if you approach the County Councillors which do have responsibility for this, I am sure they will assist you.

7 Councillor Bob Davis to Councillor Russell Perrin (Leader of the Council):

Will this Council submit an application to the Government to cancel the local elections in 2023 as those elected will only serve a period of 12 months before all 33 councillors in Harlow will be up for election due to the boundary changes?

Whilst in a cost- of- living crisis this seems a waste of a considerable amount of Harlow Council taxpayers money.

Reply from Councillor Russell Perrin (Leader of the Council):

The requirement to hold yearly elections for a third of its seats is set out in law in section 7 of the Local Government Act 1972 which also provides the years in which County elections are also held.

Any desire to cancel elections would need legislation or government order to vary, as was the case during the pandemic when the government introduced such provisions as part of the Coronavirus Act. The Local Government Boundary Commission have also confirmed that it couldn't form part of the warding order that they will be bringing forward as part of their review.

As such, I believe that such a request wouldn't find favour given its timing and would in effect be denying the community their right to choose their representative. Several Councillors elected in 2019 will have reached the end of their four-year terms of office and should be expected to seek consent from their ward electors to continue to represent them.

I understand from the Council's Returning Officer that planning and implementation of the arrangements for May's elections are already well underway in any event.

However, there are options for saving the Council's expenditure on elections were it to decide to move to 'all-out' elections after those scheduled for 2024 which does have the potential for saving a significant amount and minimising voter fatigue. This administration is supportive of this approach and would welcome cross-party support in exploring this option further.

Supplementary question from Councillor Bob Davis to Councillor Russell Perrin (Leader of the Council):

You state "I believe that such a request wouldn't find favour." Have you asked? Please be aware that both the Council and voluntary services could use this money in the near future as they may well need it.

Supplementary reply from Councillor Russell Perrin (Leader of the Council):

There are two points I would like to make. First of all, I am more than happy to write to the Secretary of State to put forward this proposal and ask that our MP also asks the Secretary of State to look upon our request. But I would also continue to extend that the Chamber looks at, very seriously, moving to all out elections every four years which I know that when I have been in previous discussions with the Leader of the Opposition, they have been opposed to do so. Because I presented the case, not only would it mitigate or reduce the effect of voter fatigue of having to vote every single year but it would provide an efficiency for the tax payer themselves as well by reducing the overall costs of elections so I really would urge the opposition to re-look at their long standing view, as the Leader of the Opposition said to me personally, that they are opposed to four yearly elections

**MINUTES OF THE COUNCIL
HELD ON**

17 November 2022

8.00 - 8.50pm

PRESENT

COUNCILLORS

Andrew Johnson (Chair)
Sue Livings (Vice-Chair)

David Carter	Eddie Johnson
Simon Carter	James Leppard
Joel Charles	Stephen Lemay
Nick Churchill	Colleen Morrison
Jean Clark	Kay Morrison
Bob Davis	Russell Perrin
Jodi Dunne	Nicky Purse
Tony Durcan	Matthew Saggars
Tony Edwards	Stacy Seales
Michael Garnett	Clive Souter
James Griggs	Dan Swords
Alastair Gunn	Chris Vince
Michael Hardware	Mark Wilkinson

OFFICERS

Rob Tinlin, Interim Chief Executive
Hannah Marriott, Governance Support Officer
Andrew Bramidge, Director of Strategic Growth and Regeneration
Simon Freeman, Deputy to the Chief Executive and Director of Finance
Jane Greer, Director of Communities and Environment
Simon Hill, Director of Governance and Corporate Services

57. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Ash Malik, Daniella Pritchard, Lanie Shears, John Strachan and Nancy Watson.

58. **DECLARATIONS OF INTEREST**

None.

59. **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED that the following item be taken in private session on the grounds that it is likely to involve the disclosure of exempt information as specified under Paragraph 3 of Part One of Schedule 12A of the Local Government Act 1972, if and so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information).

60. **REFERENCES FROM CABINET AND COMMITTEES**

- a) Referral from Cabinet - Potential Acquisition of Town Centre Property

Full Council received a referral from Cabinet on the potential acquisition of a town centre property.

Proposed by Councillor Dan Swords (seconded by Councillor Chris Vince) it was:

RESOLVED that:

- A** The acquisition of the property referred to in the report be approved for not more than the maximum amount shown in section 6 of the report on an unconditional basis to facilitate the Council's regeneration strategy for Harlow town centre.
- B** The procurement of legal, property, surveyor, valuation and specialist advisers to support full due diligence on the acquisition, and the associated fees payable as set out in the report, be approved.
- C** The procurement, via the Crown Commercial Services framework, of Savills (as Property Manager) and Montagu Evans (as Asset Manager) be approved, conditional upon the acquisition of the property, for an initial period of two years. The costs associated with the management services have been factored into the financial appraisal.
- D** Authority is delegated to the Chief Executive to complete the purchase of the property.
- E** The financing for the purchase and associated costs as set out in the report is approved and that the Capital Programme, Capital Strategy and associated documents are amended to reflect this capital acquisition.
- F** Authority is delegated to the Deputy Chief Executive and Director of Finance to make the final arrangements for the borrowing associated with the purchase.

61. **MATTERS OF URGENT BUSINESS**

None.

CHAIR OF THE COUNCIL

**MINUTES OF THE COUNCIL
HELD ON**

22 November 2022

7.30 - 7.35 pm

PRESENT

COUNCILLORS

Andrew Johnson (Chair)
Sue Livings (Vice-Chair)

David Carter	Ash Malik
Simon Carter	Colleen Morrison
Joel Charles	Kay Morrison
Jean Clark	Russell Perrin
Jodi Dunne	Nicky Purse
Tony Edwards	Stacy Seales
Michael Garnett	Clive Souter
James Griggs	Dan Swords
James Leppard	Chris Vince
Stephen LeMay	Nancy Watson

OFFICERS

Niel Churchill,
Communications Manager
Simon Freeman, Deputy to the
Chief Executive and Director of
Finance
Simon Hill, Director of
Governance and Corporate
Services
Janet Jackson, Corporate and
Governance Support Manager

62. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Nick Churchill, Bob Davis, Tony Durcan, Alastair Gunn, Michael Hardware, Eddie Johnson, Daniella Pritchard, Matthew Saggars, Lanie Shears, John Strachan and Mark Wilkinson.

63. **DECLARATIONS OF INTEREST**

None.

64. **REFERRAL FROM APPOINTMENTS PANEL - APPOINTMENT OF CHIEF EXECUTIVE**

Full Council received a referral from the Appointments Panel to appoint a permanent Chief Executive.

Proposed by Councillor Russell Perrin (seconded by Councillor Chris Vince) it was:

RESOLVED that on the recommendation of the Appointments Panel:

A Andrew Bramidge be:

- i) Appointed as the Council's permanent Chief Executive (subject to agreement on an appropriate start date); and

- ii) Designated as the Head of Paid Service, in accordance with Section 4(1) of the Local Government and Housing Act 1989; and
- iii) Designated as the Returning Officer and Electoral Registration Officer.

65. **MATTERS OF URGENT BUSINESS**

None.

CHAIR OF THE COUNCIL

REPORT TO: CABINET

DATE: 1 DECEMBER 2022

TITLE: ANNUAL TREASURY MANAGEMENT REPORT
2021/22

PORTFOLIO HOLDER: COUNCILLOR JAMES LEPPARD, PORTFOLIO
HOLDER FOR FINANCE

LEAD OFFICER: SIMON FREEMAN, DEPUTY CHIEF EXECUTIVE
AND DIRECTOR OF FINANCE (01279) 446228

CONTRIBUTING OFFICER: MATTHEW CROSBY. ASSISTANT DIRECTOR
FINANCE (INTERIM) (01279) 446225

This is not a Key Decision

It is on the Forward Plan as Decision Number I013854

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:

A Cabinet note the annual Treasury Management Report for 2021/22, as set out in Appendix A to the report, and that the Council operated within the Treasury Management Strategy Statement during 2021/22 and that the report is recommended to Full Council for approval.

REASON FOR DECISION

A In complying with latest Codes of Practice, Full Council is required to receive an annual report on the prior years' treasury management functions of the Council, which should also receive review by Cabinet in advance of its presentation to Full Council.

B The Prudential Indications are also required to be reported to Full Council. These are included within the annual Treasury Management report.

BACKGROUND

1. Treasury management is defined as "The management of the Council's investments and cash flows, it's 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."
2. During 2021/22 the minimum reporting requirements were that Full Council should receive the following reports:

- a) An annual treasury strategy in advance of the year (Full Council 28 January 2021)
 - b) A mid-year treasury update report (Full Council 3 February 2022); and
 - c) An annual review following the end of the year describing the activity compared to the strategy (this report).
3. The annual report for 2021/22 has been produced in compliance with the Code and is set out in Appendix A to this report. The regulatory environment governing treasury management places onus on Councillors for the review and scrutiny of treasury management policies and activities. This report is important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by Council.

ISSUES/PROPOSALS

- 4. As stewards of public funds, the Council continues to take all practical steps to protect its investment portfolio. In this respect, emphasis remains in this order of priority: security, liquidity and yield.
- 5. Security is defined as “reducing risk in order to protect the return of capital sums, particularly in relation to the Council's investments”. In practice this means placing investments with organisations which have a high quality credit rating, i.e. banks and other bodies which have a Fitch rating of A(-) and above.
- 6. Local Authorities do not usually have credit ratings but are generally inherently safe havens for investments. However, in recent years there have been exceptions to this rule, for example Northamptonshire County Council and Croydon Borough Council. In these circumstances the Council would continue to follow the advice of its Treasury Management advisors Arlingclose.
- 7. Liquidity means “ensuring that investments are not committed for excessive time periods in order to facilitate the Council's cashflow requirements and to reflect the risk of not having immediate access to funds”. Councils are discouraged from investing disproportionate sums of money for long periods of time at what seem attractive rates of return.
- 8. Yield is “obtaining a reasonable return on investments”. In March 2021 the Bank of England base rate stood at 0.10 percent. However, as a result of the changing economic situation following the pandemic a number of rate rises ensued in December 2021, February 2022 and March 2022 with the end of year base rate being 0.75 per cent. Against this backdrop the Council has attempted to gain the best yields possible without compromising security and liquidity.
- 9. The advice from Arlingclose is that the Council must aim towards a good investment spread as the best defence against a possible Capital loss. As a result and within the overarching powers given by Councillors in the Treasury Management Strategy, the Council held investments with the CCLA (the Local

Authority Property Fund), a Cash-Plus Fund, Money Market Funds, Local Authorities and the Treasury's Debt Management Office. It does not currently hold and investments with Banks and Building Societies, other than funds held with its own banker Barclays Bank plc.

IMPLICATIONS

Strategic Growth and Regeneration

None specific.

Author: Andrew Bramidge, Director of Strategic Growth and Regeneration

Finance

As contained in the report.

Author: Simon Freeman, Deputy Chief Executive and Director of Finance

Housing

None specific.

Author: Andrew Murray, Director of Housing

Community and Environment

None specific.

Author: Jane Greer, Director of Community and Environment

Governance and Corporate Services

None specific

Author: Simon Hill, Director of Governance and Corporate Services

Appendices

Appendix A – Annual Treasury Management Report 2021-22

Background Papers

Treasury Management Strategy 2021/22

Glossary of terms/abbreviations used

None.

<p style="text-align: center;">HARLOW COUNCIL ANNUAL TREASURY MANAGEMENT REPORT 2021/22</p>

Introduction

1. In December 2017 the Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve treasury management semi-annual and annual reports.
2. The Council's treasury management strategy for 2021/22 was approved at a meeting on 28th January 2021. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Council's treasury management strategy.
3. 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* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year and, as a minimum, a semi-annual and annual treasury outturn report.
4. The Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Council's Capital Strategy, complying with CIPFA's requirement, was approved by full Council on 28th January 2021.

External Context

5. **Economic background:** The continuing economic recovery from coronavirus pandemic, together with the war in Ukraine, higher inflation, and higher interest rates were major issues over the period.
6. Bank Rate was 0.1% at the beginning of the reporting period. April and May saw the economy gathering momentum as the shackles of the pandemic restrictions were eased. Despite the improving outlook, market expectations were that the Bank of England would delay rate rises until 2022. Rising, persistent inflation changed that.
7. UK CPI was 0.7% in March 2021 but thereafter began to steadily increase. Initially driven by energy price effects and by inflation in sectors such as retail and hospitality which were re-opening after the pandemic lockdowns, inflation

then was believed to be temporary. Thereafter price rises slowly became more widespread, as a combination of rising global costs and strong demand was exacerbated by supply shortages and transport dislocations. The surge in wholesale gas and electricity prices led to elevated inflation expectations. CPI for February 2022 registered 6.2% year on year, up from 5.5% in the previous month and the highest reading in the National Statistic series. Core inflation, which excludes the more volatile components, rose to 5.2% y/y from 4.4%.

8. The government's jobs furlough scheme insulated the labour market from the worst effects of the pandemic. The labour market began to tighten and demand for workers grew strongly as employers found it increasingly difficult to find workers to fill vacant jobs. Having peaked at 5.2% in December 2020, unemployment continued to fall and the most recent labour market data for the three months to January 2022 showed the unemployment rate at 3.9% while the employment rate rose to 75.6%. Headline 3-month average annual growth rate for wages were 4.8% for total pay and 3.8% for regular pay. In real terms, after adjusting for inflation, total pay growth was up 0.1% while regular pay fell by 1.0%.
9. With the fading of lockdown – and, briefly, the 'pingdemic' – restraints, activity in consumer-facing sectors improved substantially as did sectors such as oil and mining with the reopening of oil rigs but materials shortages and the reduction in the real spending power of households and businesses dampened some of the growth momentum. Gross domestic product (GDP) grew by an upwardly revised 1.3% in the fourth calendar quarter of 2021 according to the final estimate (initial estimate 1.0%) and took UK GDP to just 0.1% below where it was before the pandemic. The annual growth rate was revised down slightly to 7.4% (from 7.5%) following a revised 9.3% fall in 2020.
10. Having increased Bank Rate from 0.10% to 0.25% in December, the Bank of England hiked it further to 0.50% in February and 0.75% in March. At the meeting in February, the Monetary Policy Committee (MPC) voted unanimously to start reducing the stock of its asset purchase scheme by ceasing to reinvest the proceeds from maturing bonds as well as starting a programme of selling its corporate bonds.
11. In its March interest rate announcement, the MPC noted that the invasion of Ukraine had caused further large increases in energy and other commodity prices, with the expectation that the conflict will worsen supply chain disruptions around the world and push CPI inflation to around 8% later in 2022, even higher than forecast only a month before in the February Monetary Policy Report. The Committee also noted that although GDP in January was stronger than expected with business confidence holding up and the labour market remaining robust, consumer confidence had fallen due to

the squeeze in real household incomes.

12. GDP growth in the euro zone increased by 0.3% in calendar Q4 2021 following a gain of 2.3% in the third quarter and 2.2% in the second. Headline inflation remains high, with CPI registering a record 7.5% year-on-year in March, the ninth successive month of rising inflation. Core CPI inflation was 3.0% y/y in March, was well above the European Central Bank's target of 'below, but close to 2%', putting further pressure on its long-term stance of holding its main interest rate of 0%.
13. The US economy expanded at a downwardly revised annualised rate of 6.9% in Q4 2021, a sharp increase from a gain of 2.3% in the previous quarter. In its March 2022 interest rate announcement, the Federal Reserve raised the Fed Funds rate to between 0.25% and 0.50% and outlined further increases should be expected in the coming months. The Fed also repeated its plan to reduce its asset purchase programme which could start by May 2022.
14. **Financial markets:** The conflict in Ukraine added further volatility to the already uncertain inflation and interest rate outlook over the period. The Dow Jones started to decline in January but remained above its pre-pandemic level by the end of the period while the FTSE 250 and FTSE 100 also fell and ended the quarter below their pre-March 2020 levels.
15. Bond yields were similarly volatile as the tension between higher inflation and flight to quality from the war pushed and pulled yields, but with a general upward trend from higher interest rates dominating as yields generally climbed.
16. The 5-year UK benchmark gilt yield began the quarter at 0.82% before rising to 1.41%. Over the same period the 10-year gilt yield rose from 0.97% to 1.61% and the 20-year yield from 1.20% to 1.82%.
17. The Sterling Overnight Rate (SONIA) averaged 0.39% over the quarter.
18. **Credit review:** In the first half of FY 2021-22 credit default swap (CDS) spreads were flat over most of period and are broadly in line with their pre-pandemic levels. In September spreads rose by a few basis points due to concerns around Chinese property developer Evergrande defaulting but then fell back. Fitch and Moody's revised upward the outlook on a number of UK banks and building societies on the Council's counterparty to 'stable', recognising their improved capital positions compared to 2020 and better economic growth prospects in the UK.
19. Fitch also revised the outlook for Nordea, Svenska Handelsbanken and Handelsbanken plc to stable. The agency considered the improved economic prospects in the Nordic region to have reduced the baseline downside risks it

previously assigned to the lenders.

20. The successful vaccine rollout programme was credit positive for the financial services sector in general and the improved economic outlook meant some institutions were able to reduce provisions for bad loans. However, in 2022, the uncertainty engendered by Russia's invasion of Ukraine pushed CDS prices modestly higher over the first calendar quarter, but only to levels slightly above their 2021 averages, illustrating the general resilience of the banking sector.
21. Having completed its full review of its credit advice on unsecured deposits, in September Arlingclose extended the maximum duration limit for UK bank entities on its recommended lending list from 35 days to 100 days; a similar extension was advised in December for the non-UK banks on this list. As ever, the institutions and durations on the Council's counterparty list recommended by Arlingclose remains under constant review.

Revised CIPFA Codes, Updated PWLB Lending Facility Guidance

22. In August 2021 HM Treasury significantly revised guidance for the PWLB lending facility with more detail and 12 examples of permitted and prohibited use of PWLB loans. Authorities that are purchasing or intending to purchase investment assets primarily for yield will not be able to access the PWLB except to refinance existing loans or externalise internal borrowing. Acceptable use of PWLB borrowing includes service delivery, housing, regeneration, preventative action, refinancing and treasury management.
23. CIPFA published its revised Prudential Code for Capital Finance and Treasury Management Code on 20th December 2021. The key changes in the two codes are around permitted reasons to borrow, knowledge and skills, and the management of non-treasury investments.
24. The principles of the Prudential Code took immediate effect although local authorities could defer introducing the revised reporting requirements until the 2023/24 financial year if they wish. Harlow Council has chosen to defer reporting requirements until the 2023/24 financial year.
25. To comply with the Prudential Code, authorities must not borrow to invest primarily for financial return. This Code also states that it is not prudent for local authorities to make investment or spending decision that will increase the CFR unless directly and primarily related to the functions of the authority. Existing commercial investments are not required to be sold; however, authorities with existing commercial investments who expect to need to borrow should review the options for exiting these investments.

26. Borrowing is permitted for cashflow management, interest rate risk management, to refinance current borrowing and to adjust levels of internal borrowing. Borrowing to refinance capital expenditure primarily related to the delivery of a local authority's function but where a financial return is also expected is allowed, provided that financial return is not the primary reason for the expenditure. The changes align the CIPFA Prudential Code with the PWLB lending rules.
27. Unlike the Prudential Code, there is no mention of the date of initial application in the Treasury Management Code. The TM Code now includes extensive additional requirements for service and commercial investments, far beyond those in the 2017 version. Harlow Council will follow the same process as the Prudential Code: delaying changes in reporting requirements to the 2023/24 financial year.

Local Context

28. On 31st March 2022, the Council had net borrowing of £175.1m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

	31.3.22 Actual £m
General Fund CFR	72.9
HRA CFR	196.3
Total CFR	269.1
Less: *Other debt liabilities	1.5
Borrowing CFR	267.6
External borrowing	211.8
Internal borrowing	55.8
Less: Usable reserves	76.8
Less: Working capital	11.8
Investments	36.7

* finance leases, PFI liabilities and transferred debt that form part of the Council's total debt

29. Lower official interest rates have lowered the cost of short-term, temporary loans and investment returns from cash assets that can be used in lieu of borrowing. The Council pursued its strategy of keeping borrowing and investments below their underlying levels, sometimes known as internal

borrowing, in order to reduce risk and keep interest costs low.

30. The treasury management position at 31st March 2022 and the change during the year is shown in Table 2 below.

Table 2: Treasury Management Summary

	31.3.21 Balance £m	Movement £m	31.3.22 Balance £m	31.3.22 Rate
Long-term borrowing	(211.8)	-	(211.8)	(3.3%)
Short-term borrowing	(3.0)	-	-	-
Total borrowing	(214.8)	3.0	(211.8)	(3.3%)
Long-term investments	4.4	(0.2)	4.2	11.2%*
Cash and cash equivalents	8.8	23.7	32.5	0.5%
Total investments	13.2	23.5	36.7	2.9%
Net borrowing	(201.6)	26.5	(175.1)	

* The return given for long term investments includes total return for the Council's investment in a property fund which were unusually high due to increasing property prices. These returns would not be expected to occur in the long term. Income returns were 2.0% which is a more accurate view as to long term returns.

Borrowing Update

31. The Council currently holds £1.4m in commercial investments that Harlow have owned for historical reasons, these were purchased prior to the change in the CIPFA Prudential Code. Before undertaking further additional borrowing the Council will review the options for exiting these investments. This review will include an option to sell them, although sale is not mandatory particularly if the market conditions are not desirable.
32. The Council is not planning to undertake any new borrowing to invest primarily for commercial return and so is otherwise unaffected by the changes to the Prudential Code.

Borrowing strategy

33. At 31st March 2022 the Council held £211.8m of loans from the PWLB, the same figure it held the previous financial year end (31st March 2021).
34. The Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective. In keeping with these objectives no new borrowing was undertaken.

Other Debt Activity

35. Although not classed as borrowing, the Council also had £1.5m in vehicles which were funded via a finance lease as at 31st March 2022. This was a decrease on last year's figure of £1.7m.

Treasury Investment Activity

36. CIPFA published a revised Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes on 20th December 2021. These define treasury management investments as investments that arise from the organisation's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.
37. The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year, the Council's investment balances ranged between £14.7m and £41.9m due to timing differences between income and expenditure. The investment position is shown in table 4 below.
38. During the 2021/22 financial year the Council received £13.3m in funding from central government to support small and medium businesses during the coronavirus pandemic. Of this £5.6m had been distributed by 21st March 2022.

Table 4: Treasury Investment Position

	31.3.21 Balance £m	Net Movement £m	31.3.22 Balance £m	31.3.22 Income Return	31.3.22 Weighted Average Maturity Days*
Banks & building societies (unsecured)	1.5	0.5	2.0	0.5%	1
Government (incl. local authorities)	-	10.5	10.5	0.5%	1
Money Market Funds	6.7	13.3	20.0	0.5%	1
Cash Plus Fund	2.0	2.0	2.0	0.2%	N/A
Property Fund	1.9	0.3	2.2	3.9%	N/A
Total investments	12.1	24.6	36.7	0.7%	

* The Council's cash plus and property fund do not have a set period to maturity period. Cash can be redeemed on request after a notice period is given. They are considered long term investments as there is price risk associated with needing to make a withdrawal at short notice.

39. Both the CIPFA Code and government guidance require the Council to invest

its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum 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.

40. Ultra low short-dated cash rates, which were a feature since March 2020 when Bank Rate was cut to 0.1%, prevailed for much of the 12-month reporting period which resulted in the return on sterling low volatility net asset value (LVNAV) Money Market Funds being close to zero even after some managers have temporarily waived or lowered their fees. However, higher returns on cash instruments followed the increases in Bank Rate in December, February and March. At 31st March, the 1-day return on the Council's MMFs ranged between 0.46% - 0.58%.
41. Similarly, deposit rates with the Debt Management Account Deposit Facility (DMADF) initially remained very low with rates ranging from 0% to 0.1%, but following the hikes to policy rates increased to between 0.55% and 0.85% depending on the deposit maturity. The average return on the Council's DMADF deposits was 0.2%.
42. Given the low returns from short-term cash investments, the Council has maintained its diversification in higher yielding asset classes as shown in table 4 above with £4.2m investment with a cash plus and property fund.
43. The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in Table 5 below.

Table 5: Investment Benchmarking – Treasury investments managed in-house

	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (days)	Rate of Return
31.03.2021	5.05	A+	100%	1	0.02%
31.03.2022	4.28	AA-	68%	1	0.52%
Similar LAs	4.37	AA-	61%	43	0.46%
All LAs (as at 31.03.2022)	4.39	AA-	60%	14	0.46%

44. **Externally Managed Pooled Funds:** £4.2m of the Council's investments are invested in externally managed pooled funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability. These funds generated an average total return of 11.2% comprising a 2.0% income return which is used to support services in year, and 9.2% of capital growth.

45. In the nine months to December improved market sentiment was reflected in equity, property and multi-asset fund valuations and, in turn, in the capital values of the Council's funds. In the January- March quarter the two dominant themes were tighter UK and US monetary policy and higher interest rates, and the military invasion of Ukraine by Russia in February, the latter triggering significant volatility and uncertainty in financial markets.
46. In light of Russia's invasion, Arlingclose contacted the fund managers of our funds and confirmed no direct exposure to Russian or Belarusian assets had been identified. Indirect exposures were immaterial. It should be noted that any assets held by banks and financial institutions (e.g. from loans to companies with links to those countries) within MMFs and other funds cannot be identified easily or with any certainty as that level of granular detail is unlikely to be available to the fund managers or Arlingclose in the short-term, if at all.
47. 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 medium to long-term investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three to five-year period total returns will exceed cash interest rates.

Non-Treasury Investments

48. The definition of investments in CIPFA's revised 2021 Treasury Management Code covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).
49. Investment Guidance issued by the Department for Levelling Up Housing and Communities (DLUHC) also broadens the definition of investments to include all such assets held partially or wholly for financial return.
50. The Council also held £1.8m of investments made for services purposes. This included £1.3m of loans made to wholly owned subsidiaries HTS (Property and Environment) Ltd, HTS (Housing and Property) Ltd and Harlow Property Ltd as at 31st March 2022. Including an equity investment of £0.45m as at 31st March 2022 in HTS (Housing & Property) Ltd. Interest of £28k where received.

51. The Council held £1.4m of investments made for commercial purposes as at 31st March 2022. These consisted of four historically owned properties. These generated a small income of £81k in the 2021/22 financial year.

Treasury Performance

52. The Council's interest paid and received measured against its budget for the 2021/22 financial year is shown in table 6 below.

Table 6: Performance

		Interest Payable	Interest Receivable
General Fund	Actual £	246,000	(183,000)
	Budget £	805,000	(525,000)
	Over / (Under) £	(559,000)	(342,000)
	% Over / (Under)	(69.4%)	(65.1%)
HRA	Actual £	6,794,000	(110,000)
	Budget £	7,261,000	(32,000)
	Over / (Under) £	(467,000)	78,000
	% Over / (Under)	(6.4%)	243.8%

Compliance

53. The Chief Finance Officer reports that all treasury management activities undertaken during the year complied fully with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy.
54. Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 7 below.

Table 7: Debt Limits

	2021/22 Maximum £m	31.3.22 Actual £m	2021/22 Operational Boundary £m	2021/22 Authorised Limit £m	Complied?
Borrowing	211.8	211.8			
Finance Leases	1.7	1.5			
Total debt	213.5	213.3	305.5	315.5	Yes

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

Table 8: Investment Limits

	2021/22 Maximum £m	31.3.22 Actual £m	2021/22 Limit £m	Complied?
Any single organisation, except the UK Government		2.0	2.0 each	Yes
UK central government	18.8	10.5	Unlimited	Yes
Any group of organisations under the same ownership		2.0	2.0 per group	Yes
Any group of pooled funds under the same management	4.2	4.2	5.0 per manager	Yes
Negotiable instruments held in a broker's nominee account		-	5.0 per broker	Yes
Foreign countries		-	2.0 per country	Yes
Registered providers and registered social landlords		-	5.0 in total	Yes
Unsecured investments with building societies		-	2.0 in total	Yes
Loans to unrated corporates	1.4	1.4 *	2.0 in total	Yes
Money Market Funds	20	20.0	20.0 in total	Yes
Real Estate Investment Trusts		-	5.0 in total	Yes
FIBCA (Barclays Call Account)	4	2	4 in total	Yes

*Loans made to subsidiary companies?

Treasury Management Indicators

56. The Council measures and manages its exposures to treasury management risks using the following indicators.
57. **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 interests was:

Interest rate risk indicator	31.3.22 Actual	2021/22 Limit	Complied?

Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	(£192,000)	£113,641	Yes
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£192,000	£113,641	No

58. The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at current rates.

59. **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 all borrowing were:

	31.3.22 Actual	Upper Limit	Lower Limit	Complied?
Under 12 months	0%	25%	0%	Yes
12 months and within 24 months	0%	50%	0%	Yes
24 months and within 5 years	20%	100%	0%	Yes
5 years and within 10 years	20%	100%	0%	Yes
10 years and above	60%	100%	0%	Yes

60. Time periods start on the first day of each financial year.

61. **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 were:

	2021/22	2022/23	2023/24
Actual principal invested beyond year end	£4.2m	£4.2m	£4.2m
Limit on principal invested beyond year end	£5m	£5m	£5m
Complied?	Yes	Yes	Yes

62. The £4.2m consists of the Council's investment in a cash plus fund and property fund. Although funds can be accessed within a year fund volatility means that these should be considered as long-term investments. £4.2m is the actual amount invested at 31st March 2022, it is assumed that this will not change for the sake of the indicator above.

Prudential Indicators

63. The Council ensures that it borrows prudently with the assistance of monitoring against the following indicators.

64. **Estimates of Capital Expenditure:** The Council's capital expenditure is summarised below.

	2020/21 actual	2021/22 actual	2022/23 budget	2023/24 budget	2024/25 budget
General Fund services	£11.0m	£11.5m	£18.6m	£13.2m	£16.1m
Council housing (HRA)	£27.7m	£21.6m	£30.2m	£38.9m	£40.0m
TOTAL	£38.8m	£33.1m	£48.8m	£52.1m	£56.1m

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

	31.3.2021 actual	31.3.2022 actual	31.3.2023 budget	31.3.2024 budget	31.3.2025 budget
General Fund services	£75.8m	£72.8m	£77.2m	£83.8m	£91.8m
Council housing (HRA)	£198.4m	£196.3m	£204.7m	£222.6m	£239.5m
TOTAL CFR	£268.0m	£269.1m	£281.9m	£306.4m	£331.3m

66. **Gross Debt and the Capital Financing Requirement:** In order to ensure that over the medium term debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

	31.3.2021 actual	31.3.2022 actual	31.3.2023 budget	31.3.2024 budget	31.3.2025 budget
Debt (incl. PFI & leases)	£216.5m	£213.3m	£213.1m	£212.9m	£212.7m
Capital Financing Requirement	£268.0m	£267.1m	£281.9m	£306.4m	£331.3m

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

	2020/21 actual	2021/22 forecast	2022/23 budget	2023/24 budget	2024/25 budget
Financing costs	£6.9m	£6.8m	£7.3m	£7.9m	£8.5m

Proportion of net revenue stream	5.7%	5.7%	6.0%	6.5%	7.0%
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Other

68. **IFRS 16:** The implementation of the new IFRS 16 Leases accounting standard was due to come into force for local authorities from 1st April 2022. Following a consultation CIFPA/LASAAC announced an optional two-year delay to the implementation of this standard a decision which was confirmed by the Financial Reporting Advisory Board in early April 2022. Authorities can now choose to adopt the new standard on 1st April 2022, 1st April 2023 or 1st April 2024. The Council intends to adopt the new standard on 1st April 2024.

REPORT TO: CABINET

DATE: 1 DECEMBER 2022

TITLE: TREASURY MANAGEMENT STRATEGY
STATEMENT 2022/23 - MID-YEAR REVIEW

PORTFOLIO HOLDER: COUNCILLOR JAMES LEPPARD,
PORTFOLIO HOLDER FOR FINANCE

LEAD OFFICER: SIMON FREEMAN, DEPUTY CHIEF
EXECUTIVE AND DIRECTOR OF FINANCE
(01279) 446228

This is not a Key Decision

It is on the Forward Plan as Decision Number I013856

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

The decision stands as a recommendation to Council

This decision will affect no ward specifically.

RECOMMENDED that:

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

REASON FOR DECISION

- A Compliance with the CIPFA Treasury Management Code of Practice requires that Council is presented with a mid-year report on the Treasury Management Strategy Statement (TMSS).

BACKGROUND

1. Treasury Management is defined as “The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
2. The Council operates within the framework of CIPFA’s ‘Prudential Code for Capital Finance in Local Authorities’ (Prudential Code), the ‘Treasury Management Code of Practice’ and the Ministry of Housing Communities and Local Government (MHCLG) Investment Guidance.
3. The primary requirements of the code are as follows:
 - a) Creation and maintenance of a Treasury Management Policy Statement;
 - b) Creation and maintenance of the Treasury Management Practices

(TMPs);

- c) Receipt by the Council of an annual Treasury Management Strategy (TMS), including Annual Investment Strategy and Minimum Revenue Provision Policy for the year ahead, a Mid-Year Review of the Treasury Management Strategy and an Annual Report (stewardship report);
 - d) Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices for the execution and administration of treasury management decisions;
 - e) Delegation by the Council of the role of scrutiny of the treasury management strategy and policies to a specified names body. For this Council the current TMS specifies that responsibility for the delegated scrutiny role is delegated to the Cabinet Policy Development Working Group.
4. As part of the primary requirements for reporting to Council, the mid-year review of the TMS has been prepared in compliance with CIPFA's Code of Practice and is set out in Appendix A to the report. Economic commentary has been provided by the Council's Treasury Management Advisors, Arlingclose Ltd.
5. On an on-going basis, officers continue to work within the scope of the TMS in order to contain counterparty risk as far as practically possible. Treasury management activities operate under a high-profile reporting mechanism, and any significant issues that may arise through the year are reported in accordance with protocols set out in the TMS.

IMPLICATIONS

Strategic Growth and Regeneration

None specific

Author: Andrew Bramidge, Director of Strategic Growth and Regeneration

Finance

As contained in the report.

Author: Simon Freeman, Deputy Chief Executive and Director of Finance

Housing

None specific

Author: Andrew Murray, Director of Housing

Communities and Environment

None specific

Author: Jane Greer, Director of Communities and Environment

Governance and Corporate Services

None specific.

Author: Simon Hill, Director of Governance and Corporate Services

Appendices

Appendix A – Treasury Management Strategy Statement – Mid-Year Review

Background Papers

None.

Glossary of terms/abbreviations used

CIPFA – Chartered Institute of Public Finance and Accountancy

MHCLG – Ministry for Housing, Communities and Local Government

TMPs – Treasury Management Practices

TMS – Treasury Management Strategy

TMSS – Treasury Management Strategy Statement

HARLOW COUNCIL
TREASURY MANAGEMENT STRATEGY
MID-YEAR REVIEW 2022/23

Introduction

1. In December 2017 the Council adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Council to approve treasury management semi-annual and annual reports. This quarterly report provides an additional update.
2. The Council's treasury management strategy for 2022/23 was approved at a meeting on 27th January 2022. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Council's treasury management strategy.
3. CIPFA published its revised Treasury Management Code of Practice ('TM Code') and Prudential Code for Capital Finance in December 2021. The key changes in the two codes are around permitted reasons to borrow, knowledge and skills, and the management of non-treasury investments. The principles within the two Codes took immediate effect although local authorities could defer introducing the revised reporting requirements within the revised Codes until the 2023/24 financial year if they wish, which the Council has elected to do.
4. Treasury risk management at the Council is conducted within the framework of the TM Code. This Code now also includes extensive additional requirements for service and commercial investments, far beyond those in the 2017 version.

External Context

5. **Economic background:** The ongoing conflict in Ukraine has continued to put pressure on global inflation and the economic outlook for UK and world growth remains weak. The UK political situation towards the end of the period following the 'fiscal event' increased uncertainty further.
6. The economic backdrop during the April to September period continued to be characterised by high oil, gas and commodity prices, ongoing high inflation and its impact on consumers' cost of living, no imminent end in sight to the Russia-Ukraine hostilities and its associated impact on the supply chain, and

China's zero-Covid policy.

7. Central Bank rhetoric and action remained robust. The Bank of England, Federal Reserve and the European Central Bank all pushed up interest rates over the period and committed to fighting inflation, even when the consequences were in all likelihood recessions in those regions.
8. UK inflation remained extremely high. Annual headline CPI hit 10.1% in July, the highest rate for 40 years, before falling modestly to 9.9% in August. RPI registered 12.3% in both July and August. The energy regulator, Ofgem, increased the energy price cap by 54% in April, while a further increase in the cap from October, which would have seen households with average energy consumption pay over £3,500 per annum, was dampened by the UK government stepping in to provide around £150 billion of support to limit bills to £2,500 annually until 2024.
9. The labour market remained tight through the period but there was some evidence of easing demand and falling supply. The unemployment rate 3m/year for April fell to 3.8% and declined further to 3.6% in July. Although now back below pre-pandemic levels, the recent decline was driven by an increase in inactivity rather than demand for labour. Pay growth in July was 5.5% for total pay (including bonuses) and 5.2% for regular pay. Once adjusted for inflation, however, growth in total pay was -2.6% and -2.8% for regular pay.
10. With disposable income squeezed and higher energy bills still to come, consumer confidence fell to a record low of -44 in August, down -41 in the previous month. Quarterly GDP fell -0.1% in the April-June quarter driven by a decline in services output, but slightly better than the 0.3% fall expected by the Bank of England.
11. The Bank of England increased the official Bank Rate to 2.25% over the period. From 0.75% in March, the Monetary Policy Committee (MPC) pushed through rises of 0.25% in each of the following two MPC meetings, before hiking by 0.50% in August and again in September. August's rise was voted by a majority of 8-1, with one MPC member preferring a more modest rise of 0.25%. the September vote was 5-4, with five votes for an 0.5% increase, three for an 0.75% increase and one for an 0.25% increase. The Committee noted that domestic inflationary pressures are expected to remain strong and so given ongoing strong rhetoric around tackling inflation further Bank Rate rises should be expected.
12. On 23rd September the UK government, following a change of leadership, announced a raft of measures in a 'mini budget', loosening fiscal policy with a view to boosting the UK's trend growth rate to 2.5%. With little detail on how

government borrowing would be returned to a sustainable path, financial markets reacted negatively. Gilt yields rose dramatically by between 0.7% - 1% for all maturities with the rise most pronounced for shorter dated gilts. The swift rise in gilt yields left pension funds vulnerable, as it led to margin calls on their interest rate swaps and risked triggering large scale redemptions of assets across their portfolios to meet these demands. It became necessary for the Bank of England to intervene to preserve market stability through the purchase of long-dated gilts, albeit as a temporary measure, which has had the desired effect with 50-year gilt yields falling over 100bps in a single day.

13. Bank of England policymakers noted that any resulting inflationary impact of increased demand would be met with monetary tightening, raising the prospect of much higher Bank Rate and consequential negative impacts on the housing market.
14. After hitting 9.1% in June, annual US inflation eased in July and August to 8.5% and 8.3% respectively. The Federal Reserve continued its fight against inflation over the period with a 0.5% hike in May followed by three increases of 0.75% in June, July and September, taking policy rates to a range of 3% - 3.25%.
15. Eurozone CPI inflation reached 9.1% y/y in August, with energy prices the main contributor but also strong upward pressure from food prices. Inflation has increased steadily since April from 7.4%. In July the European Central Bank increased interest rates for the first time since 2011, pushing its deposit rate from -0.5% to 0% and its main refinancing rate from 0.0% to 0.5%. This was followed in September by further hikes of 0.75% to both policy rates, taking the deposit rate to 0.75% and refinancing rate to 1.25%.
16. **Financial markets:** Uncertainty remained in control of financial market sentiment and bond yields remained volatile, continuing their general upward trend as concern over higher inflation and higher interest rates continued to dominate. Towards the end of September, volatility in financial markets was significantly exacerbated by the UK government's fiscal plans, leading to an acceleration in the rate of the rise in gilt yields and decline in the value of sterling.
17. Due to pressure on pension funds, the Bank of England announced a direct intervention in the gilt market to increase liquidity and reduce yields.
18. Over the period the 5-year UK benchmark gilt yield rose from 1.41% to 4.40%, the 10-year gilt yield rose from 1.61% to 4.15%, the 20-year yield from 1.82% to 4.13% and the 50-year yield from 1.56% to 3.25%. The Sterling Overnight Rate (SONIA) averaged 1.22% over the period.

19. **Credit review:** In July Fitch revised the outlook on Standard Chartered from negative to stable as it expected profitability to improve thanks to the higher interest rate environment. Fitch also revised the outlook for Bank of Nova Scotia from negative to stable due to its robust business profile.
20. Also in July, Moody's revised the outlook on Bayerische Landesbank to positive and then in September S&P revised the GLA outlook to stable from negative as it expects the authority to remain resilient despite pressures from a weaker macroeconomic outlook coupled with higher inflation and interest rates.
21. Having completed its full review of its credit advice on unsecured deposits at UK and non-UK banks, in May Arlingclose extended the maximum duration limit for five UK banks, four Canadian banks and four German banks to six months. The maximum duration for unsecured deposits with other UK and non-UK banks on Arlingclose's recommended list is 100 days. These recommendations were unchanged at the end of the period.
22. Arlingclose continued to monitor and assess credit default swap levels for signs of credit stress but made no changes to the counterparty list or recommended durations. Nevertheless, increased market volatility is expected to remain a feature, at least in the near term and, as ever, the institutions and durations on the Council's counterparty list recommended by Arlingclose remains under constant review.

Local Context

23. On 31st March 2022, the Council had net borrowing of £175.1m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1: Balance Sheet Summary

	31.3.22 Actual £m
General Fund CFR	72.9
HRA CFR	196.3
Total CFR	269.1
Less: *Other debt liabilities	1.5
Loans CFR	267.6
External borrowing	211.8

Internal borrowing	55.8
Less: Usable reserves	76.8
Less: Working capital	11.8
Investments	36.7

* finance leases, PFI liabilities and transferred debt that form part of the Council's total debt

24. The treasury management position on 30th September 2022 and the change over the six months is shown in Table 2 below.

Table 2: Treasury Management Summary

	31.3.22 Balance £m	Movement £m	30.9.22 Balance £m	30.9.22 Rate
Long-term borrowing	(211.8)	-	(211.8)	(3.3%)
Short-term borrowing	-	-	-	-
Total borrowing	(211.8)	-	(211.8)	(3.3%)
Long-term investments	4.2	0.1	4.3	7.7%*
Cash and cash equivalents	32.5	(7.5)	25.0	1.8%
Total investments	36.7	(7.4)	29.3	3.1%
Net borrowing	(175.1)	(7.4)	(182.5)	

* The return for long term investments includes total return for the Council's investment in a property fund which was unusually high due to increasing property prices. These returns would not be expected to occur in the long term. Income returns were 2.0% which is a more accurate view as to long term returns.

Borrowing

25. CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement, and so may lead to new borrowing, unless directly and primarily related to the functions of the Council.
26. The Council currently holds £1.4m in commercial investments that Harlow have owned for historical reasons, these were purchased prior to the change in the CIPFA Prudential Code. Before undertaking further additional borrowing the Council will review the options for exiting these investments. This review will include an option to sell them, although sale is not mandatory particularly if the market conditions are not desirable.
27. The Council is not planning to undertake any new borrowing to invest primarily for commercial return and so is otherwise unaffected by the changes to the Prudential Code.

Borrowing Strategy and Activity

28. As outlined in the treasury strategy, the Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective. The Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.
29. Over the April-September period short term and PWLB rates rose dramatically, particular in late September after the Chancellor's 'mini-budget', included unfunded tax cuts and additional borrowing to fund consumer energy price subsidies. Exceptional volatility threatened financial stability, requiring Bank of England intervention in the gilt market. Over a twenty-four-hour period some PWLB rates increased to 6%, before the intervention had the desired effect, bringing rates back down by over 1% for certain maturities. A truly wild and unprecedented period in fixed income markets, with a direct impact on PWLB rates.
30. Interest rates rose by over 2% during the period in both the long and short term. As an indication the 5-year maturity certainty rate rose from 2.30% on 1st April to 5.09% on 30th September; over the same period the 30-year maturity certainty rate rose from 2.63% to 4.68%.
31. At 30th September the Council held £211.8m of loans from the PWLB, the same figure held as at 31st March 2022. These had a weighted average interest rate of 3.3% and a weighted average maturity of 11.7 years. The loans individually have maturities of between 4 and 26 years, the Council held no short term loans during this period.
32. In the near future the Council plans to undertake any new borrowing required on a short term, variable rate basis to avoid locking in the current high interest rate for an extended period. If interest rates fall as is expected in the next 18-24 months' the Council will look to gain more certainty over future interest rates by borrowing on a longer term basis.

Other Debt Activity

33. Although not classed as borrowing, the Council also owned vehicles that were funded via a finance lease as at 30th September. The outstanding liability for these vehicles calculated at the most recent year end figure of 31st March 2022 was £1.5m.

Treasury Investment Activity

34. CIPFA's revised TM Code defines treasury management investments as those which arise from the Council's cash flows or treasury risk management activity that ultimately represents balances which need to be invested until the cash is required for use in the course of business.
35. The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During the half year, the Council's investment balances ranged between £23.1 and £45.7 million due to timing differences between income and expenditure. The investment position is shown in table 4 below.

Table 4: Treasury Investment Position

	31.3.22 Balance £m	Net Movement £m	30.9.22 Balance £m	30.9.22 Income Return	30.9.22 Weighted Average Maturity days
Banks & building societies (unsecured)	2.0	(0.3)	1.7	2.0%	1
Government (incl. local authorities)	10.5	(1.1)	9.4	N/A	N/A
Money Market Funds	20.0	(6.0)	14.0	1.8%	1
Cash Plus Fund	2.0	-	2.0	0.0%	N/A*
Property Fund	2.2	0.1	2.3	3.8%	N/A*
Total investments	36.7	(7.3)	29.4	1.9%	

* The Council's cash plus and property funds do not have a set period to maturity. Cash can be redeemed on request after a notice period is given. They are considered a long term investments as there is price risk associated with needing to make a withdrawal at short notice.

36. Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum 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.
37. The increases in Bank Rate over the period under review, and with the prospect of more increases to come, short-dated cash rates, which had ranged between 0.7% - 1.5% at the end of March, rose by around 1.5% for overnight/7-day maturities and by nearly 3.5% for 9-12 month maturities.
38. By end September, the rates on DMADF deposits ranged between 1.85% and

3.5%. The return on the Council's sterling Low Volatility Net Asset Value (LVNAV) Money Market Funds ranged between 0.46% - 0.58% in early April and between 1.74% and 1.86% at the end of September.

39. Given the low returns from short-term cash investments, the Council has maintained its diversification in higher yielding asset classes as shown in table 4 above with £4.3m investment with a cash plus and property fund.
40. The progression of risk and return metrics are shown in the extracts from Arlingclose's quarterly investment benchmarking in Table 5 below.

Table 5: Investment Benchmarking – Treasury investments managed in-house

	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (days)	Rate of Return
31.03.2022	4.28	AA-	68%	1	0.52%
30.09.2022	5.07	A+	100%	1	1.8%
Similar LAs	4.34	AA-	57%	13	1.7%
All Las (as at 31.03.2022)	4.29	AA-	55%	13	1.7%

41. **Externally Managed Pooled Funds:** £4.3m of the Council's investments are invested in an externally managed pooled funds where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability. The funds generated an average total return of 7.7%, comprising a 2.0% income return which is used to support services in year, and 5.7% capital growth.
42. Because the fund has no defined maturity date, but is available for withdrawal after a notice period, its performance and continued suitability in meeting the Council's medium to long-term investment objectives is regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three to five-year period total returns will exceed cash interest rates.

Non-Treasury Investments

43. The definition of investments in CIPFA's revised 2021 Treasury Management Code covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return. Investments that do not meet the definition of treasury management

investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).

44. Investment Guidance issued by the Department for Levelling Up Housing and Communities (DLUHC) also includes within the definition of investments all such assets held partially or wholly for financial return.
45. The Council also held £1.8m of investments made for services purposes. This included £1.3 m of loans made to wholly owned subsidiaries HTS (Property and Environment) Ltd, HTS (Housing and Property) Ltd and Harlow Property Ltd as at 30th September 2022. The also include an equity investment of £0.45m as at 30th March 2022 in HTS (Housing & Property) Ltd.
46. The Council held £1.4m of investments made for commercial purposes as at 30th September 2022. These consisted of four historically owned properties. These generated a small income of £45k in the first half of the 2022/23 financial year.

Planned Acquisition of the Harvey Centre

47. The Council plans to purchase Harvey Centre in November 2022. The Harvey Centre is a shopping centre situated in the centre of Harlow. The purchase cost is expected to be funded by prudential borrowing. A cabinet meeting will take place on the 17th November 2022 to formerly approve the purchase. If the purchase is not approved by cabinet the sale will not take place or will be delayed.
48. Due to currently high interest rates the Council plans to initially borrow on a short term, variable rate basis. Interest rates are expected to fall within the next 18-24 months when the Council would look to fix interest rates for a longer period by long term borrowing.
49. The investment will be a non-treasury investment made for service reasons. The Council are intending to purchase the shopping centre to assist with their wider regeneration plans for Harlow Town Centre. The Council have already adopted the Harlow Local Development Plan (HLDP) and Harlow Town Centre Area Action Plan (HTCAAP) which aim to shape growth and development in the area until 2033. The plans cover diverse issues including commercial spaces, transport, connectivity, residential accommodation and other improvements. The Harvey Centre lies at the heart of the area that these plans cover and realisation of full regeneration goals would be difficult without Council ownership of the Centre. It is felt that a private sector investor would not invest in improving the Centre and wider area in the same way.

50. The Council expects that the purchase of the Shopping Centre will involve cash outlays in the initial years but will in future generate a revenue return. Financial return is not the primarily aim of the purchase however: the primary aim is regeneration and improvement of the town centre. The Council is therefore satisfied that it is not breaching the requirements of the PWLB and CIPFA Prudential and Treasury Management Codes by undertaking this purchase.

Treasury Performance

51. The Council measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates, as shown in table 6 below.

		Interest Payable	Interest Receivable
General Fund	Actual £	126,069	(203,800)
	Budget £	335,620	(37,500)
	Over / (Under) £	(209,551)	166,300
	% Over / (Under)	(62.4%)	443.5%
HRA	Actual £	3,369,904	(39,693)
	Budget £	3,522,011	(39,693)
	Over / (Under) £	(152,107)	0
	% Over / (Under)	(4.3%)	0%

Compliance

52. The Chief Finance Officer reports that all treasury management activities undertaken during the quarter complied fully with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 7 below.

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

Table 7: Debt Limits

	H1 Maximum £m	30.9.22 Actual £m	2022/23 Operational Boundary £m	2022/23 Authorised Limit £m	Complied ?
Borrowing	211.8	211.8			
PFI and Finance Leases	1.5	1.4			

Total debt	213.3	213.2	305.5	315.5	Yes
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54. Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Table 8: Investment Limits

	H1 Maximum £m	30.9.22 Actual £m	2022/23 Limit £m	Complied?
Any single organisation**, except the UK Government		1.7	2.0 each	Yes
UK central government	20.7	9.4	Unlimited	Yes
Any group of organisations under the same ownership		2.0	2.0 per group	Yes
Any group of pooled funds under the same management	4.2	4.2	5.0 per manager	Yes
Negotiable instruments held in a broker's nominee account		-	5.0 per broker	Yes
Foreign countries		-	2.0 per country	Yes
Registered providers and registered social landlords		-	5.0 in total	Yes
Unsecured investments with building societies		-	2.0 in total	Yes
Loans to unrated corporates	1.4	1.4	2.0 in total	Yes
Money Market Funds	20.0	14.0	20.0 in total	Yes
Real Estate Investment Trusts			5.0 in total	Yes
FIBCA (Barclays Call Account)	4.0	1.7	4 in total	Yes

* Loans made to subsidiary companies?

** 'Single organisation' in this context does not mean a single money market fund or other pooled fund as these are inherently diversified and spread investments across a number of organisations.

Treasury Management Indicators

55. The Council measures and manages its exposures to treasury management risks using the following indicators.
56. **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 all borrowing were:

	30.9.22 Actual	Upper Limit	Lower Limit	Complied?
Under 12 months	0%	25%	0%	Yes
12 months and within 24 months	0%	50%	0%	Yes
24 months and within 5 years	20%	100%	0%	Yes
5 years and within 10 years	20%	100%	0%	Yes
10 years and above	60%	100%	0%	Yes

57. Time periods start on the first day of each financial year.
58. **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 were:

	2022/23	2023/24	2024/25
Actual principal invested beyond year end	£4.3m	£4.3m	£4.3m
Limit on principal invested beyond year end	£5m	£5m	£5m
Complied?	Yes	Yes	Yes

59. The £4.3m consists of the Council's investment in a cash plus fund and a property fund. Although the funds can be accessed within a year, volatility means that they should be considered as a long term investment. £4.3m is the actual amount invested at 30th September 2022, it is assumed that this will not change for the sake of the indicator above.

Future Changes to Reporting Requirements

60. From 1st April 2023 the Council will need to report on treasury management under the new requirements of the 2021 Prudential and TM Codes. This will include a requirement to report on treasury management including prudential indicators on a quarterly rather than semi-annual basis. There is a new prudential indicator on the net income from commercial and service investments as a proportion to net revenue stream. The liability benchmark will also need to be reported on quarterly.

Arlingclose's Economic Outlook for the remainder of 2022/23 (based on 7th November 2022 interest rate forecast)

	Current	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25
Official Bank Rate													
Upside risk	0.00	0.25	0.50	0.75	1.00	1.00	1.00	1.25	1.50	1.75	1.50	1.25	1.25
Arlingclose Central Case	3.00	3.50	4.00	4.25	4.25	4.25	4.25	4.00	3.75	3.50	3.50	3.50	3.50
Downside risk	0.00	0.25	0.50	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00

61. Arlingclose expects Bank Rate to rise further during 2022/23 to reach 4.0% by

the end of the year, reaching 4.25% by September 2023. With the new Prime Minister Rishi Sunak reversing most of the planned changes under Liz Truss' 'mini budget' inflation is less of a concern than it was with correspondingly less pressure on interest rates to rise.

62. Inflation driven by high commodity prices and a tight labour market does however continue to be a concern. Action by the MPC to raise interest rates will slow the economy, necessitating cuts in Bank Rate in 2024. Over the longer term, gilt yields are forecast to remain broadly flat over the forecast period.

REPORT TO: CABINET

DATE: 1 DECEMBER 2022

TITLE: ANNUAL REVIEW OF LOCAL COUNCIL TAX SUPPORT SCHEME (LCTSS)

PORTFOLIO HOLDER: COUNCILLOR JAMES LEPPARD, PORTFOLIO HOLDER FOR FINANCE

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

CONTRIBUTING OFFICER: DONNA BEECHENER, ASSISTANT DIRECTOR REVENUES AND BENEFITS (01279) 446245

This is not a Key Decision

It is on the Forward Plan as Decision Number I013861

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

It stands as a recommendation to Full Council

This decision will affect no ward specifically.

RECOMMENDED that:

- A** Acknowledges the current position regarding the 2022/23 Local Council Tax Support Scheme and endorses continuing stability within the scheme for 2023/24.
- B** Recommends to Council that the current Local Council Tax Support Scheme remains unchanged for the 2023/24 financial year.

REASON FOR DECISION

- A** To comply with the requirement to implement a Local Council Tax Support Scheme (LCTS) annually.

BACKGROUND

1. In accordance with the Welfare Reform Act 2012, and the Local Government Finance Act 2012, councils are required to implement a Local Council Tax Support Scheme (LCTS) annually, and by 11 March each year at the latest for the forthcoming financial year.
2. The Pan Essex working group, originally established to consider a County wide approach to the localisation of council tax support, has continued to work very

effectively. Having focussed on the development of the local schemes, the group has looked at those exemptions and discounts awarded to council taxpayers. As a result, the group implemented a range of measures targeted at ensuring that each authority across Essex undertakes work on a consistent basis to help protect the tax base in each district. Work will continue to be undertaken in the current year and going forward to ensure compliance and to check and challenge council tax reductions awarded for which entitlement may have subsequently changed or be no longer appropriate.

ISSUES/PROPOSALS

Local Council Tax Support (LCTS)

3. The national Council Tax Benefit (CTB) scheme, which was wholly funded by Central Government and administered locally by billing authorities, was abolished with effect from 1 April 2013. Each local authority was charged with designing and implementing its own local scheme for the 2013/14 financial year against a backdrop of a 10% reduction in national funding when compared with CTB. The scheme must be reviewed annually and the Council approved its local scheme for the 2021/22 financial year at its meeting held on 10 December 2021.
4. Prior to the introduction of LCTS there had been no cap on CTB expenditure under the national scheme. However, under LCTS Government funding was restricted through the introduction of a cash limit in the form of a fixed grant. In addition, the grant was set at a level which was 10% less than the previous council tax benefit expenditure estimated from 2012/13. For Harlow this represents a reduction in funding of around £1.3 million per annum from April 2013.
5. The grant for LCTS was originally identified specifically within the Council's overall Revenue Support Grant and retained Business Rates income for 2013/14. The level of funding for 2014/15 and future years has not been identified in the same way and has been included in the Council's overall Formula Funding. As a result of this there is no protection for the LCTS funding, and it is subject to the wider Government cuts to local government funding. Since the introduction of the scheme the Councils overall funding has reduced by over 55% but there has been no reduction in the Councils support of its LCTS scheme.
6. To ensure that Pensionable Age customers should be no worse off under the local scheme, national rules remain in place for this group of claimants. As protection remains in place for those of Pensionable Age, the impact of the reduction in funding has fallen upon Working Age claimants as reported during the implementation of the annual schemes since 2013/14.
7. Harlow Council is part of a Pan Essex Project Group, with a remit to design an Essex Framework for LCTS. The principles of the framework were reported to Cabinet on 12 July 2012. On 22 November 2012 Harlow Council adopted a

LCTS scheme following public consultation during the summer of 2012 based on these principles, which are detailed below:

- a) The scheme will be cost neutral;
- b) Council tax support will continue to be assessed on a means tested basis;
- c) Council tax support will not be paid above Council tax band H;
- d) Council tax support is capped at 76% of council tax liability;
- e) The first £25 of weekly earnings is disregarded in the calculation of support;
- f) There is no entitlement to support where the applicant has capital of over £6,000; and
- g) Second adult rebate and underlying entitlement were abolished to remove the administrative burden of these.

8. For comparison purposes, the LCTS schemes for the other Essex District and Unitary Councils are attached at Appendix A.
9. Harlow has ensured that in the development of its local scheme the eligibility criteria for LCTS remains aligned with the previous national council tax benefit scheme, with specific protection for families and persons with disabilities. In addition, and despite the reductions in overall Government grant received by the Council the scheme has been supported and maintained without variation to the above principles.
10. The 2013/14 scheme was designed to deliver savings of £1,361,235 to ensure that expenditure on LCTS did not exceed the total Government funding allocated for the scheme. At the time of writing this report the LCTS scheme costs for the current and previous financial years are detailed below. In the previous two financial years there was an increase in working age claimants linked to increased claims to Universal Credit following the Covid 19 pandemic, and this is now reducing in the current financial year.

LCTS Award	Pensionable Age		Working Age		Total LCTS Award
	Live Case load	LCTS Spend	Live Case load	LCTS Spend	
Date					
1 April 2013	3,819	£3,535,031	5,302	£3,810,068	£7,345,099
31 March 2014	3,673	£3,483,230	5,189	£3,741,202	£7,117,494
31 March 2015	3,547	£3,240,964	4,890	£3,363,313	£6,604,277

31 March 2016	3,291	£2,941,981	4.469	£3,184,219	£6,126,200
31 March 2017	3,099	£2,936,255	4,510	£3,068,939	£6,005,195
30 September 2017	3,027	£2,895,860	4,147	£3,144,517	£6,040,377
30 September 2018	2843	£2,859,265	4,427	£3,378,867	£6,238,132
30 September 2019	2706	£2,850,114	4,307	£3,434,117	£6,284,231
30 September 2020	2486	£2,753,754	4,690	£3,883,891	£6,637,645
30 September 2021	2397	£2,697,949	4,808	£4,008,503	£6,706,452
30 September 2022	2315	£2,725,471	4446	£3,852,305	£6,577,776

11. The Government sets a Formula Funding Settlement for monies it will pay across to local authorities to support their services and legal obligations. In recent years the funding provided by Central Government has fallen substantially with consistent annual reductions on previous years' funding. So, whilst the cost to Harlow Council for LCTS has reduced by just over £767,000 between 2013/14 and 2022/23 the Council received a reduction in mainstream central government funding of £3.5 million over the same period.
12. It was estimated that the in-year council tax collection rate for 2013/14 in Harlow would be affected by the introduction of LCTS and could fall by over 3% compared to the collection rate in 2012/13. The collection rates in 2020/21 and 2021/22 fell and this is attributable to the impact of Covid 19 and suspension of recovery action. Formal recovery action recommenced in the 2021/22 financial year, but many taxpayers will have had arrears of council tax to pay in addition to their current year's liability. The current year collection rate includes the council's efficiency dividend payments of just under £1,500,000.

Date	Council Tax Collection Rate
30 September 2012	56.83%
30 September 2013	56.60%
30 September 2014	56.28%
30 September 2015	56.71%
30 September 2016	56.75%
30 September 2017	56.48%
30 September 2018	56.07%

30 September 2019	56.30%
30 September 2020	53.83%
30 September 2021	53.58%
30 September 2022	56.42%

13. At the time of writing this report:

- a) Council tax collection rate includes the Councils efficiency dividend payments of just under £1,500,000. The introduction of a 12 month instalment scheme by the Government in 2014 will also impact on the collection statistics when compared with prior years with income having been collected predominantly over 10 months;
- b) The additional funding provided within the agreement with the precepting bodies has enabled employment of extra staff dedicated to working with LCTS claimants; and
- c) There is continuing good engagement with LCTS claimants meaning that it has been possible to agree payment arrangements with residents at an early stage, and reducing or avoiding the need for further recovery action.

14. Formal recovery action for council tax was suspended during the 2020/21 financial year as a result of the Covid 19 pandemic. Officers undertook “soft” recovery action where payment of instalments had not been made, and those in receipt of LCTS received specialist advice from the LCTS officers where appropriate. As formal recovery action was not undertaken in 2020/21, those in receipt of LCTS were not issued with a Final Notice or Summons in year, and action has been taken in the subsequent financial year. The table below provides details of action taken in previous and current financial years at the end of quarter two in respect of those with open or closed LCTS claims.

Date	Percentage of all working age LCTS claimants receiving a Final Notice in the financial year	Percentage of all working age LCTS claimants receiving a Summons In the financial year
30 October 2013	26.7%	16.6%
30 October 2014	29.8%	18.4%
30 October 2015	25.6%	23.1%
30 September 2016	23.36%	15.34%
30 September 2017	22.24%	16.51%
30 September 2018	23.67%	16.0%
30 September 2019	24.7%	17.8%
30 September 2020	0.0%	0.0%
30 October 2021 2020/21 financial year	32.82%	15.91%

30 October 2021 2021/22 financial year	9.45%	0%
20 October 2022	Figure awaited	Figure awaited

15. Whilst the collection position is higher than recent years because of the efficiency dividend payments and whilst the level of support being awarded has reduced, recovery of amounts falling due can take several years to collect and it is currently too early to be able to forecast what the impact of Covid 19 will have on the overall final collection position for each year.

LCTS 2023/24 Proposals

16. Officers are keeping the performance of the LCTS scheme under review and as the Council plans for 2023/24 the scheme is in its ninth year of operation. Given the complexities of the scheme, the large claimant base and other national factors outside of the Council's control this is still seen as a relatively short period on which to base judgements and future estimates. There are ongoing significant impacts of Covid 19, the longer-term impacts of which are difficult to analyse and quantify at this time.
17. Universal Credit Full service was introduced in Harlow in September 2017. Where claimants of Universal Credit (UC) are in work, UC is calculated using real time information Pay As You Earn (PAYE) information. This can result in varying UC entitlement levels from month to month. Where the claimant is in receipt of LCTS, this variation in UC entitlement may result in a change in the level of LCTS each month, which increases or reduces the balance of council tax payable. This interaction with the council tax statutory instalment scheme can result in customers receiving multiple bills over the financial year, with revised monthly instalments becoming due. This can lead to confusion, non-payment, and potentially a hampering of the collection and recovery process.
18. During the pandemic it became apparent to officers that the increasing LCTS caseload and interaction with UC was creating an ever increasing workload of monthly UC changes, which often results in very small increases or decreases in the overall level of LCTS, and results in the issue of revised bills, instalments and notifications to customers. These monthly changes cause considerable confusion and dissatisfaction for customers and generate unnecessary repeat contact for the customer and service.
19. Officers have explored alternative options to smooth out the interaction with UC for the benefit of the customer utilising a change to the scheme approved by Cabinet on 7 December 2017. This change affords the Revenues & Benefits service discretion in regard to Department of Works & Pensions notifications for working age CTS claims and enables the service to implement a regular review process, as opposed to monthly updates to claims. The Revenues and Benefits service continues to receive the DWP UC notifications, but uses these when the claim is reviewed, along with other DWP data that is available to the service. The review process implemented ensures those claims that have fluctuating earnings are reviewed more regularly. Any changes which affect the level of

LCTS will be reflected in the ongoing award and will only be implemented retrospectively where the change is significant, e.g., a change in the household make up, a change in the level of capital / savings. All LCTS claimants in receipt of UC are reminded of their responsibility to report significant changes. This change in procedure has delivered an improved service to customers, and also aids council tax collection.

20. Overall, monitoring of the local scheme indicates that it is still operating well and whilst collection of the amounts billed to claimants and residents overall has increased in this year this is not attributable to the scheme itself. Engagement with residents impacted by the changes has also been extremely good. To maintain certainty for both claimants and the Council, in these challenging times, the proposals for the scheme in 2023/24 are to maintain the restriction on the entitlement to support at 24% for a tenth year and that the reductions to the Council's core Formula Funding will not be passed on to claimants despite the current uncertainty around funding for local government in 2023/24.
21. A full equalities impact assessment was carried out on the current scheme. This has been reviewed and is attached to this report at Appendix B.

Conclusions

22. The LCTS scheme operated by the Council has performed well in its ninth year of operation. Claimants have been very well supported by the dedicated officers appointed utilising the resources provided through the funding agreement with the key precepting bodies.
23. It is again proposed to retain the scheme largely unchanged for the reasons set out in the report.

IMPLICATIONS

Strategic Growth and Regeneration

No implications specifically arise from the Council Tax Benefit reforms. Welfare Reform more widely will have a range of different impacts on delivery of service objectives.

Author: Andrew Bramidge, Director of Strategic Growth and Regeneration

Finance

Financial impacts of the LCTS scheme are being considered as part of the wider budget process and development of the Medium Term Financial Strategy.

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

Housing

None specific.

Author: Andrew Murray, Director of Housing

Communities and Environment

Contained within the report at this stage. The implications of the final scheme will be assessed for impact on vulnerable groups, as outlined in the report.

Author: Jane Greer, Director of Communities and Environment

Governance and Corporate Services

None specific.

Author: Simon Hill, Director of Governance and Corporate Services

Appendices

Appendix A – Essex LCTS Schemes

Appendix B- Equality Impact Assessment

Background Papers

LCTS Scheme Policy

<https://www.harlow.gov.uk/benefits/council-tax-support/council-tax-support-scheme>

Glossary of terms/abbreviations used

CTB – Council Tax Benefit

LCTS – Local Council Tax Support

DWP – Department of Work & Pensions

UC – Universal Credit

**APPENDIX A
Essex Schemes**

	Basildon	Braintree	Brentwood	Castle Point	Chelmsford	Colchester	Epping Forest	Harlow	Maldon	Rochford	Southend-on-Sea	Tendring	Thurrock	Uttlesford
Minimum council tax payment?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
% Minimum council tax payment level 2020/21	25	24	25	30	23	20	25	24	20	25	25	20	25	12.5
Savings limit	6000	16000	6,000	6000	6000	6000	6000	6000	6000	6000	6000	16000	6000	16000
Other benefits counted as income?	No	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes	No	No
Second adult rebate reduced or abolished?	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

	Basildon	Braintree	Brentwood	Castle Point	Chelmsford	Colchester	Epping Forest	Harlow	Maldon	Rochford	Southend-on-Sea	Tendring	Thurrock	Uttlesford
Changes made to non-dependent deductions	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	No	No
Support restricted to a particular council tax band?	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	No	No	No
Council Tax band support is restricted to	n/a	D	n/a	D	D	D	D	n/a	D	n/a	D	-	-	-
Introduce minimum council tax support payment?	Yes	No	Yes		No	Yes	Yes	No	No	Yes	No	No	No	Yes
Minimum weekly council tax support payment	-	-	-	50p -£2	-	- £2	£0.50	-	-	25%	-	-	-	£2.00
Taper rate	N/A - Banded	24%	N/A - Banded	20%	20%	20%	20%	20%	20%	n/a Banded	20%	20%	20%	20%

	Basildon	Braintree	Brentwood	Castle Point	Chelmsford	Colchester	Epping Forest	Harlow	Maldon	Rochford	Southend-on-Sea	Tendring	Thurrock	Uttlesford
Changes made to backdating rules to one month	No restriction	yes	No Restriction	Yes	No, unlimited backdating as long as claim received within a month of first notification of liability and delay notifying liability isn't the claimant's fault	No	No, 3 months	Yes	Yes	No Restriction	yes	No	Yes	yes
Change Temporary Absence rules	No	No	No	Yes	No	No	Yes	Yes	yes	No	yes		yes	yes
Disregard the new Bereavement Support payments for working age applicants	Yes	n/a	Yes	n/a	Yes	Yes	Yes	Yes	consulting	No			No	N/A

	Basildon	Braintree	Brentwood	Castle Point	Chelmsford	Colchester	Epping & Forest	Harlow	Malton	Rochford	Tendring	Thurrock	Uttlesford
Introduce discretion in regards to DWP notifications for working age CTS claims.	N/A				Yes	No	Yes	Yes	consulting	No		No	No
Accept documentation from the DWP as an intention to claim Council Tax Support	No		No		Yes	No	Yes	Yes	Consulting	No	Yes	Yes	Yes

Harlow District Council

Equality Impact Assessment – Local council tax support scheme

Name of service, function or policy being assessed	Localised Council Tax Support Scheme 2022/23 This Equality Impact Assessment has been developed considering the following national Equality Impact Assessments: <ul style="list-style-type: none"> • Local Government Finance Bill: Localising support for council tax • Local Government Finance Bill: Technical reforms to council tax • Local Government Finance Bill: Summary impact assessment
Service/Department	Finance / Revenues and Benefits
Names and roles of officers completing the assessment (indicate Lead officer)	Donna Beechener, Revenues and Benefits Manager (Lead Officer)
Contact telephone number of Lead officer	01279 446245
Date assessment completed	10 November 2021

1. Aims of the policy/service/function and how implemented

	Key Questions	Notes
1.1	Is this a new policy/service/function or a review of an existing one?	This is a review of an existing policy and function
1.2	Briefly state the main purpose of the policy/service/function?	To help people with low incomes to afford their Council Tax liability, in line with the Local Government Finance Act 2012.
1.3	Briefly state the main activities of the policy/service/function?	Payment of Council Tax Discounting of Council Tax
1.4	Who are the main beneficiaries? Whose need's is it designed to meet?	Those liable for Council Tax within Harlow. Adults on a low income with low savings Any authority that can levy a Council Tax
1.5	Which staff carry out the policy/service/function?	Revenues and Benefits staff

2. Information Gathering and Data Collection

	Key Questions	Notes	If further data collection is needed – state by whom, when and how is it going to be done?
2.1	<p>What quantitative (numerical) data do you already have (e.g. national and local demographic data, equality monitoring data, employee data, customer profile data etc) about those who use or will use the policy or service? What gaps are there in the data? What else do you need?</p> <p>NB. Attach copies of the relevant data that you are using for this assessment</p>	<p>The scheme was originally modelled based on existing costs, taking account of a potential council tax increase, demand for the scheme and the reduction in Revenue Support Grant. The scheme was originally modelled to be cost neutral, but current estimates are that the scheme costs more than the current level of grant received.</p>	<p>It is not possible to identify the actual grant received to support the scheme as this has been subsumed into overall formula funding.</p>
2.2	<p>What qualitative data do you already have (e.g. results of customer satisfaction surveys, results of previous consultations, staff surveys, analysis of customer complaints/comments, feedback from community groups or individuals etc) about those who use or will use the policy or service? What gaps are there in the data? What else do you need?</p>	<p>The proposed scheme for 2021/22 for working age claimants does not vary from the current scheme. Consultation is legally required where there are proposed changes to the scheme.</p>	

3. Consultation

Please state below what formal or informal consultation has taken place or that you are planning to hold with appropriate stakeholders in relation to this policy/function			
	Key Questions	Notes	If further consultations are needed/ planned – state with whom, by whom, when and how is this going to be done?
3.1	What consultations have been held and with whom did you consult? What were the main issues raised?	Public consultations have been carried out annually, prior to the introduction of the policy and when changes have been considered. Consultations were conducted by way of an online questionnaire. The consultation was publicly announced.	The scheme will be reviewed annually, and if changes are proposed, then further public consultation will be conducted.
3.2	What consultations were held specifically with the equality target groups? What were the main issues raised?	In introducing a local council tax support scheme in 2013, representatives of equality target groups were identified and contacted electronically alerting them to the consultation and asking them to participate. Locally and nationally concerns were raised about the new liabilities created for those unable to work due to disability. We have addressed these by confirming that the current system of applicable amounts which protect these groups will remain in place.	As 3.1

	Key Questions	Notes	If further consultations are needed/ planned – state with whom, by whom, when and how is this going to be done?
3.3	<p>Is the Council working in Partnership with other organisations to implement this policy/function?</p> <p>Should this be taken into consideration? (E.g. Agreeing the equalities monitoring categories)</p> <p>Should the partnership arrangements have an EIA?</p>	<p>All major precepting authorities in Essex, which work together to devise the support scheme.</p> <p>HDC – Corporate Housing; Resource Management</p> <p>Department for Work and Pensions</p> <p>Ministry Of Housing Communities and Local Government .</p> <p>Each LA participating in the Essex project will conduct their own EQIA. DWP & DCLG have undertaken EQIA's which are publicly available.</p>	As 3.1

Note

- It is a legal requirement that consultation takes place with appropriate stakeholders as part of the EIA process.
- You must ensure that you record all the main areas of concern raised by equality and customer groups during consultations and how you aim to address these concerns.

4. Assessment of Impact

Based on the data you have analysed and provided, and the results of the consultation or research you have undertaken, list below how the policy or function will or does work for each of the following equalities groups.

Identify any differential impact and consider whether the policy/function meets any particular needs identified for each of the six equalities groups.

NB:If you do identify any adverse impact you must:

- a) **Seek appropriate advice as to whether it is highlighting unlawful discrimination or is potentially discriminatory, and**
- b) **Identify steps to mitigate any adverse impact**

Include any examples of how the policy or function helps to promote race, disability, age and/or gender equality.

		State evidence of impact or potential impact/How helps to promote equality
4.1	<p>Gender – identify the impact/potential impact of the policy/function on women, men and transgender people And/or</p> <p>Proposed measures to mitigate any adverse impacts</p>	None identified
		State evidence of impact or potential impact/How helps to promote equality

4.2	<p>Disability – identify the impact/potential impact of the policy on disabled people (ensure consideration of a range of impairments including visual and hearing impairments, mobility impairments, learning disability etc) And/or</p> <p>Proposed measures to mitigate any adverse impacts</p>	<p>All Disability Living Allowance Benefits will continue to be disregarded thereby protecting those with specific long term conditions who fall within this group. People with disabilities will continue to receive additional premiums as part of the calculation.</p> <p>The above helps to “advance equality of opportunity between people who share a protected characteristic and those who do not.”</p>
4.3	<p>Age – identify the impact/potential impact of the policy/function on different age groups</p> <p>And/or</p> <p>Proposed measures to mitigate any adverse impacts</p>	<p>Older people (Pensionable Age); This group is specifically protected under Government Regulations.</p> <p>Younger people (17-25); 17 year olds may be disadvantaged indirectly if their parents have to pay more as a result of this policy. People over 18 of working age liable to pay council tax will be required to pay more than that afforded under CTB.</p> <p>The Council has agreed an exceptional hardship fund to assist those in extreme hardship.</p>
4.4	<p>Race – identify the impact/potential impact of the policy/function on different black and minority ethnic groups, including Gypsy and Traveller communities</p> <p>And/or</p> <p>Proposed measures to mitigate any adverse impacts</p>	<p>None identified</p>
		<p>State evidence of impact or potential impact/How helps to promote equality</p>

4.5	<p>Sexual orientation – identify the impact/potential impact of the policy on lesbians, gay men, bisexual and heterosexual people</p> <p>And/or</p> <p>Proposed measures to mitigate any adverse impacts</p>	None identified
4.6	<p>Religion/belief – identify the impact/potential impact of the policy on people of different religious/faith groups and also upon those with no faith</p> <p>And/or</p> <p>Proposed measures to mitigate any adverse impacts</p>	None identified
4.7	<p>Socio-economic disadvantage – identify any impact on those who have a low income, or whose family circumstances/history may affect their ability to access services eg. carers and the cared for; pensioners; single-parents; long-term unemployed; history of abuse/domestic violence; benefits claimants; housebound; chronically ill;</p>	<p>The impact of the proposed scheme will be felt most by those of working age who are not disabled, some of the affects will be mitigated by more generous incentives to work.</p> <p>The Council has agreed an exceptional hardship fund to assist those in extreme need.</p>

4.8	<p>Any other groups, if appropriate e.g. children leaving care; pregnant or breast-feeding mothers; carers etc</p>	<p>Parents will continue to receive a child allowance. Working parents receive a higher disregard of their earnings reflecting their childcare costs.</p> <p>The Council has agreed an exceptional hardship fund to assist those in extreme hardship.</p> <p>The above helps to “advance equality of opportunity between people who share a protected characteristic and those who do not.”</p>
		<p>Notes</p>
4.9	<p>Are there any additional measures that could be adopted to further equality of opportunity in the context of this policy/service/function and to meet the particular needs of equalities groups that you have identified?</p>	<p>None identified.</p>

5. Summary Overview of EIA

As a summary overview of information and findings provided in the earlier sections of this Equality Impact Assessment, please tick the relevant boxes as appropriate to denote the OUTCOME of this process for each of the Equality Characteristics.

Equalities category	No adverse impact AND promotes equality and diversity <i>Please tick ✓ if appropriate</i>	No adverse impact BUT equality and diversity NOT promoted <i>Please tick ✓ if appropriate</i>	Evidence of adverse impact <i>Please tick ✓ if appropriate</i>
Gender and transgender	<input checked="" type="checkbox"/>		
Race	<input checked="" type="checkbox"/>		
Disability	<input checked="" type="checkbox"/>		
Age			<input checked="" type="checkbox"/>
Sexual orientation	<input checked="" type="checkbox"/>		
Religion and belief	<input checked="" type="checkbox"/>		
Socio-economic disadvantage			<input checked="" type="checkbox"/>

NB: Tick relevant box as appropriate and based on information provided in section

Signed
Project Manager

Countersigned
Head of Service

Print Name

Print Name

Date

Date

Under the Freedom of Information Act, this completed EIA form will be placed on the Harloweb and be available on request to the general public.

**MINUTES OF THE CABINET
HELD ON**

13 October 2022

7.30 - 8.59 pm

PRESENT**Committee Members**

Councillor Russell Perrin, Leader of the Council
 Councillor Dan Swords, Deputy Leader and Portfolio Holder for Regeneration
 Councillor Simon Carter, Portfolio Holder for Housing
 Councillor Joel Charles, Portfolio Holder for Business and Community Resilience
 Councillor Alastair Gunn, Portfolio Holder for Governance
 Councillor Michael Hardware, Portfolio Holder for Strategic Growth
 Councillor Stephen LeMay, Portfolio Holder for HTS, Properties and Facilities – with special responsibility for the roads

Additional Attendees

Councillor Matthew Saggars

Other Councillors

Councillor David Carter
 Councillor Tony Durcan
 Councillor Tony Edwards
 Councillor James Griggs
 Councillor Stacy Seales
 Councillor Lanie Shears
 Councillor Chris Vince

Officers

Rob Tinlin, Interim Chief Executive
 Andrew Bramidge, Director of Strategic Growth and Regeneration
 Niel Churchill, Communications Manager
 Simon Freeman, Deputy to the Chief Executive and Director of Finance
 Jane Greer, Director of Communities and Environment
 Simon Hill, Director of Governance and Corporate Support
 Andrew Murray, Director of Housing
 Adam Rees, Senior Governance Support Officer

53. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor James Leppard and Nicky Purse.

54. **DECLARATIONS OF INTEREST**

None.

55. **MINUTES**

RESOLVED that the minutes of the meeting held on 22 September 2022 are agreed as a correct record and signed by the Leader.

56. **MATTERS ARISING**

None.

57. **WRITTEN QUESTIONS FROM THE PUBLIC**

The questions, together with the answers, are appended to the minutes.

58. **WRITTEN QUESTIONS FROM COUNCILLORS**

The questions, together with the answers, are appended to the minutes.

59. **PETITIONS**

a) **Disability Charter**

The Rt. Hon. Robert Halfon MP presented his petition on the Disability Charter. The Leader spoke on behalf of the Administration and Councillor Griggs on behalf of the Opposition.

The Leader said he welcomed the petition and the comments from Councillor Griggs. He recommended the Cabinet endorsed the petition which would be considered as part of the budget setting process. Where matters were not within the direct control of the Council, it would consider who the relevant bodies could be influenced.

RESOLVED that the Disability Charter be endorsed, subject to the budget setting process.

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 be noted.

a) **Deputy Leader and Portfolio Holder for Regeneration - 23 September 2022**

62. **CONTRACT AWARD – FIRE SAFETY WORKS AT MORLEY GROVE**

Cabinet received a report to award a contract for fire safety works at 1-56 Morley Grove.

Proposed by Councillor Simon Carter (seconded by Councillor Dan Swords) it was:

RESOLVED that the most advantageous tender submitted by Contractor A, Borrás Construction Limited, is accepted in the revised sum of £634,439.17 for the delivery of updated fire compartmentation works subject to contract and leaseholder consultation.

63. **MARK HALL CONSERVATION AREA ADOPTION AND ARTICLE 4 DIRECTION**

Cabinet received a report to adopt a Conservation Area and Article 4 Direction in Mark Hall.

Proposed by Councillor Dan Swords (seconded by Councillor Michael Hardware) it was:

RESOLVED that Cabinet:

- A** Noted the finalised Mark Hall North Conservation Area Character Appraisal and Management Proposals document, attached as Appendix B to the report.
- B** Noted the responses received during the consultation on the document and the proposals (including the proposed Article 4 Direction), attached as Appendix A to the report.
- C** Adopted the revised Mark Hall North Conservation Area boundary, attached as Appendix C to the report.
- D** Approved the making of the Mark Hall North Article 4 Direction.
- E** Approved the related Management Plan and Guidance document for consultation, attached as Appendix D to the report.

64. **CONTRACT AWARD - HARLOW AND TOWN CENTRE (VARIOUS SITES) CONSTRUCTION AND PROFESSIONAL SERVICES**

Cabinet received a report to award a contract for the provision of construction and professional services for regeneration of sites across Harlow.

Proposed by Councillor Dan Swords (seconded by Councillor Steve LeMay) it was:

RESOLVED that Cabinet:

- A** Awarded a Contract for the provision of Construction and Professional Services in relation to the regeneration of various sites across Harlow and specifically Harlow Town Centre, up to a maximum value of £5,000,000 awarded to McBains Ltd.

B Delegated Authority to the Director of Strategic Growth and Regeneration, in consultation with the Deputy Leader and Portfolio Holder for Regeneration, to extend the Contract beyond its initial term if required, as set out in paragraph 18 of the report.

65. **CABINET APPOINTMENTS**

RESOLVED that Councillor Kay Morrison be appointed to the Highways Panel.

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

None.

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

RESOLVED that the minutes of the following meetings are noted.

- a) Minutes of Meeting Tuesday 6 September 2022 of Harlow Local Highways Panel

68. **MATTERS OF URGENT BUSINESS**

None.

LEADER OF THE COUNCIL

Cabinet – 13 October 2022

Questions from the Public

1 Janet Jackman to Councillor Simon Carter (Portfolio Holder for Housing):

Why have tin hats been put on at Five Acres just to do a survey? It is totally unnecessary and a very expensive cost. The roof of 45 to 49 is in perfect condition and just needs minor repairs. It still has 20 years of life, and the new roof is only guaranteed for 15 years.

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

Thank you for your questions, Ms Jackman. As stated previously we welcome questions at any time in the process. Harlow Council require these works to be completed as part of the “investigatory works” as part of the statutory process. This provision is required whilst the investigatory works are in place to protect the properties from the elements and potential damage through bad and adverse weather. Once the roof surveys are completed copies will be sent to all Leaseholders.

2 Janet Jackman to Councillor Simon Carter (Portfolio Holder for Housing):

The cladding on 45 to 49 is in perfect condition and under 11 metres, so it doesn't require changing. They are saying they are charging the cladding for like for like which it isn't. Like for like would be changing it to UPVC from UPVC. Hardie board is an upgrade, as it is a totally different material, so we class that as an upgrade.

Please can you explain if it is like for like why are you changing it when it is in perfect good condition with many years life and why are we not being updated with the works?

It really is shocking how long they are taking to survey the job. The leaseholders are very concerned about the costs and how we going to pay. It has been going on for too long with not knowing what works need doing. It is affecting our health and wellbeing.

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

It is acknowledged that the cladding is below the threshold of 11m, and it is noted that the cladding is not being replaced due to height. The cladding, however, is being replaced due to its age and updated fire regulation after inspections.

In the case of block 45-49, it hasn't been possible to provide an exact date when it was replaced as legislation states the records must only be kept for a maximum of 12 years. It is estimated the cladding to be over 20 years old. This type of cladding becomes brittle and prone to breakages as it ages. It is also unlikely to have sufficient insulation behind it, but we won't know that until the investigations have been carried out. The cladding will be replaced with current industry standards materials for the reasons stated above.

Supplementary question from Janet Jackman:

Why is the cladding at 45-49 Five Acres being changed when it is in good condition?

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

The investigatory works need to be carried to understand whether substantive works need to be carried out.

3 Sally Jones to Councillor Simon Carter (Portfolio Holder for Housing):

At the last Cabinet meeting, I queried who made the final decision regarding 'appropriate and necessary' works. Councillor Swords kindly explained that the Director of Housing would consult with you, Councillor Carter, as the Portfolio Holder. The Rt Hon. Robert Halfon made Andrew Murray aware that the Leaseholders are not happy with the situation at Five Acres and we still believe that a blanket approach has been adopted to all the blocks despite our continual comments on how they differ.

What proof will you provide of your discussions and what guarantees can you give us to ensure the details will be reviewed thoroughly and fairly for each individual block?

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

Thank you for your questions Ms Jones. All works are individually reviewed a on a block-by-block basis.

When the works are completed and signed off, the invoice will be raised and a full breakdown of the works carried out to individual blocks will be supplied to all leaseholders. All leaseholders then have a further opportunity to raise questions concerning the works carried out to individual blocks and individual flats.

4 Sally Jones to Councillor Simon Carter (Portfolio Holder for Housing):

Please can someone explain if all the individual blocks will have scaffolding all at the same time for the surveys to be conducted soon, or will the scaffolding be removed once works are complete and moved to another block?

We are already five weeks into the project and the surveys have not been conducted on the pitched roofs or cladding. We trust we will not be penalised for the extra time that appears necessary to do these works correctly.

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

All works are split into sections, scaffolding works will overlap to keep to programme. The Council is working to schedule for the agreed scaffolding completion dates that fit within the overall works programme. Survey dates have been previously advised and are still within these timeframes.

Cabinet – 13 October 2022

Questions from Councillors

1 Councillor Chris Vince to Councillor Joel Charles (Portfolio Holder for Business and Community Resilience):

Monday was world mental health day. What steps will the Council take to support the mental health of our town who are facing not only the fallout from the pandemic but also the cost-of-living crisis?

Reply from Councillor Joel Charles (Portfolio Holder for Business and Community Resilience):

This year's World Mental Health Day theme was focused on making mental health and wellbeing for all a global priority. It is the council's ambition as a community leader to look at new ways to raise awareness of maintaining good mental health and to break down barriers associated with talking about personal wellbeing.

The Council is currently working with local primary care leaders and Essex County Council to refresh the town's existing Health and Wellbeing Strategy with the clear intention that mental and physical health will be considered on an equal footing. One priority to structure the strategy is a focus on an evidenced-led approach to help determine the specific response to mental health needs in the town. The Strategy and Action Plan is currently subject to a consultation process with the Health and Wellbeing Partnership, which the Council leads. The document will come to the Scrutiny Committee in November and Cabinet on the 1 December.

Cllr Nick Churchill is the Member Champion for Mental Health and Wellbeing. In his role, Cllr Churchill continues to be a passionate advocate for parity in the way mental and physical health is treated.

During the course of this year, officers have undertaken activities to highlight help available, ranging from outreach support in the Civic Reception to the Care House creative outreach project delivered by Harlow Playhouse at the bandstand in the Town Park, which again offered the opportunity to recognise mental health issues and provide ways to connect with support services.

In recognition of the continuing impacts of the COVID-19 pandemic and the current economic challenges this coming winter, the Council will continue to fund the Community Hub. Some of the core aims of the hub are to help people deal with financial and other worries, and to ensure they can be referred to help, including mental health support services.

Supplementary question from Councillor Chris Vince:

What actions are being taken by the Member Champion?

Reply from Councillor Joel Charles (Portfolio Holder for Business and Community Resilience):

I am pleased that the Our Health Matters project is progressing. Councillor Churchill is focussing on ensuring that mental health issues have parity with physical issues within the workplace.

2 Councillor Chris Vince to Councillor Dan Swords (Deputy Leader and Portfolio Holder for Regeneration):

Please can you give us an update on the new Harlow Hospital and UK Health Security Agency developments?

Reply from Councillor Dan Swords (Deputy Leader and Portfolio Holder for Regeneration):

Both developments will have significant positive benefits for Harlow and the surrounding areas. Not only will they transform healthcare, research, and innovation in our town, but they will help to create more jobs and growth. In recent months, I have met with both parties and been involved with meetings with Ministers about the progress of these projects.

The Hospital has submitted a fantastic business case for the new development and is awaiting approval of that from the Department of Health and the Treasury to proceed with the next stages of the development. It is believed that announcements on this are expected this autumn.

At the UKHSA site, significant progress has been made on the site with demolition works completed and the installation of all utilities supplies for the new development. Work has also commenced on the fit out of the main building to create new lab space. UKHSA is awaiting confirmation of budgets from the Treasury before being able to finalise plans for the completion of the development.

The Council remains in regular dialogue with both PAH and UKHSA and will continue to do everything possible to ensure these projects are delivered as quickly as possible.

Supplementary question from Councillor Chris Vince:

Can we push for a meeting with the ICS?

Supplementary reply from Councillor Dan Swords (Deputy Leader and Portfolio Holder for Regeneration):

I will arrange for a written response to be sent to you.

3 Councillor Tony Edwards to Councillor Joel Charles (Portfolio Holder for Business and Community Resilience):

Given the “Cost of Living Crisis” please tell us what specific actions are being taken by the Council to increase community resilience over the forthcoming winter period?

Reply from Councillor Joel Charles (Portfolio Holder for Business and Community Resilience):

One of the Council’s most important priorities is to work relentlessly to promote prosperity. Enabling people to access opportunities, through skills development and employment is crucial. The Council’s approach to addressing concerns about the cost-of-living will be focused on supporting people to enhance their life chances. To do this there must be a focus on local economic growth, that is why the Council’s Economic Development Strategy, to be published next year, will set out a plan to attract further inward investment in the town.

The Council is also setting up an internal working group to look at what practical action can be taken regarding the cost-of-living. One step already taken by the Council has been to further fund the Community Hub to ensure this outreach provision for residents will continue through the winter, connecting residents with sources of help and support. The Council continues to have a good working relationship with Citizens Advice Harlow and the town’s Foodbank, where some hub users are referred, alongside the offer of mental health support.

Further opportunities are being explored through the Council’s work with colleagues in primary care on the Harlow Health and Wellbeing Partnership, and the West Essex Health Partnership structures. The Council is also engaging with the local Poverty Alliance and listening to the issues raised to look at ways to assist. A separate meeting request has been sent to leading members of the Poverty Alliance to discuss what more the Council can do to help residents during the winter months.

The Council’s website has been updated to include support and advice about the cost-of-living, and this will continue to develop. Projects under current consideration are the development of a campaign throughout the winter to ensure that residents can get the right advice on a range of matters, including additional benefits information, fuel efficiency and insulation best practice, and debt and mental health support. These matters have already been highlighted in

the Harlow Times and further information will be posted on the Council's social media channels. As part of the Council's winter planning, the provision of warm spaces for vulnerable residents who may need support is being considered.

Supplementary question from Councillor Tony Edwards:

What more do you anticipate the Council will do?

Supplementary reply from Councillor Joel Charles (Portfolio Holder for Business and Community Resilience):

We will be working with community leaders, and are also considering using the Playhouse as a Warm Space. I want to work with you to develop the best solutions

4 Councillor Tony Edwards to Councillor Simon Carter (Portfolio Holder for Housing):

Given the current cost of living crisis and the recent concerns expressed by Five Acres leaseholders regarding the cost of refurbishment of their Housing Blocks (estimated at 30k per leaseholder), would the Council be willing to extend the interest free repayment period from 5 to 10 years?

Reply from Councillor Simon Carter (Portfolio Holder for Housing):

At present one of the repayment options available to Leaseholders who reside in their property is an interest free loan up to a maximum of 5 years. On receipt of the completed application form the Homeownership Officers will assess the affordability of the applicant(s) before agreeing the loan. Harlow Council are prepared as responsible Landlord on a case-by-case application to extend the repayment period to a maximum of 10 years for those Leaseholders who reside in the Leasehold property.

Supplementary question from Councillor Tony Edwards:

Will you go through the arbitration process with residents?

Supplementary reply from Councillor Simon Carter (Portfolio Holder for Housing):

Residents have been provided with information about the arbitration process. It is recommended they seek independent advice, as the Council may be seen as having a conflict of interest.

**MINUTES OF THE DEVELOPMENT MANAGEMENT COMMITTEE
HELD ON**

26 October 2022

7.30 - 8.38 pm

PRESENT

Committee Members

Councillor Michael Garnett (Chair)
Councillor Sue Livings (Vice-Chair)
Councillor Jean Clark
Councillor Bob Davis
Councillor Nicky Purse
Councillor Stacy Seales
Councillor Clive Souter (as substitute for Councillor James Leppard)
Councillor Nancy Watson

Officers

Andrew Bramidge, Director of Strategic Growth and Regeneration
Gavin Cooper, Development Manager
Adam Rees, Senior Governance Support Officer
Simon Hill, Director of Governance and Corporate Support
Tanusha Waters, Assistant Director - Planning and Building Control

53. **APOLOGIES FOR ABSENCE AND SUBSTITUTIONS**

Apologies for absence were received from Councillor James Leppard.
Councillor Clive Souter was in attendance as his substitute.

54. **DECLARATIONS OF INTEREST**

None.

55. **PROCEDURE FOR CONSIDERATION OF PLANNING APPLICATIONS**

RESOLVED that the procedure for the meeting be noted.

56. **HW/OUTAM/21/00251 - WEST GATE ON MARKET (STONE CROSS)
SQUARE, BROAD WALK, WEST GATE, EAST GATE, HARLOW**

The Committee received a report and application HW/OUTAM/21/00251 for a hybrid planning application to demolish the existing buildings and provide a comprehensive re-development of the site with a mixed-use development comprising up to 578 residential units, up to 3,000sqm (GEA) flexible retail / drinking establishment/leisure/community/commercial space (Use Classes E and sui generis), communal residential amenity space, a new pedestrian boulevard, public realm improvements, car and cycle

parking with associated plant and hard/soft landscaping at West Gate on Market Square, Broad Walk, Harlow.

Representations were heard from an objector, Councillor Tony Edwards, Councillor Dan Swords and the agent.

RESOLVED that the application be **APPROVED** subject to:

- A** The conditions set out in the report, as amended by the supplementary report.
- B** The applicant entering into an appropriately worded Section 106 Legal Agreement to secure matters detailed in the report.

57. **MATTERS OF URGENT BUSINESS**

None.

CHAIR OF THE COMMITTEE

**MINUTES OF THE DEVELOPMENT MANAGEMENT COMMITTEE
HELD ON**

9 November 2022

7.30 - 8.20 pm

PRESENT

Committee Members

Councillor Michael Garnett (Chair)
Councillor Sue Livings (Vice-Chair)
Councillor Jean Clark
Councillor Bob Davis
Councillor James Leppard
Councillor Nicky Purse
Councillor Stacy Seales

Officers

Andrew Bramidge, Director of Strategic Growth and Regeneration
Gavin Cooper, Development Manager
Julie Galvin, Legal Services Manager
Nicole Parker, Admin Assistant
Roland Sheldon, Principal Planning Officer
Adam Rees, Senior Governance Support Officer

58. **APOLOGIES FOR ABSENCE AND SUBSTITUTIONS**

None.

59. **DECLARATIONS OF INTEREST**

Councillor Clark declared a non-pecuniary interest in planning application HW/REMPAR/22/00057 as a ward councillor for Little Parndon and Hare Street.

Councillor Garnett declared a non-pecuniary interest in planning application HW/FUL/22/00218 as an Essex County Council councillor for the Harlow North division.

60. **MINUTES**

RESOLVED that the minutes of the meetings held on 12 and 26 October 2022 be agreed and signed as a correct record by the Chair.

61. **MATTERS ARISING**

None.

62. **WRITTEN QUESTIONS**

None.

63. **PROCEDURE FOR CONSIDERATION OF PLANNING APPLICATIONS**

RESOLVED that the procedure be noted.

64. **HW/REMPAR/22/00057 - LAND EAST OF EAST END FARM, ROYDON ROAD**

The Committee received a report and application HW/REMPAR/22/00057 for a variation to Condition 2 (Approved Drawings) of Appeal Decision APP/N1540/W/21/3267464 to allow for dwellinghouses of larger size.

The proposal related to a previous proposal under ref HW/FUL/20/00093 for the erection of 1 no. detached dwelling and 2 no. semi-detached dwellings.

No representations were heard.

RESOLVED that planning permission be **GRANTED** subject to the conditions in the report and the following additional conditions 12 and 13:

12. Prior to the first occupation of the development hereby approved, Electric Vehicle Charging Points for each house shall be installed and made operational and shall be maintained as such for the lifespan of the development.

REASON: To ensure that appropriate parking provision for vehicles are provided, in accordance with policies IN2 and IN3 of the Harlow Local Development Plan, December 2020.

13. A visibility splay of 2.4 by 90 metres shall be provided to the access road serving the development. The visibility splay shall be maintained in both directions. There shall be no obstruction to visibility between 0.6 m and 2.0 m above carriageway level.

REASON: To ensure that appropriate and safe access is provided, in accordance with policy IN2 of the Harlow Local Development Plan 2020.

65. **HW/FUL/22/00218 - ARKWRIGHTS GARAGE SITE, ARKWRIGHTS**

The Committee received a report and application HW/FUL/22/00218 for the erection of 8no. two-storey terraced homes for the provision of social housing. The proposals consisted of the erection of two separate buildings to allow for the continuation of the access route off Arkwrights that leads to the Community Gardens.

Representations were heard from two objectors and one supporter.

RESOLVED that planning permission be **GRANTED** subject to the conditions in the report

66. **REFERENCES FROM OTHER COMMITTEES**

None.

67. **MATTERS OF URGENT BUSINESS**

None.

CHAIR OF THE COMMITTEE

**MINUTES OF THE LICENSING COMMITTEE
HELD ON**

15 November 2022

7.30 - 8.04pm

PRESENT

Committee Members

Councillor Nick Churchill (Chair)
Councillor Clive Souter (Vice-Chair)
Councillor David Carter
Councillor Joel Charles
Councillor Jodi Dunne
Councillor James Griggs
Councillor Andrew Johnson
Councillor Stacy Seales
Councillor Nancy Watson

Officers

Hannah Marriott, Governance Support Officer
Michael Pitt, Assistance Director Environment
Adam Sherwood, Principal Licensing Officer

25. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Lanie Shears.

The Committee noted that Michael Pitt, Assistant Director – Environment, would be retiring shortly. The Committee expressed its extreme gratitude to Michael for his many years of advice and support on various licensing matters. The Committee agreed that Michael was a fantastic and highly regarded officer and noted that his retirement would be a great loss to the Council.

26. **DECLARATIONS OF INTEREST**

None.

27. **MINUTES**

RESOLVED that the minutes of the meeting on 6 September 2022 be agreed and signed by the Chair as a correct record.

28. **MATTERS ARISING**

Councillor Stacy Seales noted that at the last meeting members had requested information on referrals made to charities and/or any advice or support given to those people affected by substance abuse as part of the work to tackle street drinking. Councillor Joel Charles noted that the issue

was dealt with as part of the recently published Community Safety Strategy, and as a result, the data would be available and could be reported to a future meeting of the Committee.

29. **WRITTEN QUESTIONS AND PETITIONS**

None.

30. **COMMITTEE WORK PLAN**

RESOLVED that the work plan was noted.

31. **FOOD SAFETY ENFORCEMENT ACTION PLAN 2022/23**

The Committee received a report on the Food Safety Enforcement Action Plan for 2022/23.

RESOLVED that:

A The Committee approved the Food Safety Act Service Plan 2022/2023 attached as Appendix A to the report.

32. **STREET DRINKING REDUCTION SCHEME UPDATE**

The Committee received an update report on the street drinking reduction scheme.

RESOLVED that:

A The Licensing Committee noted the content of the report regarding Operation Shopper.

B The Licensing Committee noted that there would be a further report to the Committee to provide data concerning the sale of high strength alcoholic lager and cider from single cans.

33. **REFERENCES FROM OTHER COMMITTEES**

None.

34. **MATTERS OF URGENT BUSINESS**

None.

CHAIR OF THE COMMITTEE

**MINUTES OF THE SCRUTINY COMMITTEE
HELD ON**

16 November 2022

7.30 - 9.01 pm

PRESENT

Committee Members

Councillor Tony Edwards (Chair)
Councillor David Carter (Vice-Chair)
Councillor Colleen Morrison
Councillor Kay Morrison
Councillor Stacy Seales

Also Present

Councillor Joel Charles, Portfolio Holder for Business and Community Resilience

Officers

Rebecca Farrant, Assistant Director - Corporate Services
Jane Greer, Director of Communities and Environment
Simon Hill, Director of Governance and Corporate Services
Julie Houston, Assistant Director - Community Resilience
Nicole Parker, Admin Assistant
Adam Rees, Senior Governance Support Officer

26. **APOLOGIES FOR ABSENCE AND SUBSTITUTIONS**

Apologies for absence were received from Councillors Nick Churchill and Matthew Saggars. Councillor Mike Garnett was in attendance as a substitute for Councillor Saggars.

27. **DECLARATIONS OF INTEREST**

Councillor Garnett declared a non-pecuniary interest in Item 9, as Chair of the Harlow Health and Wellbeing Board.

28. **MINUTES**

RESOLVED that the minutes of the meeting held on 30 August 2022 are agreed as a correct record and signed by the Chair.

29. **MATTERS ARISING**

Councillor Tony Edwards said that details of Police Officers for each ward had been circulated, but would be resent.

30. **WRITTEN QUESTIONS FROM MEMBERS OF THE PUBLIC**

None.

31. **WRITTEN QUESTIONS FROM COUNCILLORS**

None.

32. **RESPONSES OF THE CABINET TO REPORTS OF THE SCRUTINY COMMITTEE**

None.

33. **NOTICE BOARDS - REPORT**

The Committee received a report on noticeboards throughout the town. The Committee agreed all Councillors should be included in the review on the location and content of notice boards.

RESOLVED that it was recommended to the Portfolio Holder that:

- A** Repairs to existing notice boards are continued to completion.
- B** A review of appropriate locations and standard content for notice boards is undertaken.
- C** Notice Boards are brought into Council control.

34. **HEALTH AND WELLBEING STRATEGY - PRE-SCRUTINY**

The Committee received a report on the Health and Wellbeing Strategy, and welcomed the Portfolio Holder for Business and Community Resilience, Councillor Joel Charles to the meeting. The Chair invited Councillor Charles to outline the Strategy.

Councillor Charles began by thanking the previous Portfolio Holder, Eugenie Harvey, for her work. The Strategy had built on this and provided a sober reflection of the current situation in Harlow. He highlighted the five priorities set out in the Strategy and stressed the importance of aligning the Council's approach to other partners including the County Council.

In response to questions, Councillor Charles said;

- He agreed that Councillors should act as examples.
- The Strategy would succeed as it was an honest, evidence led approach.
- There were great primary care leaders within the town.

- He agreed that it was important to give better skills and employment opportunities to improve outcomes. These would be supported by the Economic Development Strategy.
- Councillor Charles stressed the importance of the community leadership role Councillors had.
- It was agreed that the Committee would be provided with an explanation about how the air pollution figures within the Strategy were calculated.
- The Council would talk to retailers about the trend of shops requiring payment card only use.
- The model being used to develop the Strategy was backed by academic research and was the same as the one being used by the County Council.

The targets used were in line with the County Council's and SMART Action Plans targets would be developed.

Councillor Edwards requested that Action Plans should be developed for

- i) Where the Council was working in crosstown Partnership with other agencies;
- ii) Where it was undertaking Council specific work.

It was requested Progress on the implementation of the Strategy be brought back to the Committee at a future date.

RESOLVED that the Committee recommended to Cabinet that the Health and Wellbeing Strategy, attached as Appendix A to the report, be adopted.

35. **WORK PLAN**

The Committee received a report summarising its work plan. The Committee agreed that:

- i) A report on allotments would be brought to the March meeting;
- ii) The Safer Harlow Partnership would be invited a future Committee meeting; and
- iii) The review on roofing and major repairs to council houses be added to the work plan.

RESOLVED that:

- A** A report on allotments would be brought to the March meeting;
- B** The Safer Harlow Partnership would be invited a future Committee meeting; and
- C** The review on roofing and major repairs to council houses be added to the work plan. The Director of Housing, The Housing Cabinet Portfolio holder, the Chief Executive of HTS and the Cabinet Portfolio Holder responsible for HTS be invited to attend the February meeting.

36. **REFERENCES FROM OTHER COMMITTEES**

None.

37. **MATTERS OF URGENT BUSINESS**

None.

CHAIR OF THE COMMITTEE

**MINUTES OF THE CABINET
HELD ON**

17 November 2022

7.30 - 7.36pm

PRESENT

Committee Members

Councillor Russell Perrin, Leader of the Council
Councillor Dan Swords, Deputy Leader and Portfolio Holder for Regeneration
Councillor Joel Charles, Portfolio Holder for Business and Community Resilience
Councillor Alastair Gunn, Portfolio Holder for Governance
Councillor Michael Hardware, Portfolio Holder for Strategic Growth
Councillor Stephen LeMay, Portfolio Holder for HTS, Properties and Facilities – with special responsibility for the roads
Councillor James Leppard, Portfolio Holder for Finance
Councillor Nicky Purse, Portfolio Holder for Environment

Additional Attendees

Councillor Matthew Sagers

Other Councillors

Councillor David Carter
Councillor Nick Churchill
Councillor Jean Clark
Councillor Bob Davis
Councillor Jodi Dunne
Councillor Tony Durcan
Councillor Tony Edwards
Councillor James Griggs
Councillor Colleen Morrison
Councillor Kay Morrison
Councillor Stacy Seales
Councillor Chris Vince
Councillor Mark Wilkinson

Officers

Rob Tinlin, Interim Chief Executive
Simon Hill, Director of Governance and Corporate Services
Hannah Marriott, Governance Support Officer
Andrew Bramidge, Director of Strategic Growth and Regeneration
Simon Freeman, Deputy to the Chief Executive and Director of Finance
Jane Greer, Director of Communities and Environment

69. **APOLOGIES FOR ABSENCE**

None.

70. **DECLARATIONS OF INTEREST**

None.

71. **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED that the following item be taken in private session on the grounds that it is likely to involve the disclosure of exempt information

as specified under Paragraph 3 of Part One of Schedule 12A of the Local Government Act 1972, if and so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information).

72. **POTENTIAL ACQUISITION OF TOWN CENTRE PROPERTY**

Cabinet received a report on the acquisition of a town centre property and the approval of purchase, fees and procurement of managers.

Proposed by Councillor Dan Swords (seconded by Councillor James Leppard) it was:

RESOLVED that Cabinet recommended to Full Council that:

- A** The acquisition of the property referred to in the report be approved for not more than the maximum amount shown in section 6 of the report on an unconditional basis to facilitate the Council's regeneration strategy for Harlow town centre.
- B** The procurement of legal, property, surveyor, valuation and specialist advisers to support full due diligence on the acquisition, and the associated fees payable as set out in the report, be approved.
- C** The procurement, via the Crown Commercial Services framework, of Savills (as Property Manager) and Montagu Evans (as Asset Manager) be approved, conditional upon the acquisition of the property, for an initial period of two years. The costs associated with the management services have been factored into the financial appraisal.
- D** Authority is delegated to the Chief Executive to complete the purchase of the property.
- E** The financing for the purchase and associated costs as set out in the report is approved and that the Capital Programme, Capital Strategy and associated documents are amended to reflect this capital acquisition.
- F** Authority is delegated to the Deputy Chief Executive and Director of Finance to make the final arrangements for the borrowing associated with the purchase.

73. **MATTERS OF URGENT BUSINESS**

None.

LEADER OF THE COUNCIL

**MINUTES OF THE AUDIT & STANDARDS COMMITTEE
HELD ON**

23 November 2022

7.30 - 8.45 pm

PRESENT

Committee Members

Councillor Matthew Saggars (Chair)
Councillor Colleen Morrison (Vice-Chair)
Councillor Simon Carter
Councillor Jean Clark
Councillor Jodi Dunne
Councillor Stacy Seales
Councillor Chris Vince
Laura Kirman, Independent Person

Officers

Simon Freeman, Deputy to the Chief Executive and Director of Finance
Karen Gardner, Internal Auditor
Sarah Marsh, Internal Audit Manager
Stuart Moseley, Senior Insurance Officer
Nicole Parker, Admin Assistant
Adam Rees, Senior Governance Support Officer

26. **APOLOGIES FOR ABSENCE AND SUBSTITUTIONS**

None.

27. **DECLARATIONS OF INTEREST**

Councillors Jodi Dunne and Stacy Seales both declared a pecuniary interest as Council appointed non-executive directors of HTS.

28. **MINUTES**

RESOLVED that the minutes of the meeting held on 5 October 2022 are agreed as a correct record and signed by the Chair.

29. **MATTERS ARISING**

Councillor Matthew Saggars asked the committee whether there had been any updates on the industrial infrastructure assets. Steve Bladen, BDO advised it would possibly be enforced on 25 December 2022, but this has not been finalised.

Steve Bladen also advised the committee that the 2023-2024 audit plan will not be ready for the next committee meeting.

30. **WRITTEN QUESTIONS AND PETITIONS**

None.

31. **NON CONTENTIOUS BUSINESS**

None.

32. **COMMITTEE WORK PLAN**

The Committee received its current work plan.

RESOLVED that the work plan is noted.

33. **PERIOD 8 INTERNAL AUDIT ACTIVITY REPORT**

The Committee received an internal audit activity report which was presented by Sarah Marsh, Internal Audit Manager.

RESOLVED that the Committee:

A Reviewed the outcomes of the work of the Internal Audit service for the period July to November 2022 and identified any issues for further consideration.

B Approved the deferral of the IT Strategy and planned maintenance and major works audits.

C Approved the revised Internal Audit Charter.

D Approved the revised Code of Corporate Governance.

E Approved the revised Anti-Fraud and Corruption Strategy.

34. **RISK MANAGEMENT PROGRESS REPORT**

The Committee received the Risk Management Report, which was presented by Stuart Moseley, Insurance and Risk Manager.

RESOLVED that the Committee:

A Noted the Strategic Risks, risk scores and variation against risk appetite as at 30 September 2022.

B Noted the revised Risk Matrix introduced at 1 April 2022.

C Approved the revised Risk Appetite General Statement and risk appetite thresholds as set out by the Senior Management Board.

35. **REFERENCES FROM OTHER COMMITTEES**

None.

36. **MATTERS OF URGENT BUSINESS**

None.

CHAIR OF THE COMMITTEE

MINUTES OF THE CABINET HELD ON

1 December 2022

7.30 - 9.20 pm

PRESENT

Committee Members

Councillor Dan Swords, Deputy Leader and Portfolio Holder for Regeneration
Councillor Joel Charles, Portfolio Holder for Business and Community

Resilience

Councillor Alastair Gunn, Portfolio Holder for Governance

Councillor Nicky Purse, Portfolio Holder for Environment

Additional Attendees

Councillor Matthew Saggars

Other Councillors

Councillor David Carter

Councillor Simon Carter

Councillor Tony Durcan

Councillor James Griggs

Councillor Stacy Seales

Councillor Chris Vince

Officers

Rob Tinlin, Interim Chief Executive

Andrew Bramidge, Director of
Strategic Growth and Regeneration

Simon Freeman, Deputy to the Chief
Executive and Director of Finance

James Gardner, Assistant Director -
Regeneration

Jane Greer, Director of Communities
and Environment

Simon Hill, Director of Governance
and Corporate Services

Adam Rees, Senior Governance
Support Officer

74. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Michael Hardware, Steve LeMay, James Leppard and Russell Perrin.

75. DECLARATIONS OF INTEREST

Councillor Vince declared a non-pecuniary interest in Item 18, Adoption of Wych Elm Development Brief, as someone who worked in the area affected by the Brief.

76. MINUTES

RESOLVED that the minutes of the meeting held on 13 October and 17 November 2022 are agreed as a correct record and signed by the Deputy Leader.

77. **MATTERS ARISING**

None.

78. **WRITTEN QUESTIONS FROM THE PUBLIC**

The questions, together with the answers, are appended to the minutes.

79. **WRITTEN QUESTIONS FROM COUNCILLORS**

The questions, together with the answers, are appended to the minutes.

80. **PETITIONS**

None.

81. **FORWARD PLAN**

RESOLVED that the Forward Plan is noted.

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

RESOLVED that the following decisions be noted.

- a) Portfolio Holder for Housing - 20 October 2022
- b) Leader of the Council - 4 November 2022
- c) Leader of the Council - 16 November 2022

83. **JOINT FINANCE AND PERFORMANCE REPORT, QUARTER 2 2022/23**

Cabinet received the Quarter 2 Joint Finance and Performance Report for 2022/23.

Proposed by Councillor Dan Swords (seconded by Councillor Alastair Gunn) it was:

RESOLVED that Cabinet noted:

- A** The forecast outturn position set out within the report in respect of the General Fund for the second quarter (April- September) of 2022/23 of a projected overspend of £666,000 or 1.12 percent of the gross General Fund Budget.
- B** The Quarter 2 operational performance and risk management that has been achieved in 2022/23 across all Council services.

84. **HOUSING REVENUE ACCOUNT, QUARTER 2 FINANCE REPORT 2022/23**

Cabinet received the Quarter 2 Housing Revenue Account report for 2022/23.

Proposed by Councillor Dan Swords (seconded by Councillor Alastair Gunn) it was:

RESOLVED that Cabinet noted:

- A** The Quarter 2 - HRA Budget and performance Monitoring report as set out in the report and the appendix to the report.
- B** That the forecast HRA general working balance as at 31 March 2023 will be £9.438 million.

85. **CAPITAL PROGRAMMES, QUARTER 2 FINANCE REPORT 2022/23**

Cabinet received the Quarter 2, Capital Programmes report for 2022/23.

Proposed by Councillor Dan Swords (seconded by Councillor Alastair Gunn) it was:

RESOLVED that Cabinet:

- A** Noted the progress and forecasts in the delivery of the Council's Housing Capital Programme (HCP) as at Quarter 2 2022/23 as follows:
 - i) The current budget is £34.715 million, including £2.762 million carried forward from 2021/22. The projected outturn at Quarter 2 is £23.935 million as set out in Appendix 1 to the report.
- B** Noted the progress in the delivery of the Council's Non-Housing Capital Programme (NHCP) as at Quarter 2 2022/23 as follows:
 - i) The current budget is £22.846 million, including £4.066 million carried forward from 2021/22. The projected outturn at Quarter 2 is £19.325 million as set out in Appendix 2 to the report.
- C** Approved the inclusion in the HCP budget of an additional £835,542 for the purchase of land at Parnall Road. Expenditure is to be fully financed from a Section 106 agreement.

86. **ANNUAL TREASURY MANAGEMENT REPORT 2021/22**

Cabinet received the Annual Treasury Management report for 2021/22.

Proposed by Councillor Dan Swords (seconded by Councillor Joel Charles) it was:

RESOLVED that:

- A** Cabinet noted the annual Treasury Management Report for 2021/22, as set out in Appendix A to the report, and that the Council operated within the Treasury Management Strategy Statement during 2021/22 recommended the report to Full Council for approval.

87. **TREASURY MANAGEMENT STRATEGY STATEMENT 2022/23: MID-YEAR REVIEW**

Cabinet received the Treasury Management Statement 2022/23: Mid-Year Review.

Proposed by Councillor Dan Swords (seconded by Councillor Joel Charles) it was:

RESOLVED that:

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

88. **LOCAL COUNCIL TAX SUPPORT SCHEME PROPOSALS**

Cabinet received a report on the annual review of the Local Council Tax Support Scheme.

Proposed by Councillor Dan Swords (seconded by Councillor Alastair Gunn) it was:

RESOLVED that Cabinet:

- A** Acknowledged the current position regarding the 2022/23 Local Council Tax Support Scheme and endorses continuing stability within the scheme for 2023/24.
- B** Recommended to Council that the current Local Council Tax Support Scheme remains unchanged for the 2023/24 financial year.

89. **HEALTH AND WELLBEING STRATEGY**

Cabinet received a report to adopt the Harlow Health and Wellbeing Strategy subject to consultation.

Councillor Griggs declared a non-pecuniary interest as Co-Chair of Harlow and West Essex Pride.

Proposed by Councillor Joel Charles (seconded by Councillor Dan Swords) it was:

RESOLVED that Cabinet:

- A** Adopted the draft Harlow Health and Wellbeing Strategy, covering 2023 to 2028. This is subject to a consultation process in order to support and encourage further partnership activity to help deliver better health outcomes for the residents of Harlow.
- B** Authorised that consultation be undertaken on this draft for a period of six weeks. Minor amendments will be submitted to the Director of Communities and Environment who will, in conjunction with the Portfolio Holder for Business and Community Resilience, develop the final version of the strategy following the conclusion of the consultation period.

90. **CUSTOMER STRATEGY**

Cabinet received a report to adopt the Customer Service Strategy.

Proposed by Councillor Alastair Gunn (seconded by Councillor Dan Swords) it was:

RESOLVED that:

- A** Cabinet adopted the Customer Service Strategy, and associated action plan (attached as appendices A and B to the report).

91. **ADOPTION OF THE WYCH ELM DEVELOPMENT BRIEF**

Cabinet received a report to adopt the Wych Elm Development Brief.

Proposed by Councillor Dan Swords (seconded by Councillor Joel Charles) it was:

RESOLVED that Cabinet:

- A** Notes the responses received to the consultation and approves the consequential amendments made to the Wych Elm Development Brief.
- B** Formally adopts the Development Brief as set out in Appendix A to this report.

92. **AFFORDABLE HOUSING S106 POLICY ADOPTION**

Cabinet received a report to adopt the Affordable Housing Section 106 Policy.

Proposed by Councillor Dan Swords (seconded by Councillor Joel Charles) it was:

RESOLVED that Cabinet:

- A** Noted the responses received to the consultation and agrees the consequential amendments made to the Addendum to the Adopted Affordable and Specialist Housing Supplementary Planning Document (SPD) (as set out at Appendix B) to this report).
- B** Adopted the SPD addendum as set out in Appendix A to this report and delegates authority to the Director of Strategic Growth and Regeneration in consultation with the relevant Portfolio Holder to make and agree any minor or inconsequential amendments to the Supplementary Planning Document arising from any matters discussed and agreed at Cabinet.

93. **STAPLE TYE SPD ADOPTION**

Cabinet received a report to adopt the Staple Tye Supplementary Planning Document.

Proposed by Councillor Dan Swords (seconded by Councillor Alastair Gunn) it was:

RESOLVED that Cabinet:

- A** Noted the responses received to the consultation and agrees the consequential amendments made to the Staple Tye Supplementary Planning Document (SPD) as set out at Appendix B to this report.
- B** Formally adopted the SPD as set out in Appendix A to this report and delegates authority to the Director of Strategic Growth and Regeneration in consultation with the relevant Portfolio Holders to make and agree any minor or inconsequential amendments to the Staple Tye Supplementary Planning Document arising from any matters discussed and agreed at Cabinet.

94. **ENVIRONMENTAL ENFORCEMENT CONTRACT - TENDER PROCESS OUTCOME**

Cabinet received a report to accept a bid for an environmental enforcement contract.

Proposed by Councillor Alastair Gunn (seconded by Councillor Nicky Purse) it was:

RESOLVED that:

- A** The most advantageous bid submitted by Contractor A, National Enforcement Solutions Limited, be accepted.
- B** Authority be delegated to the Director of Communities and Environment in consultation with the Portfolio Holder for Governance to enter into contract with the successful bidder on the terms of the tender.

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

None.

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

None.

97. **MATTERS OF URGENT BUSINESS**

None.

LEADER OF THE COUNCIL

Cabinet – 1 December 2022

Questions from the Public

1 Colin Thorpe to Councillor Dan Swords (Deputy Leader and Portfolio Holder for Regeneration):

Osler House refurbishment is quoted as being £114,000 more than the available budget but as Councillor LeMay hasn't allowed me to be part of the discussions as promised and my FOIA application has only been partly addressed, which may force me to ask the Commissioner to look into why this is.

At this moment in time I have no way of knowing how much the Trust will be contributing to those costs over and above the amount £22,000 allowed in the Trusts' budget.

So, my question is twofold: when will I be allowed to see those costings rather than being presented with a fait accompli; and why are the funds allocated to the Neighbourhood Office being transferred to the Latton Bush Centre when they could be used to refurbish Osler House?

Reply from Councillor Dan Swords (Deputy Leader and Portfolio Holder for Regeneration):

Thank you for your question and I fully recognise your passion and commitment to this project.

As you are aware, this has been fully reviewed in light of rising construction costs, the state of disrepair to the building and ultimately, value for money to the taxpayer.

At the time of the proposal coming forward, before the pandemic, a capital budget of £225,520 was allocated to cover the works and the professional fees required to bring the building up to a lettable standard. Since then, construction costs and inflation have risen dramatically and financial restraints on the Council have increased.

The most recent quote for the works to bring the property up to a lettable standard from HTS, submitted through a business case, was £349,172. However, given the rising inflation, construction costs and worsening state of the building it is a realistic and accurate assumption that the works required would be in excess of £400,000.

I must be honest that this presents a difficult situation and certainty about the project is urgently required. Therefore, officers and I will arrange to meet with you next week to discuss this and the next steps.

We are absolutely committed to investing in health and wellbeing as Cllr Charles will set out shortly and further to the regeneration of the Potter Street neighbourhood and I will announce further plans to do so in the very near future.

With regard to your question about the virement from the neighbourhood office and the Latton Bush Centre, this is in line with the regeneration plans we are working on and allows us to address an urgent situation at the Latton Bush Centre.

Supplementary question from Colin Thorpe:

Funding has been made available for other areas. How is there no funding for Osler House?

Supplementary reply from Councillor Dan Swords:

The Council has a number of issues it needs to address. We will meet with you next week to discuss next steps.

2 Colin Thorpe to Councillor Joel Charles (Portfolio Holder for Business and Community Resilience):

The Potter Street Health and Wellbeing Trust's proposal clearly follows not only the Robert Wood Johnson Model, but also Core20PLUS. If Harlow is classed as the 2nd worst town in Essex and the 20th in the whole of England for Deprivation, Child Poverty, Health, Crime etc. and the various different bodies I've been working with such as Harlow Poverty Alliance and Herts & West Essex ICB recognise the value of Wellbeing Hubs such as the Trust is proposing, why is this Council putting costs before the Wellbeing of Harlow's population when adequate funds are available in Capital Budget to push the Trust's proposal forward?

Reply from Councillor Joel Charles (Portfolio Holder for Business and Community Resilience):

The Health and Wellbeing Strategy includes a number of statistics that paint a sobering picture of the key public health issues facing the town today. That is why the Council has taken the decision to depart from the previous approaches used to tackle health and wellbeing challenges to look at ways, as a community leader, to curb the socio-economic determinants that compound the issues highlighted in the strategy. The Council's approach will be governed not only by the strategy, but also the actions it agrees to take forward with key partners to address health and wellbeing inequalities in the town. Part of the ambition of the strategy is to seek further investment from Essex County Council as the lead public health authority and other health bodies to arrest the trend of avoidable wellbeing issues.

The Council is looking at how it achieves the better outreach of wellbeing services across the town, and part of that work has been the continued funding of the Community Hub operated by Rainbow Services. There is a continued dialogue with our local healthcare leaders and Essex County Council, through a partnership approach that the council hopes to build on further as officers provide evidence to them about the effectiveness of the hub approach.

In taking this all forward, it is always important to look carefully at how we deploy the Council's limited resources across the town.

The Council is committed to actively working with the Potter Street Wellbeing Hub Trust to seek to find venues from which it can commence running some wellbeing activities in the Potter Street area.

Cabinet – 1 December 2022

Questions from Councillors

1 Councillor Chris Vince to Councillor Dan Swords (Deputy Leader and Portfolio Holder for Regeneration):

Following the terrible news about Awaab Ishak what work has Harlow Council done to inspect it's housing stock to ensure that our properties are free of mould and that damp management and damp controls are in place and being used properly?

Reply from Councillor Dan Swords (Deputy Leader and Portfolio Holder for Regeneration):

The harrowing case of Awaab Ishak highlights the potentially devastating effects of damp and mould. Any case of damp and mould must be treated with absolute seriousness. We are reviewing every case of damp and mould in our properties and will do all it takes to deal with all issues appropriately and immediately. I have put in place changes to internal processes with immediate effect which I am confident will improve our response to any such case and we keep this under daily review from now on.

As the Secretary of State Michael Gove has made clear, it is absolutely not acceptable to pass these problems as a 'lifestyle issue'. No one in our town should have to live in a home plagued with damp and mould – that should not be a high bar to set – and that is why we will be taking real action to address all cases.

Supplementary question from Councillor Chris Vince:

What specific changes have been made?

Supplementary reply from Councillor Dan Swords:

I will arrange for a written reply to be sent to you.