

CABINET
Thursday, 15 September 2016 at 7.30 pm
Council Chamber, Civic Centre

Members

Councillor Jon Clempner, Leader of the Council
Councillor Emma Toal, Deputy Leader and Portfolio Holder for Youth & Community
Councillor Mike Danvers, Portfolio Holder for Resources
Councillor Tony Durcan, Portfolio Holder for Regeneration & Enterprise
Councillor Waida Forman, Portfolio Holder for Governance
Councillor Danny Purton, Portfolio Holder for Environment
Councillor Mark Wilkinson, Portfolio Holder for Housing

Other Attendees

Councillor Mark Ingall
Councillor Lanie Shears
Councillor John Strachan

AGENDA

1. Apologies for absence
2. Declarations of Interest

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

To approve the minutes of the meeting held on 21 July 2016.
4. Matters Arising

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

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

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

7. Petitions

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

8. Forward Plan (Pages 13 - 25)

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

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

There have not been any decisions taken by Portfolio Holders under delegated powers since the last meeting of the Cabinet.

10. Joint Finance and Performance Report, Quarter 1 2016/17 (Pages 26 - 51)

11. Housing Revenue Account, Quarter 1 Finance Report 2016/17 (Pages 52 - 59)

12. Capital Programmes Quarter 1 Finance Report 2016/17 (Pages 60 - 70)

13. Annual Treasury Management Report 2015/16 (Pages 71 - 93)

14. Debt write offs (Pages 94 - 96)

15. Nicholls Field Pavilion Refurbishment Works (Pages 97 - 101)

16. Award of contract for small roofing schemes (Pages 102 - 104)

17. Street Naming and Numbering Policy 2016 (Pages 105 - 129)

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

a) Expected Referral from Audit & Standards Committee - 2015/16 Statement of Accounts

b) Expected Referral from Audit & Standards Committee - Management Letter of Representation 2015/16

19. Minutes of Panels/Working Groups

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

a) Minutes of meeting Thursday, 7 July 2016 of Shareholder Sub Committee (Pages 130 - 132)

- b) Minutes of meeting Tuesday, 12 July 2016 of Housing Standards Board (Pages 133 - 135)
- c) Minutes of meeting Thursday, 21 July 2016 of Safety Committee (Pages 136 - 139)

20. Matters of Urgent Business

To deal with any matters of an urgent nature.

21. Exclusion of Press and Public

The Chairman will move 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.

22. Rainbow Services Pensions (Pages 140 - 145)

**MINUTES OF THE CABINET
HELD ON**

21 July 2016

7.30 - 9.13 pm

PRESENT

Cabinet Members

Councillor Jon Clempner, Leader of the Council
Councillor Mike Danvers, Portfolio Holder for Resources
Councillor Tony Durcan, Portfolio Holder for Regeneration & Enterprise
Councillor Waida Forman, Portfolio Holder for Governance
Councillor Danny Purton, Portfolio Holder for Environment

Additional Attendees

Councillor Lanie Shears

Other Councillors

Councillor David Carter
Councillor Simon Carter
Councillor Joel Charles
Councillor Russell Perrin
Councillor Clive Souter

Officers

Malcolm Morley OBE, Chief
Executive
Brian Keane, Head of Governance
Jane Greer, Head of Community
Wellbeing
Andrew Murray, Head of Housing
Simon Freeman, Head of Finance
Lisa Purse, Corporate and
Governance Support Officer

1. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Mark Ingall, John Strachan, Emma Toal and Mark Wilkinson.

2. **DECLARATIONS OF INTEREST**

None.

3. **MINUTES**

RESOLVED that the minutes of the meeting held on 31 March 2016 are agreed as a correct record and signed by the Leader.

4. **MATTERS ARISING**

None.

5. **WRITTEN QUESTIONS FROM THE PUBLIC**

None.

6. **WRITTEN QUESTIONS FROM COUNCILLORS**

None.

7. **PETITIONS**

None.

8. **FORWARD PLAN**

RESOLVED that the Forward Plan is noted.

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

RESOLVED that the decision to allocate Grant Aid as set out in paragraph 4 of the report is noted.

a) Portfolio Holder for Youth & Community - 29 March 2016

10. **PORTFOLIO HOLDER DELEGATIONS**

RESOLVED that the Leader's Scheme of Delegation to Portfolio Holders for 2016/17, as set out in the document appended to these minutes, is noted.

11. **APPOINTMENT OF CABINET OVERVIEW WORKING GROUP, PANELS AND PARTNERSHIP BODIES 2016/17**

RESOLVED that appointments to Cabinet bodies for 2016/17 are made as detailed in the report submitted.

12. **CABINET OVERVIEW WORKING GROUP WORK PLAN 2016/17**

RESOLVED that the proposed 2016/17 work plan for the Overview Working Group as detailed at paragraph 2 from the report submitted is agreed.

13. **YEAR END 2015/16 JOINT PERFORMANCE AND FINANCE REPORT**

The Cabinet received a report that summarised the Council's financial and operational performance as at year-end 2015/16 and proposed carryovers into 2016/17 and contributions to reserves.

Proposed by Councillor Jon Clempner (seconded by Councillor Mike Danvers) it was:

RESOLVED that Cabinet:

- A** Acknowledges the outturn position set out in section three of Appendix A to this report for the year ending 31 March 2016 (1 April 2015 – 31 March 2016), subject to recommendations in paragraphs 20 and 22, as follows:
- i. An under-spend on controllable service budgets of £862,000 or -1.25 per cent of the gross General Fund budget, after allowing for carry-forward requests.
 - ii. A total reduction in the General Fund balance of £488,000 after including the impact of windfall income, non-controllable items, proposed transfers to reserves and budget carry forward requests (from 2014/15), representing an adverse variance of £221,000 to the revised budget (+0.32 per cent of the gross General Fund budget).
- B** Recognises the operational performance that has been achieved across all Council services during 2015/16.
- C** Approves:
- i. The carry forward of £136,800 of budgets from 2015/16 to 2016/17 as set out in paragraph 20 of the report.
 - ii. The transfer to reserves of £637,000 as set out in paragraph 22 and Appendix C of the report.

14. **HOUSING REVENUE ACCOUNT OUTTURN REPORT 2015/16**

The Cabinet received a report that summarised the year-end 2015/16 position of the Housing Revenue Account and proposed some carryovers into 2016/17.

Proposed by Councillor Mike Danvers (seconded by Councillor Jon Clempner)
it was:

RESOLVED that Cabinet:

- A** Acknowledges the HRA outturn for 2015/16 as set out in the report as follows:
- (i) a favourable variation against the original budget adjusted for carryovers on operational/controllable budgets of £2,305,000 representing 3.98% of the gross Housing Revenue Account (HRA) budget

(ii) A total projected underspend of £8,154,000 representing 14.06% of the gross HRA budget.

B Notes the balances at 31 March 2016, of £12,298,000 in respect of the Housing Revenue Account and nil in respect of the Major Repairs Reserve (as identified in Appendix C).

C Approves carryovers of £315,000 as detailed in paragraph 32 of this report to meet commitments from 2015/16.

D Recognises the operational performance that has been achieved across all Council services during 2015/16.

15. **CAPITAL PROGRAMME OUTTURN REPORT 2015/16**

The Cabinet received a report that summarised the year-end 2015/16 position of the Housing and Non Housing Capital Programmes and proposed some carryovers into 2016/17.

Proposed by Councillor Mike Danvers (seconded by Councillor Jon Clempner)
it was:

RESOLVED that Cabinet:

A Notes the outturn of the Council's Housing and Non-Housing Capital Programmes as at 31 March 2016 detailed as follows:

(i) Housing Capital Programme expenditure of £21,452,000 against an approved revised budget of £25,103,000.

(ii) Non-Housing Capital Programme expenditure of £3,950,000 against an approved revised budget of £6,961,000.

(iii) Additional capital expenditure of £1,655,000 in respect of Growth Area Funding/Programme of Development and £5,730,000 in respect of a land purchase for the Enterprise Zone.

B Approves the carryover of Housing Capital Programme schemes to 2016/17 of £3,823,800 to meet capital commitments.

C Approves the carryover of Non-Housing Capital Programme schemes from 2015/16 of £2,761,830 to meet capital commitments. The carryover includes grant funding to support these commitments of £1,103,000 and a capital receipt of £600,000.

D Approves business cases for the refurbishment of the Town Park cycle track bridge surface (£8,500), and emergency works to the Town Park

Playground (£20,000), to replace play equipment and furnishings. This latter work will be carried out in early 2016/17. Both schemes will be funded from the risk reserve.

E Recognises the operational performance that has been achieved across all Council services during 2015/16.

16. **CUSTOMER SERVICES ACTION PLAN**

The Cabinet received a report that detailed the recent Customer Service Review and associated Action Plan which outlined how the Council will develop customer interaction up to March 2019.

Proposed by Councillor Jon Clempner (seconded by Councillor Mike Danvers)
it was:

RESOLVED that the Customer Service Action Plan at Appendix A is approved.

17. **SELECTION OF OPERATOR FOR HARLOW ENTERPRISE HUB**

The Cabinet received a report that proposed the continued support and operation of the Harlow Enterprise Hub and associated business support services and activities.

Proposed by Councillor Tony Durcan (seconded by Councillor Mike Danvers) it was:

RESOLVED that:

A The tender submitted by Contractor B is accepted subject to contract.

B The Council enters into a management contract with co-terminus lease for a period of 9 years and 6 months, to be reviewed in Year 4 with a break clause for both parties at Year 5.

18. **THE STOW NEIGHBOURHOOD CENTRE DESIGN FRAMEWORK SUPPLEMENTARY PLANNING DOCUMENT**

Cabinet received a report that proposed that The Stow Neighbourhood Centre Design Framework Supplementary Planning Document be adopted.

Proposed by Councillor Tony Durcan (seconded by Councillor Danny Purton) it was:

RESOLVED that Cabinet RECOMMENDS to Council that The Stow Neighbourhood Centre Design Framework Supplementary Planning Document be adopted.

19. **LOAN ARRANGEMENTS FOR HTS (PROPERTY & ENVIRONMENT) LIMITED**

The Cabinet received a report which proposed the provision of a loan to finance the company set up costs which will ensure that HTS (Property & Environment) Ltd is able to initiate trading from 1 February 2017.

Proposed by Councillor Jon Clempner (seconded by Councillor Mike Danvers) it was:

RESOLVED that:

- A** Cabinet approves the provision of a loan of up to £1.4m to HTS (Property & Environment) Ltd as working capital for the business.
- B** Authority is delegated to the Chief Executive, in consultation with the Leader of the Council and the Portfolio Holder for Resources, to finalise the detailed negotiation of the facilities agreement between the Council and HTS (Property & Environment) Ltd.

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

a) **Referral from Audit & Standards Committee - Annual Governance Statement 2015-16**

The Cabinet received a report from the Audit and Standards Committee that proposed the Annual Governance Statement for 2015-16.

Proposed by Councillor Mike Danvers (seconded by Councillor Jon Clempner) Cabinet:

RESOLVED that Cabinet approves the Annual Governance Statement for 2015-16.

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

RESOLVED that the minutes of the following meetings are noted.

- a) **Minutes of meeting Wednesday, 17 February 2016 of Shareholder Sub Committee for HTS (Property and Environment) Limited**
- b) **Minutes of meeting Thursday, 10 March 2016 of Cabinet Overview Working Group**
- c) **Minutes of meeting Tuesday 22 March 2016 of Housing Standards Board**
- d) **Minutes of meeting Wednesday, 6 April 2016 of Harlow Local Highways Panel**

- e) Minutes of meeting Tuesday, 31 May 2016 of Shareholder Sub Committee for HTS (Property and Environment) Limited
- f) Minutes of meeting Wednesday, 29 June 2016 of Harlow Local Highways Panel

22. **MATTERS OF URGENT BUSINESS**

The Leader of the Council stated his intention to ask the Chair of the Council to call a Special Council meeting to be held on Wednesday 31 August 2016 specifically to discuss spatial options in regard to the Local Plan and issues arising around the proposed Junction 7a.

LEADER OF THE COUNCIL

CABINET PORTFOLIO HOLDERS' DELEGATIONS 2016/17

The Leader of the Council has the power to amend this scheme at any time.

Any member of the Cabinet may refer any matter delegated to him or her to the Cabinet for a collective decision.

1. All Portfolio Holders may:

- Take urgent decisions that cannot reasonably be deferred until the next meeting of the Cabinet on any matter within the powers delegated to Cabinet and their portfolio, after written (including e-mail) consultation with the Leader (or Deputy if they are not available).
- Take any decision that may be necessary to implement a decision of the Cabinet.
- Agree the grant of licences for the use of land within their portfolio.
- Agree minor or consequential amendments to any Policy, Plan or Strategy within their portfolio.
- Take decisions relating to procurement and contractual matters as set out in the Financial Regulations and Procurement Policy and Standing Orders relating to contracts.
- Where appropriate, and working with the relevant officers, respond to national consultation specific to their Portfolio.
- Allocate specific grants relevant to their Portfolio.

2. The Leader (or Deputy Leader, in their absence) may:

- In the absence of any Portfolio Holder or at their request (in writing) or where a prejudicial interest has been declared take decisions on any matter delegated to that portfolio holder.
- Write off irrecoverable debts in line with Financial Regulations.
- Take decisions to sell/purchase/lease or otherwise deal with land where this would not constitute a Key Decision.

3. The Portfolio Holder for Resources may:

- Approve write-offs of irrecoverable debts (including Council Tax, national non-domestic rates, mortgage arrears and sundry debtor debts) to a value in line with Financial Regulations.
- Agree grants applications within budget.

4. The Portfolio Holder for Environment may:

- Set the level of hackney carriage and private hire fees within agreed budgetary policy.
- Set the table of hackney carriage fares.
- Name and number streets and buildings.

5. The Portfolio Holder for Housing may:

- Dispose of void properties which would cost greater than £10,000 to refurbish except where these fall, in an agreed regeneration area.
- Approve write-offs of irrecoverable housing rent debts to a value in line with Financial Regulations.
- Approve the annual Report to Tenants.
- Approve Housing Service Standards.

Note:

Portfolio Holder decisions must be supported by a written report from the relevant senior Officer(s). It is the Portfolio Holder's responsibility to consult and to seek advice from the Chief Executive, Chief Operating Officer, Monitoring Officer or Chief Finance Officer as appropriate before decisions are taken to ensure that they are intra vires. Portfolio Holders should also consult the relevant budget holding Head of Service before decisions are taken.

Harlow Council Forward Plan

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

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

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

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

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

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

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

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

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

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I005 987	Joint Finance and Performance Report, Quarter 1 2016/17	Cabinet	15 Sep 2016	Key decision: No Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman
I005 998	Housing Revenue Account, Quarter 1 Finance Report 2016/17	Cabinet	15 Sep 2016	Key decision: No Likely exemption status: Open	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson) Simon Freeman
I005 995	Capital Programmes Quarter 1 Finance Report 2016/17	Cabinet	15 Sep 2016	Key decision: No Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I004 805	Nicholls Field Pavilion Refurbishment Works	Cabinet	15 Sep 2016 Bush Fair	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Youth and Community (Councillor Emma Toal) Portfolio Holder for Regeneration & Enterprise (Councillor Tony Durcan) Graeme Bloomer
I006 013	2015/16 Statement of Accounts	Cabinet	15 Sep 2016 Expected referral from Audit Cttee	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman
I006 008	Annual Treasury Management Report 2015/16	Cabinet	15 Sep 2016	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I006 958	Award of contract for small roofing schemes	Cabinet	15 Sep 2016	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Environment (Councillor Danny Purton) Graeme Bloomer
I006 009	Debt write offs	Cabinet	15 Sep 2016	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman
I006 086	Street Naming and Numbering Policy 2016	Cabinet	15 Sep 2016	Key decision: No Likely exemption status: Open	Officer's report	Portfolio Holder for Environment (Councillor Danny Purton) Graeme Bloomer

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I006 014	Rainbow Services Pensions	Cabinet	15 Sep 2016	Key decision: Yes Likely exemption status: Contains some confidential	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman
I004 945	Appointment of a Consultant to undertake Asbestos Surveys, Air Monitoring and Associated Services	Cabinet	13 Oct 2016	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson) Andrew Murray
I001 170	Local Development Plan - approval of statutory consultation document	Cabinet	13 Oct 2016 Subject to the outcomes of the duty to co-operate process and availability of technical evidence from third parties	Key decision: No Likely exemption status: Open	Officer's report	Portfolio Holder for Environment (Councillor Danny Purton) Graeme Bloomer

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I006 015	Local Council Tax Support Scheme proposals 2017/18	Cabinet	10 Nov 2016	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman
I006 005	Review of Housing Allocations Policy	Cabinet	10 Nov 2016	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson) Andrew Murray
I003 040	Contract Award - Lift Maintenance	Cabinet	10 Nov 2016	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson) Andrew Murray
I006 016	Treasury Management Strategy Statement 2016/17: Mid Year Review	Cabinet	8 Dec 2016	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I006 006	Award of Asset Management Services Framework Agreement	Cabinet	8 Dec 2016	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson) Andrew Murray
I005 988	Joint Finance and Performance Report, Quarter 2 2016/17	Cabinet	8 Dec 2016	Key decision: No Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman
I005 999	Housing Revenue Account, Quarter 2 Finance Report 2016/17	Cabinet	8 Dec 2016	Key decision: No Likely exemption status: Open	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson) Simon Freeman
I005 996	Capital Programmes Quarter 2 Finance Report 2016/17	Cabinet	8 Dec 2016	Key decision: No Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I006 010	Debt write offs	Cabinet	8 Dec 2016	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman
I004 186	Heating Charges (District Heating Schemes)	Cabinet	26 Jan 2017	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson) Andrew Murray
I005 696	Award of contract for Legionella Risk Assessments and Water Hygiene	Cabinet	26 Jan 2017	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson) Andrew Murray
I005 993	Corporate Plan 2017/18	Cabinet	26 Jan 2017	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I005 994	Medium Term Financial Strategy 2017/18	Cabinet	26 Jan 2017	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman
I005 992	General Fund Budget 2017/18	Cabinet	26 Jan 2017	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman
I006 017	Housing Revenue Account Business Plan 2016-2046	Cabinet	26 Jan 2017	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson), Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman, Andrew Murray

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I006 003	Housing Revenue Account Budget 2017/18	Cabinet	26 Jan 2017	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers), Portfolio Holder for Housing (Councillor Mark Wilkinson) Simon Freeman, Andrew Murray
I006 002	Capital Programmes 2017/18 - 2019/20	Cabinet	26 Jan 2017	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman
I006 004	Treasury Management Strategy 2017/18	Cabinet	26 Jan 2017	Key decision: No Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I004 191	Health and Wellbeing Strategy	Cabinet	23 Mar 2017	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Youth and Community (Councillor Emma Toal) Jane Greer
I005 989	Joint Finance and Performance Report, Quarter 3 2016/17	Cabinet	23 Mar 2017	Key decision: No Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman
I006 000	Housing Revenue Account, Quarter 3 Finance Report 2016/17	Cabinet	23 Mar 2017	Key decision: No Likely exemption status: Open	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson) Simon Freeman
I005 997	Capital Programmes Quarter 3 Finance Report 2016/17	Cabinet	23 Mar 2017	Key decision: No Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I005 709	HMO Annual Licensing	Cabinet	23 Mar 2017	Key decision: No Likely exemption status: Open	Officer's report	Portfolio Holder for Environment (Councillor Danny Purton) Graeme Bloomer
I006 011	Debt write offs	Cabinet	23 Mar 2017	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers) Simon Freeman
I001 163	Non Housing Asset Management Strategy	Cabinet	To be confirmed Subject to OWG review	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Regeneration & Enterprise (Councillor Tony Durcan) Graeme Bloomer

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I004 195	Economic Development Strategy for Harlow	Cabinet	To be confirmed Subject to OWG review	Key decision: Yes Likely exemption status: Open	Officer's report	Portfolio Holder for Regeneration & Enterprise (Councillor Tony Durcan) Jane Greer

REPORT TO: CABINET

DATE: 15 SEPTEMBER 2016

TITLE: QUARTER ONE JOINT FINANCE AND PERFORMANCE REPORT 2016/17

PORTFOLIO HOLDER: COUNCILLOR JON CLEMPNER
COUNCILLOR MIKE DANVERS

LEAD OFFICERS: SIMON FREEMAN, HEAD OF FINANCE
(01279) 446228

BRIAN KEANE, HEAD OF GOVERNANCE
(01279) 446037

This is not a Key Decision

**This decision is not subject to Call-in procedures for the following reasons:
The recommendations are within the scope of the original budget and
Corporate Plan approved by Full Council in February 2016.
This decision will affect no ward specifically.**

RECOMMENDED that:

- A** Cabinet acknowledges the projected outturn position set out in sections three and four of Appendix A to this report for the first quarter (April – June) of 2016/17 as follows:
- (i) A favourable variation on controllable budgets of £53,000, representing 0.085 per cent of the gross General Fund Budget.
 - (ii) A total projected underspend of £278,000 representing -0.45 per cent of the gross General Fund Budget.
 - (iii) The Council performed on target or above target for 42 out of 47 (89 per cent) of performance indicators.

REASON FOR DECISION

- A** To ensure that Cabinet reviews performance against the Council's approved General Fund Budget and Corporate Plan for 2016/17 and acknowledges the extremely small variation and the caution that should be applied to it given the challenges the Council may face in the later part of the financial year.

BACKGROUND

1. This report sets out the Council's corporate priorities and financial and performance position as at the end of the June 2016. The report is the first in the formal reporting process for the 2016/17 financial year.

SUMMARY OF QUARTER ONE FINANCIAL PERFORMANCE - 2016/17

1. A review of the first quarter of 2016/17 indicates that, in total, the controllable General Fund Budget is projected to be under-spent by £53,000 or -0.085 per cent when compared to the approved gross General Fund Budget. Section three of the Appendix to this report summarises major budget variations. This variance is extremely small given the economic circumstances within which the Council continues to operate.
2. Taking in to consideration the budgets which are not directly under service area control the overall position at the end of June 2016 is that the General Fund is expected to underspend by £278,000 or -0.45 per cent when compared to the approved gross General Fund Budget.
3. Careful management of budgets continues to be exercised across all services in order to guard against expenditure pressures and to offset income reductions. The current position represents an extremely small variation given the economic climate and ongoing Government changes to the welfare state.
4. Appendix A to this report details the major variations across all service areas and for non-controllable budgets. The situation will be closely monitored in the coming months and should the position change the forecasts for future financial reports will be amended accordingly.

SUMMARY OF QUARTER ONE OPERATIONAL PERFORMANCE – 2016/17

1. Section four of the Appendix details information about the Council's operational performance. The Council performed on target or above target for 42 out of 47 (89 per cent) of performance indicators. Eighty-five per cent of all Corporate Plan milestones were successfully completed or on track for completion by June 2016. No milestones are significantly off target and will not be complete in 2016/17.

Details of all of the Council's performance indicators can be found on the Council's website, www.harlow.gov.uk/performance/

2. Despite an extraordinarily challenging financial environment, 20 out of 47 (43 per cent) performance indicators performed significantly above their target. Listed below is a selection of KPIs which are contributing towards the achievement of the Council's priorities.

Percentage of Lost Calls for Contact Harlow: Although performance has dipped when compared to the previous year, the outturn is well within target.

Percentage of invoices for commercial goods and services which were paid by the authority within 30 days upon being received: 98.7% of invoices were paid within 30 days.

Annual Housing Leasehold Service Charge Collection: The annual leasehold service charge collection is 2.4% higher than quarter 1 last year and is a good start to the year.

Customer satisfaction with Street Scene: Satisfaction levels with the Kier Harlow Ltd Street Scene service have increased to 94 per cent.

Percentage of minor planning applications processed within 8 weeks: The target for quarter 1 was 65% and the planning department achieved 84.6%.

3. Five out of forty-seven (11 per cent) of performance indicators did not perform as well as expected; each have a detailed IAP which explains why the performance did not perform as well. Areas of reduced performance include:

Customer Complaints: Performance was affected by complaints becoming more complicated and taking longer to resolve..

Percentage of urgent Housing requests responded to within 5 working days: June 2016 saw heavy rain spells in a very short space of time resulting in a higher than expected number of urgent jobs.

Percentage of standard Non Housing service requests attended to and resolved within the required timescale of 20 working days: Due to unseasonal weather across the quarter, Kier Harlow Ltd, had a high inflow of roofing leaks and carpentry work.

Percentage of Non Housing Property statutory tests completed before due date: Electrical Installation Condition Report Tests carried out within targets but remedial works were required to provide satisfactory test certificates.

SIGNIFICANT RISKS / OPPORTUNITIES

1. The Council is operating in a period of major change driven by both the world-wide economic condition and the legislative changes being introduced by the Government. Some of the key changes that will or are already impacting on the Council include -
 - i. The risk associated with the Government's localisation of Council Tax support and business rates.
 - ii. Long term austerity measures which continue to be placed upon Council funding by the Government leading to the need for the Council to make significant annual savings.
 - iii. Ongoing low staff turnover rates which put at risk the achievement of the vacancy savings targets allocated to each service within the Council's budget.
2. Section six of the Appendix details information about the Key Corporate and Financial risks (rated 20 or higher – high likelihood, high impact) recorded in the Council's Risk Register as of June 2016* which are
 - i. The Government's fiscal policy in respect of deficit reduction reducing public sector funding, combined with the Council's limited ability to raise income could result in the Council's financial resilience being at risk.
 - ii. The town requires a suitable mix to attract new and retain existing residents for an evolving and sustainable community. Supply must be balanced with demand and housing need, taking into account National Housing and Planning Policies. As part of that mix, housing for local people that is genuinely affordable remains a high priority for the Council.

* These risks relate to 30 June 2016 and may have changed between that period of time and the meeting of Cabinet.

IMPLICATIONS

Place (includes Sustainability)

Author: **Graeme Bloomer, Head of Place**

Finance (Includes ICT)

Author: **Simon Freeman, Head of Finance**

Housing

Author: **Andrew Murray, Head of Housing**

Community Wellbeing (includes Equalities and Social Inclusion)

Author: **Jane Greer, Head of Community Wellbeing**

Governance (includes HR)

Author: **Brian Keane, Head of Governance**

Background Papers

None

Glossary of terms/abbreviations used

IAP – Improvement Action Plan

Harlow Council

**Joint Finance and Performance Report for the
period ending**

30/06/2016, Quarter 1

The Council's aim for 2016-17 –

“to improve Harlow for residents, businesses and visitors”

The Council's priorities:

1. More and better housing



2. Regeneration and a thriving economy



3. Wellbeing and social inclusion



4. A clean and green environment



5. Successful children and young people



How to use this report

You may wish to consider the following questions to form an idea on how well the Council is doing in achieving its priorities and objectives.

Questions which the reader may wish to consider:

1. What are the reasons for the performance being below target?
2. What is the Council's expenditure on this service?
3. Has performance fluctuated between quarters and what are the reasons for this?
4. Is it anticipated that the target will be met by the end of the year?
5. What are the proposed actions to improve performance and achieve the target and when will this be done by?
6. How well is the Council responding to gaps in performance or shortfalls in income?

Other areas for consideration could include:

7. Is the indicator a high priority for the Council? Is this reflected in the budget?
8. How does the service compare to other local authorities in terms of value for money – how does the Council's expenditure on this service and performance achieved compare to similar local authorities?
9. What are other Council's doing to improve performance in this area?
10. Are there any overspends/underspends in the budget area within which the under performing indicator sits?
11. Are there any future projects planned that will enhance existing performance?
12. How severe or likely are risks associated with lower level performance?

Performance Symbols:

Harlow Council uses the below symbols when reporting performance.

Below Target: e.g. more than 5% worse than target	On Target: e.g. within 5% of target	Above Target: e.g. more than 5% above target	Data not yet available: e.g. survey information pending
			

Direction of Travel (DOT) Symbols:

The direction of travel is from the same quarter in the previous year.

Going up and getting better e.g. % of rent collected	Going down and getting better e.g. crime levels	Exactly the same as previous year	Going up and getting worse e.g. levels of litter	Going down and getting worse e.g. income generated
				

Section One: Key considerations for Quarter One

The key issues relating to the Council's finances, performance, risks and corporate projects (excluding the HRA):

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">FINANCE</p>	<p>The forecast outturn position for 2016/17 is that the controllable General Fund revenue budget will under-spend by £278,000 on its gross controllable costs. This represents -0.45% of the Council's approved gross budget for the General Fund.</p> <p>Key risks in relation to financial management continue to be:</p> <ul style="list-style-type: none"> • The risks and volatility associated with the Government's localisation of council tax support and business rates. • Variations in income from fees and charges as public spending habits respond to the economic climate. • Continued long-term austerity measures placed upon local government by central government. <p>In addition, there are potential risks and uncertainties in the light of the UK's recent Referendum result.</p>	<p>The following performance indicators did not meet their performance target:</p> <p>Community Wellbeing : CS25q % of customer complaints responded to within target time</p> <p>Housing : JVC 302 Urgent Housing requests within 5 days (4.8) (%)</p> <p>Place Services : JVC 402 % standard Non Housing repairs within 20 days (5.3)</p> <p>Place Services : JVC 403 % Non Housing Property statutory tests before due date (5.4)</p> <p>Place Services : NI195c Street & Environmental Cleanliness (% land assessed having unacceptable levels of graffiti)</p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);">PERFORMANCE</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">RISK</p>	<p>The following exceptional residual risks (rated as high likelihood, high impact) have been highlighted for this quarter:</p> <p>CR01 - Financial resilience</p> <p>CR03 - Lack of Suitable Housing Mix</p>	<p>The Council is on target to meet eighty-five percent of its Corporate Plan milestones with 9 out of 167 key corporate milestones completed between April 2016 and June 2016.</p> <p>No milestones were at 'red' and 23 milestones are 'not started' for the quarter ended 30 June 2016.</p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);">CORPORATE PLAN</p>

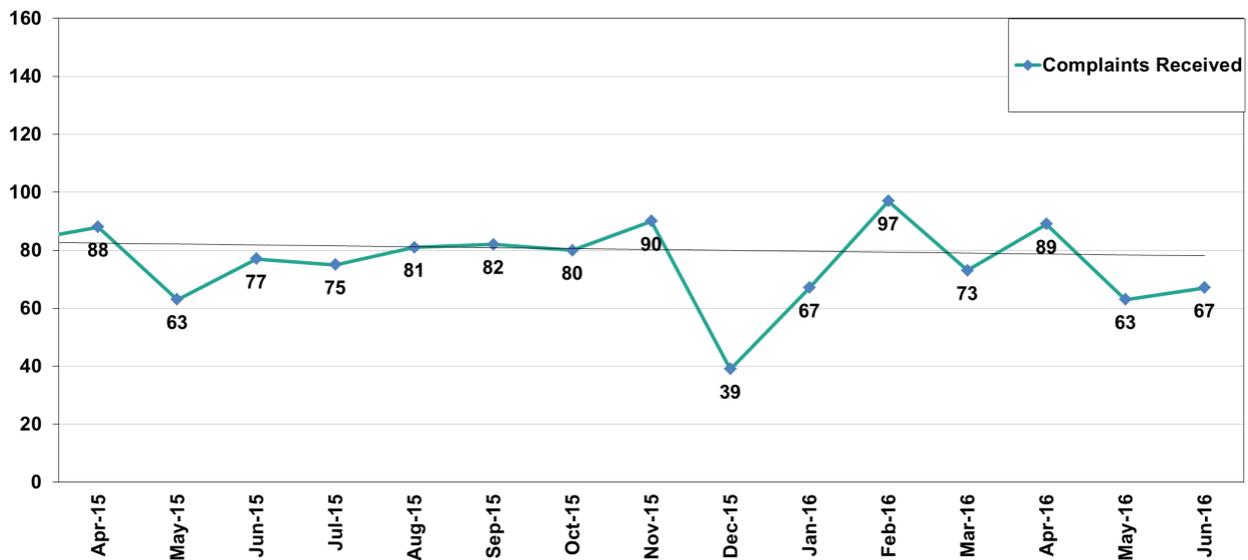
Section Two: What our customers are telling us (complaints)

Summary:

The Council provides and commissions a large number of services to a population of over 85,000 residents. In its role as a Housing Provider with over nine thousand properties, each year it undertakes in excess of 600,000 housing transactions, deals with hundreds of thousands of enquiries at Contact Harlow and provides Housing Benefit and Local Council Tax Support administration for a caseload of nine thousand benefit claimants.

The Council takes all complaints seriously and aims to respond to and resolve all stage one and stage two complaints within ten working days and stage three complaints within 15 working days.

The trend line on the chart below shows that the overall number of complaints remained fairly static over the last year and monthly trends are reflected year on year with a slight decrease in volumes in June 2016.



In quarter one (April to June 2016) there were 158 performance related complaints, 26 person related complaints and 35 policy related complaints. The main areas of complaint were 33 per cent Housing Services and 43 per cent Kier Harlow Ltd – Housing. Detailed information is fed back to service managers to ensure that lessons can be learned and improvements made where required.

Section Three: Latest Financial Performance

The Council continues to face extreme financial challenges as identified within its Medium Term Financial Strategy (MTFS). It faces budget reductions of over £3.4million over the MTFS period representing more than a 40% reduction against its overall net General Fund budget.

The contents of this report highlight the extremely tight financial control being placed upon existing budgets and the degree to which services are looking ahead and planning to manage to lower funding levels before the reductions actually take effect.

The forecast service underspend on the controllable budgets in 2016/17 total £53,000 or 0.085% of the Council's gross budget. Taking into account the reduction in the HRA recharges to the General Fund together with the approved carry forwards from 2015/16, the forecast underspend is £278,000 or -0.45% of the gross budget.

The Council has been determined to continue to deliver key services to and for the benefit of Harlow residents despite unprecedented Government funding cuts. Further contributions have been made to support some key discretionary services to be delivered into the future. This provides confidence that Council's services will strive to manage with ever reducing funding levels wherever possible.

Simon Freeman, Head of Finance

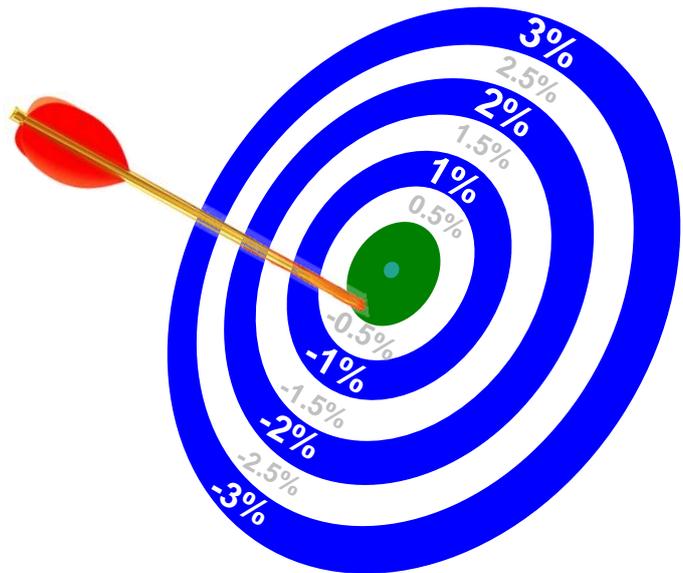
Movements in General Fund Balance in Quarter one 2016/17

General Fund opening balance as at 1 Apr 2016	3.888
• Service budget variations (favourable)	53
• Other variations	362
• Budget carry over from 2015/16 into 2016/17 (approved Cabinet 21/7/16)	(137)
Balance on General Fund at 31 March 2017 (Projected)	4.166

* Note: Figures in brackets () reduce the projected General Fund Balance.

2016/17 Projected Outturn

The Council projects to underspend by a margin of **-0.45%** on its gross General Fund revenue budget.



**Latest Financial Performance (Budget Variations / Exceptions):
Major Variances – Year End 2016/17:**

Service	Adverse £000s	Favourable £000s	Net £000s	Main Contributing Factors to Variations
Community Wellbeing Services				
Sports Partnership		(17)	(17)	Harlow District Sports Trust performance is forecast to be better than initially anticipated.
Community Services - Central Services	12		12	Increased costs of the Fine Art insurance premium
Community Safety		(10)	(10)	Vacant posts
Other Minor Variations	4		4	
Total Community Wellbeing & Regeneration			(11)	
Place				
Latton Bush Centre		(27)	(27)	Increased service charges income resulting from the Centre being fully occupied as at the end of June.
Housing Garages (General Fund)		(77)	(77)	Increased garage rental fees.
Planning Services	33		33	Savings on salary vacancies offset by a forecast reduction in planning fees.
Other minor service Variances		5	5	Includes increased rental income from Commercial Properties (£12k) and increased rental income from The Stow Shopping Centre (£16k)
Total Place			(66)	

Housing (General Fund) Service				
Minor Service Variances		(19)	(19)	This projected underspend is due to the full year effect of deleting the Admin Assistant post in Supporting People (14k) and a saving due to a member of the Housing Options and advice team being seconded to Regeneration (£10k), offset by some small overspends.
Finance Service				
Insurance		(15)	(15)	Projected underspend on policy excess
Minor service variances	48		48	
Total Finance Service			33	
Governance Service				
Data Protection and FOI		(9)	(9)	Staff vacancy.
Other Minor Service Variances	19		19	
Total Governance Service			10	
Service Specific Variations			(53)	Sub-total
Other				
Costs chargeable to/from the HRA		(362)	(362)	
Approved carry forwards from 2015/16	137		137	
Total Variations			(278)	
Total General Fund Budget Variation (net underspend)			(278)	

**** Note: Figures in () are a credit e.g. income or underspend**

Service based analysis

Community Wellbeing, Jane Greer

Overall, financial control is good although essential paddling pool repairs have had a negative impact on the budget. However, for Quarter One, cumulatively, the service has managed budgets to achieve nil overspend.

Place Services, Graeme Bloomer

Financial control for the first quarter has been good and there are no indications from this quarter's results that would point towards areas of concern.

Housing, Andrew Murray

Resources for housing need are continually being reduced through on-going prioritisation and targeting of resources against continued increases in the costs associated with external temporary accommodation. These reductions are set against increased demand for temporary accommodation both locally and nationally. The service continues to prioritise homelessness prevention initiatives in an attempt to reduce the increased demand thus reducing the Council's statutory provision and overall costs.

There are still major uncertainties over future levels and the procurement of supported housing and commissioning arrangements.

Governance, Brian Keane

Good financial control continues to be maintained during the first quarter of the 2016/17 financial year with no major variations to be reported at this stage of the year. Issues which may arise will generally be staffing related, through the occurrence of vacancy savings currently built in to the service budget. Income from Land Charges will be monitored closely as this will be largely determined by the housing market locally.

Finance, Simon Freeman

The current forecast for the Finance Service is that it will overspend by £33,000 in 2016/17. Work will be carried out throughout the remainder of the financial year to ensure that this pressure is managed within the service area by looking at ways to reduce costs in order to avoid an overspend occurring at the year end.

Section Four: Performance

Harlow Council performed on target or above target for 42 out of 47 (89 per cent) of performance indicators. Sixty-four per cent of indicators have been maintained or improved compared to Quarter One 2015/16.

Percentage of indicators within or better than target	Qtr ended 30/06/2015	Qtr ended 30/09/2015	Qtr ended 31/12/2015	Qtr ended 31/03/2016	Qtr ended 30/06/2016
	84%	87%	91%	93%	89%
Percentage of indicators improving or unchanged from the same period last year	Qtr ended 30/06/2015	Qtr ended 30/09/2015	Qtr ended 31/12/2015	Qtr ended 31/03/2016	Qtr ended 30/06/2016
	64%	67%	70%	66%	64%

Good Performance:

Harlow Council continues to improve performance in a number of areas. 20 out of 47 (43 per cent) performance indicators performed significantly above their target.

Listed below is a selection of KPIs which are contributing towards the achievement of the Council's priorities.

		30/06/2015 Actual	30/06/2015 Target	30/06/2016 Actual	30/06/2016 Target
	Community Wellbeing : CS02b % Lost calls for Contact Harlow (Quarter Cumulative)	4.72	15	8.12	15
<p>Although performance has dipped when compared to the previous year, the outturn is well within target. Significant call volumes relating to the referendum in addition to some staff vacancies have had an impact on lost call rates. Steps have been taken to address this with recruitment underway to fill the gaps.</p>					
	Finance : BV008 Invoices paid within 30 days (%)	98.3	98	98.7	98
<p>The over performance is a result of a targeted campaign to encourage the use of the correct procedures and processes.</p>					

		30/06/2015 Actual	30/06/2015 Target	30/06/2016 Actual	30/06/2016 Target
	Housing : LHI SO26 Annual Leasehold Service Charge Collection	32.88	24.62	35.28	24.75
<p>The annual leasehold service charge collection is 2.4% higher than quarter 1 last year and is a good start to the year. The processes that have been put in place are working well and are being managed effectively.</p>					
	Place Services : JVC 104 Customer Satisfaction with Street Scene	81.6	87.5	94.12	88
<p>Satisfaction levels with the Kier Harlow Ltd. street scene service have increased to 94 per cent. 96 per cent of respondents to the satisfaction survey said that work was carried out without causing disruption to residents and 95 per cent said that Kier Harlow Ltd. staff presented and conducted themselves in an efficient and professional manner whilst undertaking the street cleaning service.</p>					
	Place Services : NI157b Processing of minor applications within 8 weeks (%)	95	65	84.62	65
<p>Actual performance is is well above target but has dipped from Q1 last year. It is considered that this is because of applications being referred to planning committee without agreed extensions of time, therefore missing their target date. The scheme of delegation and referral to Development Management Committee is an important process, therefore Officers will aim to secure extension of time agreements early in the assessment process. This should enable us to maintain increased levels of performance</p>					

Section Five: Improvement Action Plans

Harlow Council keeps track of any indicator which has been subjected to an Improvement Action Plan (IAP) during the past 12 months. The table below illustrates how each indicator subjected to an IAP has performed over time.

Performance Indicators	QTR 1 15/16	QTR 2 15/16	QTR 3 15/16	QTR 4 15/16	QTR 1 16/17
CS25q Per cent of customer complaints responded to within target time	▲	▲	●	●	▲
BF005 Average days to process new claims	▲	▲	●	●	●
BF006 Average days to process change events	●	▲	●	●	●
BV012 Average number of working days / shifts lost to sickness & absence	▲	▲	▲	▲	★
JVC 302 Urgent Housing Requests within 5 days (4.8) (%)	★	★	●	●	▲
BV082ai Household waste recycled (%)	▲	▲	▲	▲	●
BV082bi Household waste composted (%)	▲	▲	▲	▲	●
JVC 104 Customer satisfaction with Street Scene	▲	●	●	●	★
JVC 207d Tree works carried out within 80 working days (four months) (3.14d) (per cent)	●	●	▲	●	●
JVC 402 % standard Non Housing repairs within 20 days (5.3)	●	●	●	●	▲
JVC 403 % Non Housing Property statutory tests before due date (5.4)	●	●	●	●	▲
NI195c Improved street and environmental cleanliness (graffiti)	▲	★	★	▲	▲
Number of under-performing indicators	7	6	4	4	5

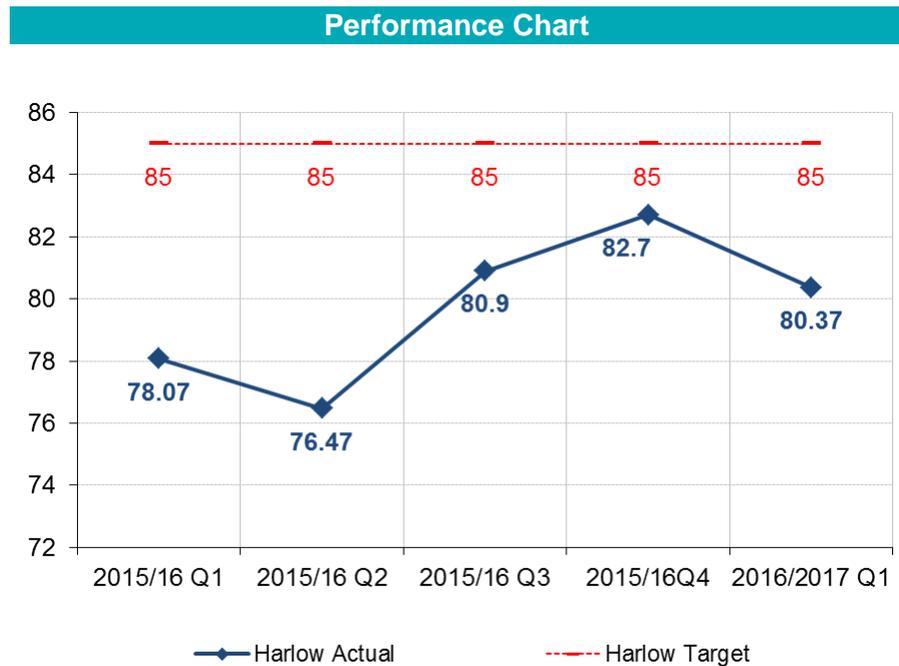
Improvement Action Plan

Reporting Period Ended: 30/06/2016

Performance Indicator
CS25q % of customer complaints responded to within target time

Performance					
	to 30/06/15	to 30/09/15	to 31/12/15	to 31/03/16	to 30/06/16
Harlow Actual	78.07	76.47	80.90	82.70	80.37
Harlow Target	85	85	85	85	85

Description
The quarterly percentage of total number of complaints (posted, emailed or telephoned) that were responded to within Council's target time. A higher percentage of customers complaints responded to within target time demonstrates good performance



Direction of Travel


What is the performance situation?
As the complaints that are dealt with become more complex, due to their diverse nature, this has affected the performance.
The percentage of complaints upheld was 27%, Not upheld 63% and partially upheld 10%.

What practical steps are being taken to improve?
Monthly reports are sent to CMT/HOS to enable data to be used to improve service delivery.

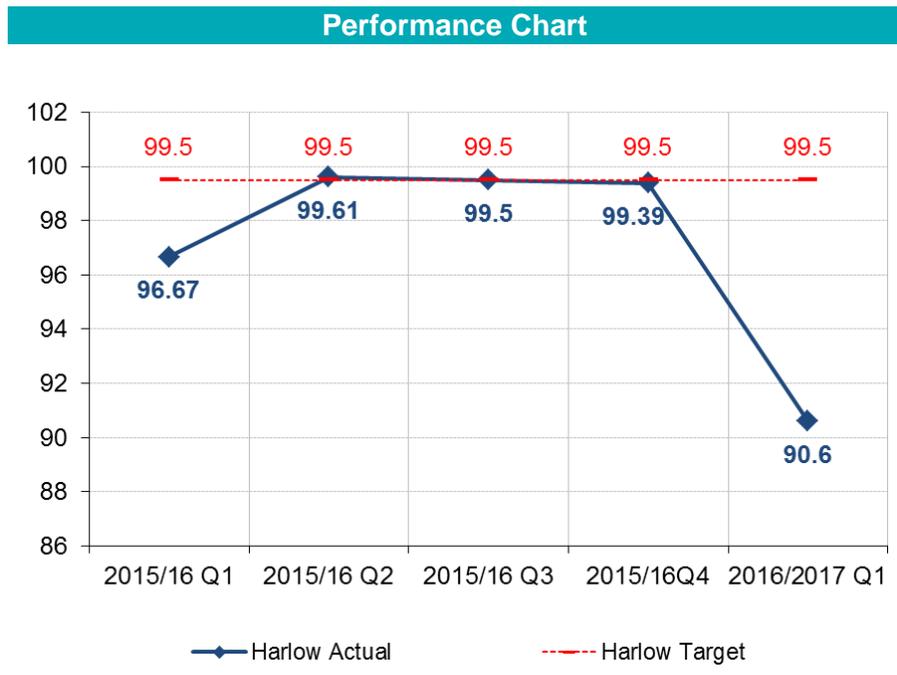
Improvement Action Plan

Reporting Period Ended: 30/06/2016

Performance Indicator
JVC 302 Urgent Housing requests within 5 days (4.8) (%)

Performance					
	to 30/06/15	to 30/09/15	to 31/12/15	to 31/03/16	to 30/06/16
Harlow Actual	96.67	99.61	99.5	99.39	90.6
Harlow Target	99.5	99.5	99.5	99.5	99.5

Description
Percentage of urgent Housing requests (as classified by the Helpdesk) responded to within 5 working days



Direction of Travel
↓ x

What is the performance situation?

This KPI has historically performed very well. The performance decreased marginally below target in April 2016 and May 2016. June 2016 saw heavy rain spells in a very short space of time thus resulting in a higher than expected number of urgent jobs. This period stretched the resources and 42 out of 447 jobs were completed outside of their priority.

- April: 0.30% (4 Jobs)
- May: 1.11% (6 Jobs)
- June: 8.9% (42 Jobs)

What practical steps are being taken to improve?

Kier Harlow Ltd implemented an internal action plan after a reported drop in the June performance. Resources were allocated from other craft teams to attend to all outstanding jobs.

The supply chain has been utilised to carry out the majority of jobs.

Discussions are ongoing to identify roofing jobs that can be added to the capital works programme. This will free up resources in Roofing & Maintenance, further improving performance going forward.

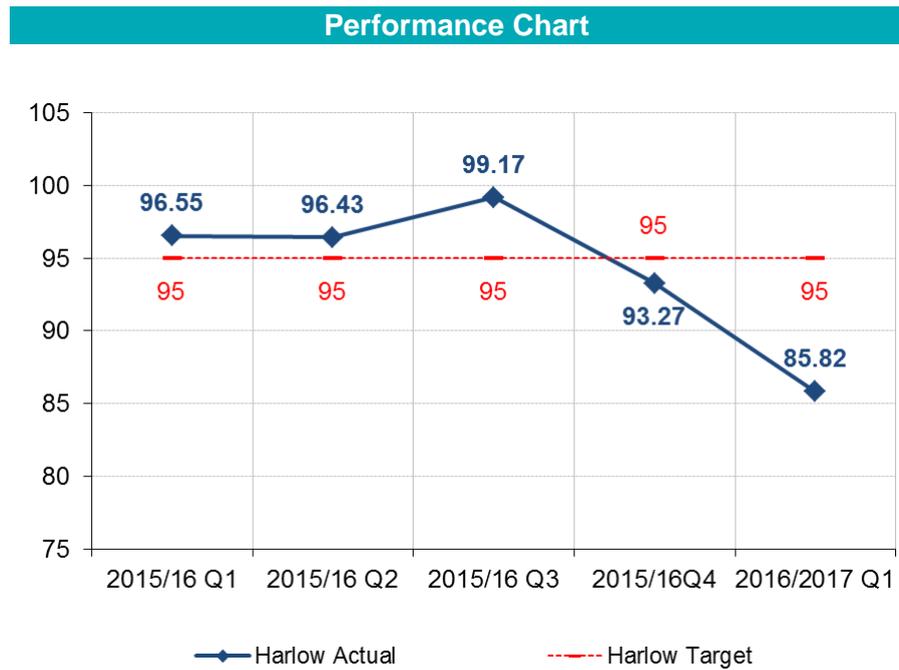
Improvement Action Plan

Reporting Period Ended: 30/06/2016

Performance Indicator
JVC 402 % standard Non housing repairs within 20 days (5.3)

Performance					
	to 30/06/15	to 30/09/15	to 31/12/15	to 31/03/16	to 30/06/16
Harlow Actual	96.55	96.43	99.17	93.27	85.82
Harlow Target	95	95	95	95	95

Description
Percentage of standard Non Housing service requests (as classified by the Helpdesk) attended to and resolved within the required timescale of 20 working days



Direction of Travel
↓ x

What is the performance situation?

Due to unseasonal weather across the quarter, Kier Harlow Ltd, had a high inflow of roofing leaks and carpentry works, which generated a high number of jobs on an urgent priority. Kier Harlow Ltd. were able to attend majority of the works, unfortunately some of these jobs were just outside of the target.

What practical steps are being taken to improve?

In order to validate the information provided by Kier Harlow Ltd. the Council has requested data for jobs that were out of target. The analysis identified the reasons for non urgent jobs being reappointed to a later date and/or sub-contracted was due to resourcing constraints to (long term) sickness. Kier Harlow Ltd. have advised that there will be no further resourcing issues and expect the KPI to increase for the next quarter.

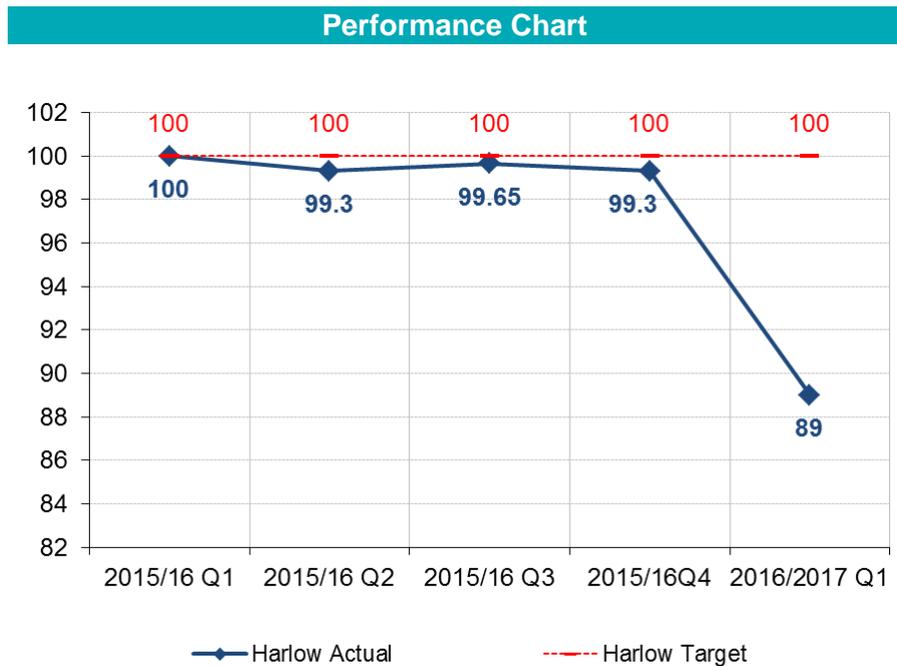
Improvement Action Plan

Reporting Period Ended: 30/06/2016

Performance Indicator
JVC 403 % Non Housing Property statutory tests before due date (5.4)

Performance					
	to 30/06/15	to 30/09/15	to 31/12/15	to 31/03/16	to 30/06/16
Harlow Actual	100	99.3	99.65	99.3	89
Harlow Target	100	100	100	100	100

Description
Percentage of all Non Housing Property statutory tests completed before the due date



Direction of Travel

What is the performance situation?

Electrical Installation Condition Report (EICR) Tests carried out within target, however remedial works were required to provide satisfactory test certificates. Whilst the KPI has decreased to 89%, this was due to a number of out of date test certificates received which required validation. The KPI should be back on target subject to the validation of the information received from Kier Harlow Ltd.

What practical steps are being taken to improve?

It has been agreed by Kier Harlow Ltd. that testing will commence several months in advance should a test be returned as unsatisfactory, to enable remedial works to be carried out before the current test certificate expires.

Improvement Action Plan

Reporting Period Ended: 30/06/2016

Performance Indicator

NI195c Street & Environmental Cleanliness (%land assessed having unacceptable levels of graffiti)

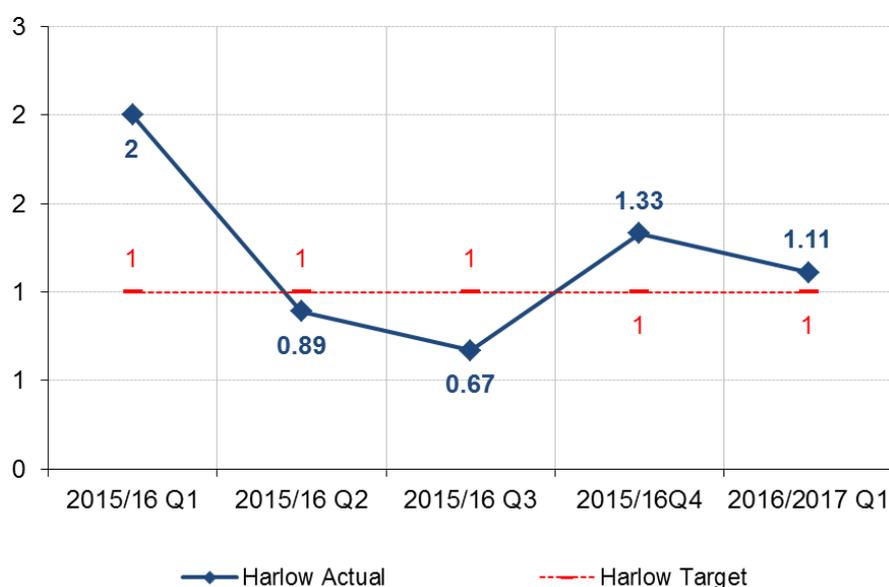
Performance

	to 30/06/15	to 30/09/15	to 31/12/15	to 31/03/16	to 30/06/16
Harlow Actual	2	0.89	0.67	1.33	1.11
Harlow Target	1	1	1	1	1

Description

This is reported as the percentage of relevant land and highways assessed as having graffiti and fly- posting that fall below an acceptable level

Performance Chart



Direction of Travel



What is the performance situation?

The target is set at such high standard that compliance is sensitive to a very small number of adverse findings which could cause reported performance to drop below target. Graffiti on private land that is not in Council control, where the Council has no direct influence, can cause the target to fail. Performance on clearing reported graffiti within a short timescale remains strong. Performance has improved since the last quarter to such a degree that the reported poor performance is now very minor.

What practical steps are being taken to improve?

The Council has been in liaison with Kier Harlow Ltd over any particular hot-spots that appear to require specific attention and the PI has been monitored to ensure focus on improved performance is maintained. These measures will be maintained.

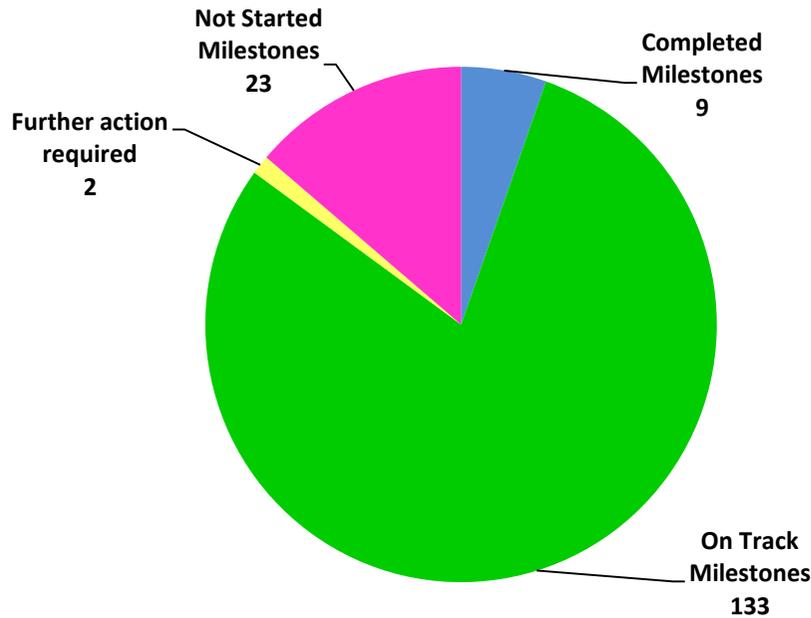
Section Six: Key Corporate and Financial Risks

Risk Owner	Inherent Likelihood	Inherent Impact	Controls Already in Place	Residual Likelihood	Residual Impact	Residual Risk Score	Residual Risk Indicator	DoT	Foreseeable Likelihood	Foreseeable Impact	Foreseeable Risk Score	Additional actions to mitigate risk	Last Reviewed
CR01 - Financial resilience													
IF : If a sustainable budget is not secured													
THEN : Then the Council will lack financial resilience													
BACKGROUND : The Government's fiscal policy in respect of deficit reduction reducing public sector funding combined with the Council's limited ability to raise income could result in the Council's financial resilience being at risk.													
Freeman, Simon	Likely (4)	Major (4)	MTFS and detailed planning of future budgets undertaken early in the financial year. Budget Monitoring process. However, for the period of the MTFS there are substantial budget reductions required to meet the Government's funding cuts which may impact on this in the medium to long term forecasts.	Likely (4)	Major (4)	21	▲	→	Likely (4)	Moderate (3)	17	The majority of issues relating to the Council's finances are dictated by Government. However, the Council's financial situation continues to be monitored at a high frequency. The Administration will continue to be provided with options concerning the work of the Council and will decide upon how these financial challenges can be faced. Scrutiny review of discretionary services (Playhouse and Pets Corner).	31/12/2015
CR03 - Lack of Suitable Housing Mix													
IF : If the town lacks a suitable housing mix													
THEN : Then it will not attract or retain residents													
BACKGROUND : The town requires a suitable housing mix to attract new and retain existing residents for an evolving and sustainable community. Supply must be balanced with demand and housing need, taking into account National Housing and Planning policies. As part of that mix, housing for local people that is genuinely affordable remains a high priority for the Council.													
Bloomer, Graeme	Likely (4)	Major (4)	Duty to cooperate discussions. Housing studies including joint ones to support the Local Plan.	Likely (4)	Major (4)	21	▲	→	Moderate (3)	Major (4)	18	Implement Local Development Plan	31/12/2015

Section Seven: Progress in delivering the Corporate Plan

Corporate Priorities Milestone Tracker as at 30/06/2016

The Corporate Plan includes an Action Plan setting out the milestones the Council needs to complete in order to deliver its objectives. Below is a status update of how well the Council is doing in delivering its Plan.



	Number	%
Completed Milestones	9	5%
On Track Milestones	133	80%
Further action required	2	1%
Significantly off target	0	0%
Not Started Milestones	23	14%

Eighty-five per cent (142 out of 167) of all milestones are self-assessed as completed or on track as at 30 June 2016.

One per cent (2 out of 167) of milestones have lapsed or require further action to ensure they are brought back on track.

No milestones are significantly off target as at 30 June 2016.

Fourteen per cent (23 out of 167) of milestones have not started.

REPORT TO: CABINET

DATE: 15 SEPTEMBER 2016

TITLE: HOUSING REVENUE ACCOUNT QUARTER 1, FINANCE REPORT 2016/17

PORTFOLIO HOLDER(S): COUNCILLOR MARK WILKINSON

LEAD OFFICER(S): CORPORATE MANAGEMENT TEAM

SIMON FREEMAN, HEAD OF FINANCE
(01279) 446228

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CONTRIBUTING OFFICER(S): ANDREW SMITH, FINANCE MANAGER
(01279) 446212

ALISON CURTIS, SENIOR SERVICE ACCOUNTANT (01279) 446211

This is not a Key Decision

This decision is not subject to Call-in procedures for the following reasons: The recommendations are within the scope of the budget which has been approved by Full Council.

This decision will affect no ward specifically.

RECOMMENDED that CABINET:

A Acknowledges:

- (i) A favourable variation against the approved HRA operational/controllable budget of £150,000 representing 0.29% of the gross Housing Revenue Account (HRA) budget.
- (ii) A total projected overspend of £3,215,000 representing 6.14% of the gross HRA budget. The variation is directly associated with adjustments to capital programme financing as a result of the agreed outturn from 2015/16 (paragraph 3).

B The forecast balances at 31 March 2017, of £6,800,000 in respect of the Housing Revenue Account and nil in respect of the Major Repairs Reserve (as identified in Appendix C) are noted.

REASON FOR DECISION

- A To ensure that Cabinet reviews performance against the approved HRA Business Plan and acknowledges the operational variations in light of the challenges the Council may face in the later part of this financial year and future years.

BACKGROUND

1. This report sets out the Council's financial performance against the agreed HRA Budget 2016/17 and provides an indication of the budget projection as at 31 March 2017.
2. In February 2016 the Council approved a **minimum** revenue balance of £2.727m in 2016/17 and, due to the uncertainty surrounding the Government's proposal for the sale of high value void properties in 2016/17 an addition £1.6m provision, bringing the total approved balance to £4.327m.
3. The 2015/16 HRA outturn report to Cabinet 21 July 2016 approved an **actual** HRA balance at 31 March 2016 of £12,298,000 as a result of the deferral of revenue contributions to capital in 2015/16 and the requirement for the funding of capital carry forwards.
4. As a result of the approved capital carry forwards agreed at the July meeting of the Cabinet and the associated revenue funding required, the **actual** HRA balance is now projected to be £6.8million at 31 March 2017 and details of the revised balance are provided later in this report.

ISSUES

Variances

5. The operational variance for 2016/17 against the original estimate totals (-) £150,000 underspend (see Appendix A). Key items driving this variation are:
 - A favourable variance of (-) £255,000 from staffing vacancies in General Management. It has proved difficult to recruit to some posts and vacancies have continued in the first quarter resulting in a saving against salary budgets.
 - The schedule of work to Priority Estates was revised with Phase One fully decanted by 31 March 2016. In order to maintain the security and cleanliness of the estates in this period of movement and demolition, work estimated at £69,000 is required, which was not budgeted. Home loss payments and moving incentives arising from this process are in large part statutory and also demand led

- The HRA supports homeless applicants who are identified as future tenants by providing transitional funding. Due to rising demand for temporary and homeless accommodation there is a projected overspend of £53,000 (original budget £267,000).
 - Rental income from housing stock is lower than estimated due to the higher level of right to buy sales and voids from Priority Estates in the first quarter.
6. There is a non-operational variance totalling £3,365m. This is due to the higher direct revenue contribution required to support the Housing Capital Programme following £3,824m of carryovers from 2015/16 offset by a further carryover identified of £1m to 2017/18, in respect of external works. The impact of the carryovers and the consequent effect on leasehold contributions to capital financing result in a projected direct revenue contribution for 2016/17 of £10.924m (original estimate £7.559m).

The above issues are reported more fully in the Housing Capital Programme Quarter 1 report.

7. At 31 March 2016 there was a nil balance on the Major Repairs Reserve (MRR). The estimated depreciation charge for 2016/17 of £10.777m is expected to be used in full to support the Housing Capital Programme.
8. The regulations require that the MRR balance can be used either to finance the capital programme or to repay housing debt. The HRA Business Plan 2015-45 approved by Council in February 2016, states that external borrowing will be renewed on maturity in March 2026.

HRA BALANCES 2016/17

9. The HRA working balance at 31 March 2017 is now estimated to be £6,800,000 as set out below.

	£ millions
Revised approved balance in hand 1.4.16	7,226
Increase in balance in hand (July Cabinet)	5,072
Actual balance in hand 1.4.16 (July Cabinet)	12,298
i) Original deficit (February Council)	(1,969)
ii) 2015/16 carry forwards (July Cabinet)	(315)
iii) Capital variations	(3,365)
iv) Operational variations	150
Projected balance at 31.3 2017	6,800

SIGNIFICANT RISKS / OPPORTUNITIES

10. The HRA Business Plan 2015-2045 is subject to review as major Government reforms and other influences impact upon it.

11. The Government announced in July 2015 a legislative requirement for social landlords to decrease rents annually by 1% over the next four financial years (2016/17 – 2019/20). This has challenged councils to make efficiencies in order to deliver sustainable services.
12. The following risks have been identified which could affect the HRA Business Plan:
 - (i) **Welfare Reform:** the Government's reduction in benefits to non-working families may have an adverse impact on tenants' ability to pay.
 - (ii) **Rent income:** see paragraph 11 above, but also the introduction of the Government's Higher Income Social Tenants (Pay to Stay) policy to charge households earning over £31,000 higher rents. Regulations have yet to be made by the Government.
 - (iii) Continuing development of a Capital Programme to deliver decent homes in partnership with contractors, and the need to deal with unexpected outcomes especially in light of constraints arising from the reduction in rental income from 2016/17.
 - (iv) The continuing work in the Housing Capital Programme means there is a higher risk of finding and removing asbestos from properties, which in turn may increase removal and compensation costs in the revenue budget.
 - (v) Government policy regarding the sale of larger properties in support of Registered Social Landlord (RSL) Right to Buy proposals, for which the details of how this will operate and impact on the Council are still awaited.

IMPLICATIONS

Place Services (includes Regeneration)

None specific.

Author: **Graeme Bloomer, Head of Place Services**

Finance (Includes ICT)

As contained in the body of the report.

Author: **Simon Freeman, Head of Finance**

Housing

As contained in the body of the report.

Author: **Andrew Murray, Head of Housing**

Community Wellbeing (includes Equalities and Social Inclusion)

None specific.

Author: **Jane Greer, Head of Community Wellbeing**

Governance (includes HR)

None specific.

Author: **Brian Keane, Head of Governance**

Background Papers

CIPFA Code of Practice 2012/13.

CIPFA Financial Advisory Network paper “HRA Depreciation, Impairment and Valuation Losses (England)”.

Glossary of terms/abbreviations used

HRA: Housing Revenue Account.

MRR: Major Repairs Reserve.

RSL: Registered Social Landlord

CLG: Department of Communities and Local Government

RTB: Right to Buy

HTS: Harlow Trading Services (Property & Environment) Ltd

APPENDIX A

Period 3

HRA Operational Variances (against Original Estimate)				
Item	Adverse £000's	Favourable £000's	Net £000's	Main contributing Factors to Variations
General Management		(-255)	(-255)	Net vacancy savings on salaries due to delays in recruitment.
General Management	69		69	Unbudgeted cost of street cleaning and security in the remaining areas of the Priority Estates.
General Management		(-19)	(-19)	Savings in the cost of the contact centre identified after estimates approved.
Special Management	53		53	Increased demand for temporary accommodation which the HRA supports through transitional funding.
Dwelling Rents	33		33	Lower projected rental income in 2016/17 from high number of RTB sales (23) and voids in the first quarter.
Garage Rents		(-36)	(-36)	Higher income from garage rents due to lower void rates, improved maintenance, changes to lettings policy.
Charges for Services and Facilities		(-13)	(-13)	Higher leasehold income than estimated offset by 2014/15 adjustment for tenant service charges due.
Other minor variances	17		17	
Deficit/ (Surplus) for year	<u>173</u>	<u>(-323)</u>	<u>(-150)</u>	

Non Operational Variances				
Item				
Revenue Contribution to Capital Expenditure	0	3,365	3,365	Additional funding to the Housing capital programme due to carryovers and financing changes.
Major Repairs Reserve (depreciation)	0	0	0	
Deficit/ (Surplus) for year	<u>0</u>	<u>3,365</u>	<u>3,365</u>	

HRA Operational Variance (-)£ 150,000

HRA Non Operational Variance £3,365,000

TOTAL Projected HRA Underspend	£3,215,000
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APPENDIX B

HOUSING REVENUE ACCOUNT BUDGET SUMMARY 2016/17

PERIOD 3

	2016/17 Revised Budget* £	Forecast Outturn £	Variance £
EXPENDITURE			
General Management	11,995,084	11,806,060	(-)189,024
Special Management	5,603,057	5,661,716	58,659
Repairs	9,477,990	9,477,983	(-)7
Rents Rates Taxes & Other Charges	30,000	30,000	(-)0
Provision for Bad & Doubtful Debts	200,000	200,000	0
Supporting People Transitional Arrangements	6,100	6,100	0
Major Repairs Reserve	10,777,000	10,777,000	0
Debt Management Expenses	16,520	16,520	0
Interest Charges	6,677,000	6,677,000	0
Direct Revenue Contribution	7,559,000	10,924,000	3,365,000
	52,341,751	55,576,380	3,234,629
INCOME			
Dwelling Rents	45,183,000	45,149,527	33,473
Garage Rents	1,005,000	1,041,473	(-)36,473
Other Rents	22,000	22,000	0
Charges for Services & Facilities	3,791,197	3,808,182	(-)16,985
Interest Receivable	57,000	57,000	0
	50,058,197	50,078,181	(-)19,984
Balance in hand at 1 April	12,298,386	12,298,386	0
Surplus / (Deficit) for year	(-)2,283,554	(-)5,498,198	(-)3,214,644
Balance in hand at 31 March	10,014,832	6,800,188	(-)3,214,644

*Budget 2016/17 includes carryovers from 2015/16, £315,000

Appendix C: Relationship between HRA, MRR and Capital Programme

(+ = expenditure)

	HRA	Major Repairs Reserve	Capital Receipts Unapplied	Total	Housing Capital Programme
	£000	£000	£000	£000	£000
Balance in hand at 1 Apr 2016	(-)12,298	0	0	(-)12,298	0
Deficit/(Surplus) for the year (Original Estimate)	1,969	0		1,969	0
	(-)10,330	0	0	(-)10,330	0
Carry Forwards (Capital)	3,824			3,824	3,824
Operational Variances (Appendix A)	(-)150			(-)150	
Non Operational Variances:					
Decreased DRF 2016/17	(-)459			(-)459	
HRA Operational Carryovers from 2015/16	315			315	
Additional support to Capital Programme from MRR (per Capital Programme Report)					
Net movement in support to Capital Programme			0		-3824
Balance in hand, 31 Mar 2017	(-)6,800	0	0	(-)6,800	0
From 2016/17 Original Estimate					
Balance in hand 1 Apr 2016	(-)7,226	0	0	(-)7,226	
Deficit/(Surplus) for the year	1,969	0	0	1,969	
Balance in hand 31 Mar 2017	(-)5,257	0	0	(-)5,257	

REPORT TO: CABINET

DATE: 15 SEPTEMBER 2016

TITLE: CAPITAL PROGRAMMES QUARTER 1
FINANCE REPORT, 2016/17

PORTFOLIO HOLDER(S): COUNCILLOR MARK WILKINSON
COUNCILLOR MIKE DANVERS

LEAD OFFICER(S): CORPORATE MANAGEMENT TEAM

SIMON FREEMAN, HEAD OF FINANCE
(01279) 446228

This is not a Key Decision

This decision is not subject to Call-in procedures for the following reasons: The recommendations are within the scope of the budget which has been approved by Full Council.

This decision will affect no ward specifically.

RECOMMENDED that CABINET:

- A** Acknowledges the progress made in the delivery of the Council's Housing and Non-Housing Capital Programmes for the first quarter of 2016/17 as follows:
- (i) Housing Capital Programme – a forecast outturn of £23,734,000 which is £1.0 million less than the agreed 2016/17 programme.
 - (ii) Non-Housing Capital Programme – a forecast outturn of £7,019,000 which is £134,000 below the approved programme for 2016/17.
- B** Approves the revision to the Housing Capital Programme and the movement of £1.0 million of External works programme to 2017/18 as set out in Paras 4 and 5.
- C** Approves
- (i) A business case for the development of offices at Latton Bush Centre by the current tenants, reference Annex 13, re-aligning £33,000 of funding already earmarked for the Centre.
 - (ii) A revised contribution of £86,000 (being an increase of £16,000) for the work at Fernhill Travellers Site, reference paragraph 13 and Annex 14.

REASON FOR DECISION

- A To ensure that Cabinet reviews performance against the Council's approved 2016/17 Housing and Non-Housing Capital Programmes.

BACKGROUND

1. This report on the Capital Programme forms part of the suite of budget monitoring reports provided to Cabinet each quarter. Further monthly monitoring and review is formally conducted by Corporate Management Team and Heads of Service to ensure close supervision over the Council's financial position throughout the year.
2. In February 2016 Council approved a Housing Capital Programme for 2016/17 totalling £20,910,000 and a Non-Housing Capital Programme totalling £4,284,000.
3. The Housing Capital Programme in 2016/17 continues to deliver the investment plans for the Council's housing assets in order to maintain decent homes standard, improve energy efficiency, address issues of compliance to statutory regulation and maintain a programme of disabled adaptations to Council dwellings.

SUMMARY OF THE QUARTER ONE CAPITAL PROGRAMMES' FINANCIAL PERFORMANCE – 2016/17

Housing Capital Programme

4. Table 1 below provides a summary of the approved Housing Capital Programme (including 2015/16 approved carry forward schemes) and the projected outturn to 31 March 2017.

TABLE 1. Housing Capital Programme as at Quarter 1

2016-17 Budget Stage	£000s	Date Approved
Original budget	20,910	4 Feb 16
Carryovers from 2015/16	3,824	21 July 16
Approved revised budget	24,734	
Carryover to 2017/18	(-)1,000	Rec B
Projected Outturn as at Quarter 1	23,734	
Variance from Revised Budget	(-)1,000	

5. Table 2 below provides a more detailed view of the approved programme and

the forecast outturn to March 2017 against each main element. As a result of the current forecast it is expected that Direct Revenue Contributions required from the HRA will be £10,924,000 and this is driving the variations in the HRA budget reported separately on the Cabinet agenda.

TABLE 2
Housing Capital Programme 2016/17

	Revised Approved Estimate £000s	Net Spend to date £000s	Projected Outturn £000s	Variance Original estimate to Projected Outturn £000s	Details in report or ANNEX A
Internal Works	8,045	789	8,045	0	
Windows & Doors	1,930	397	1,930	0	
Damp & Structural Works	80	55	80	0	
External Works	7,501	34	6,501	-1,000	A1
Other Works	902	158	943	41	Para 6
Leasehold Works	0	2	-7	-7	
Electrical Upgrades and Fire Safety	1,666	1	1,622	-44	A2
Energy Efficiency	2,138	30	2,138	0	A7
Disabled Adaptations	812	113	822	10	
Total Fees	1,261	316	1,261	0	
Housing IT Development	399	9	399	0	
TOTAL EXPENDITURE	24,734	1,903	23,734	(-)1,000	
Financed by:					
Capital receipts – Right to Buy	-1,356		-1,356	0	
Major Repairs Reserve	-10,777		-10,777	0	
Leaseholder Contributions	-1,218		-677	541	
Grant Funding	0		0		
Direct Revenue Contribution	-11,383		-10,924	459	Para 5
TOTAL FINANCING	24,734		23,734	1,000	

6. The increased expenditure in Other Works relates to building alterations required to existing temporary accommodation units to ease the current and predicted demand for temporary and homeless accommodation.
7. The Housing Capital Programme has delivered 40,323 new components such as windows, doors, kitchens, bathrooms and boilers in dwellings since April 2013 with a further 4,690 planned by 31 March 2017.
8. The Council only pays for completed work when it is signed off by an independent clerk of works. There is a time lag, however, with this invoicing due to the necessary requirement that works can only be invoiced once

they are satisfactorily completed and all associated paperwork/certification (gas, electric, asbestos etc.) compiled and formally handed over. The Council is committed to prompt payment once these processes have been completed. As at the end of June 2016 there was £1,083,000 approved ready for payment but not reflected in the spend to date.

9. The original capital programme had assumed 60 “Right to Buy” (RTB) Sales in 2016/17. 23 RTB disposals had been completed by the end of June 2016. This is a higher number of sales for the first quarter than projected. Estimated sales for the year will be reviewed in September. Although applications pending are currently lower than usual it is anticipated that right to buy sales may increase in response to the proposed High Income Social Tenant Policy to be confirmed by Government.
10. At 31 March 2016 there was a nil balance on the Major Repairs Reserve (MRR). Under proper accounting practice, the charge to the HRA for depreciation is projected to be £10.777m in 2016/17. At year end this is transferred to the MRR which, in turn, is utilised to support the Housing Capital Programme for an equivalent sum.

Non-Housing Capital Programme

11. The 2016/17 approved Non Housing Capital Programme is £7,046,000. More detail is provided in Table 3 below:

TABLE 3. Non Housing Capital Programme as at Quarter 1

2016-17 Budget Stage	£000s	Date Approved
Original budget	4,284	4 Feb 16
Carryovers from 2015/16	2,762	21 July 16
	7,046	
Additions to programme	107	
Approved revised budget	7,153	
Projected Outturn as at Quarter 1	7,019	Para 17
Variance from revised budget	(-)134	

12. The total programme is further enhanced by the addition of three schemes. These are the completion of the Civic Upgrade in Revenues and Benefits (£55,000) and urgent work to the Town Park Playground (£20,000) both funded from reserves. In addition the continuing work at Parndon Mill Lock (£33,000) which is fully grant funded. A further adjustment of £9,000 for expenditure relating to 2016/17 incurred in 2015/16 was necessary.

In addition a contribution to work in front of the Town Park bandstand of

£8,000 is receivable from the design contractors.

13. Work to Fernhill Travellers Site has been amended by the final agreed funding arrangements (refer Annex 14) which requires an additional contribution of £16,000 from Harlow Council to be requested for approval (recommendation C). The outturn on the non-housing garages programme is updated in line with the reallocation of budget from the Housing Capital Programme (-)£41,000.
14. Further details of expenditure relating to projects are contained within Annex A to this report, together with financing implications related to these.
15. Projected asset disposals to support the Non-Housing Capital Programme in 2016/17 are forecast to be £874,000. In addition capital receipts have been received in respect of the disposal of Ram Gorse (£600,000 part of the Latton Farm transaction) and overage of £207,000 from the Fifth Avenue Development which completed in 2014/15.
16. Estimated internal borrowing in 2016/17 is £3,015,000 (Original estimate £2,567,000).
17. Details of the Non-Housing Capital Programme expenditure and financing are given in Table 4 below.

TABLE 4.
Non-Housing Capital Programme 2016/17

	Current budget with carryovers	Projected Outturn	Variance: Projected Outturn to Original Budget	Details in report or ANNEX A
	£000s	£000s	£000s	
Expenditure:				
Governance	15	15	0	
Finance	586	586	0	
Community Wellbeing	1,479	1,479	0	A12
Place Services	4,028	3,994	-34	A13/ A17
Place Services (Town Park HLF)	64	64	0	
GF Garages	271	230	-41	Para 13
Latton Farm	710	650	-59	
Total expenditure	7,153	7,019	-134	
Financed by:				
Capital Receipts - Right To Buy	-201	-201	0	
Asset Disposals/overage	-1,681	-1,681	0	Para 15
Direct Revenue Contribution	-392	-392	0	

Earmarked Resources	-1,110	-1,110	0	
Disabled Facilities Grant- Strategic Housing	-615	-615	0	A15
Renovation Loans	-5	-5	0	
Prudential Borrowing	3,149	-3,015	134	
Total Financing:	-7,153	-7,019	134	

Impact of Prudential Borrowing	£000s
Borrowing to support Non Housing Capital Programme as at 31 March 2016	3,809
New borrowing to finance shortfall in Non Housing Capital Programme, 2016/17	3,015
Borrowing to support Non Housing Capital Programme as at 31 March 2017	6,824

Risks and Opportunities

18 Key risks in the delivery of the 5 year Housing Investment programme are the performance of contractors and the Council's capacity to deliver a housing capital programme revised in light of changing priorities and funding available from the HRA.

19 Housing capital funding is affected by reducing rents until 2020.

20 Key risks in the Non-Housing Capital Programme are centred around the outcome of the stock condition surveys and reviews including the result of the local plan review and the implications for future capital budgets.

IMPLICATIONS

Place Services (includes Regeneration)

Contained within the body of the report.

Author: **Graeme Bloomer, Head of Regeneration**

Finance (Includes ICT)

As contained in the body of the report.

Author: **Simon Freeman, Head of Finance**

Housing

As contained in the body of the report.

Author: **Andrew Murray, Head of Housing**

Community Wellbeing (includes Equalities and Social Inclusion)

None specific.

Author: **Jane Greer, Head of Community Wellbeing**

Governance (includes HR)

None specific.

Author: **Brian Keane, Head of Governance**

Glossary of terms/abbreviations used

CLG	Department of Communities and Local Government
EA/ DDA	Equality Act and Disability Discrimination Act
FMS	Financial Management System
HRA	Housing Revenue Account
JVCo	Joint Venture Company (i.e. the arrangement the Council has with Kier Harlow Ltd)
LBC	Latton Bush Centre
SCAPE	Scape is the procurement vehicle owned by a number of Midlands based Local Authorities.
HCA	Homes and Communities Association
ECC	Essex County Council
HTS	Harlow Trading Services

ANNEX A

CAPITAL PROGRAMMES PERIOD 3 FINANCE REPORT, 2016/17 **Update on the Status of Capital Projects**

Housing Capital Programme

- A1. Due to delays in starting the external works programme in 2015/16 a carryover of £3m was requested. The initial preparation work for the external works contract suggested that non standard roof construction may result in additional costs to mitigate fire risk. Further investigation has determined that this is not an issue, however, it has resulted in a reprogramming of work to years 3 and 4 of this 8 year programme, (ie. 2017/18 and 2018/19).
- A2. A budget of £1.3m has been allocated to undertake fire risk works as part of the Council's statutory compliance duties. This includes work to loft hatches and trunking.
- A3. Budgets totalling £550,000 have been allocated to carry out asbestos removal from Council dwellings.
- A4. Following Cabinet approval on 23 July 2016, Kier Harlow Ltd has been awarded housing works packages under the SCAPE National Minor Works Framework up to a value of £4,885,100 covering the remaining 10 months of the JVCo contract to 31 January 2017. This is EU procurement compliant and covers internal work to properties including windows and doors, disabled adaptations and garages.

The garage budget was misaligned between the Housing Capital Programme and General Fund for 2016/17 and therefore is increased to £278,000 in line with the SCAPE work budget allocation. A similar reduction was made to the Compliance budget covering fire risk work and electrical upgrades.

- A5. These packages have been aligned to link closely to local area investment planning. This will reduce the impact of delivering multiple works to tenants' properties and should alleviate potential issues with access whilst providing a more efficient service.

SCAPE Works Packages	Work Content	Value (£)
Internal works	Kitchens, Bathrooms, Heating and Electrical work	1,635,000
Internal works	Emergency Heating Installations	
Internal works	Fuse Pulling	
External works	Windows and Doors	1,930,000
External works	Damp and structural	
Related Assets	Garage Improvement Programme	278,000
Lifts	Sumners Farm and Morris House	
Disabled Adaptation Works	Various major and minor adaptations	812,000
Non-Housing Capital Programme: Garages		230,000
	Total	4,885,000

A6. Forming part of the 2016/17 Housing Capital Programme are the JVCo fixed price works allocated to Kier Harlow Ltd through the annual service charge. This work is undertaken in void properties and is estimated to deliver improvements as follows:

- 85 kitchens,
- 51 rewires,
- 137 boiler / heating upgrades

A7. Work to upgrade the district heating systems in the town and reduce fuel poverty continues with budgets totalling £2.1m in 2016/17. Schemes include work to Tanys Dell to remove the oil supply and replace it with gas, and to a number of sheltered schemes to upgrade the communal heating and install heat meters.

Non-Housing Capital Programme

A8. The stock condition survey work now in progress has been split into a number of phases. Phase 1 surveys have essentially been completed. Phase 2 survey work has been commissioned and is now under way. Phase 2a work will be commissioned shortly, followed by phase 3. All phases and all surveys are scheduled to be completed by 31 March 2017.

A9. The survey work will enable a schedule of non-housing assets for development or disposal to be produced and will also help shape and inform the future capital investment requirements for the non-housing asset portfolio.

A10. IT schemes in 2016/17 include continuing work to upgrade backup and disaster recovery software and to progress the Windows migration project (carryover £47,088). In addition a new scheme to improve the IT infrastructure will commence.

Within the Revenue and Benefits Service area work will continue on the software upgrade that will enable the service to interact digitally with customers and automate a range of manual processes. This work is funded from reserves.

A11. Cabinet on 28 January 2016 approved the contract award under delegated authority for the upgrade of the Financial Management System, Agresso. Preparatory work took place during 2015/16, with installation being carried out in 2016/17. The 2016/17 budget including carryover is £173,000.

A12. In Community Wellbeing new schemes in 2016/17 include work to refurbish the Playhouse totalling £534,000 and work to Pets Corner and the Town Park of £199,000. In addition there is a budget of £40,000 to upgrade Townwide CCTV.

Carryovers from 2015/16 of £707,000 will continue or complete schemes for Pitch Regeneration, work to tennis courts, Leah Manning Centre lighting and mini bus and work to the Playhouse glazing.

A13. Offices 19b/19c/26/27 at Latton Bush Centre require extensive work to improve the standard of the work space. The current tenants have offered to carry out the work at an estimated cost of £110,000 with the Council making a contribution of £33,000. The work will ensure that the offices meet current DDA and building regulations. The Council's contribution will be funded from the approved budget for the Old Dining Room and Kitchen at Latton Bush Centre. The original scheme to refurbish this latter area will be reviewed once the Food Bank no longer requires the space taking into account the current requirements of the Latton Bush Centre.

A14. Fernhill Travellers Site scheme to refurbish 10 plots at Fernhill Caravan Site as detailed in the report to Cabinet 23 July 2015. A Tripartite Agreement between the Homes and Communities Agency (HCA), Harlow District Council (HDC) and Essex County Council (ECC) was signed in April 2016 setting out the contractual terms of the agreement. A Contractual Agreement between ECC and HDC dated 22 June 2016 describes the practical arrangements between the parties. The original Cabinet report requested approval for a funding contribution of up to £69,000 from HDC with an equal amount from ECC and a grant of £490,000 from HCA (total £628,000).

The final agreement is a grant from HCA of £508,000 with funding contributions from HDC and ECC of £86,000 each, hence the request for additional funding from HDC of £16,000 (recommendation C). The amended outturn of £594,000 is the HCA grant and HDC contribution only, as the work is managed by ECC who will therefore apply the ECC contribution directly. The grant was applied for by Harlow due to its' status as a housing authority.

A15. The approved budget for Disabled Facilities work to owner occupied properties is £800,000 plus carryover of £43,000, which is supported by a grant from Communities and Local Government (CLG). The amount of grant received for 2016/17 is £615,000 (original estimate £300,000). The Non Housing Capital Programme financing has been amended

accordingly. The Council has a statutory duty to carry out disabled facilities work to both tenanted and private properties.

A16. Home Repairs Assistance Loans are made available by the Council to owner occupiers for work to improve homes which are repayable when the property is sold. Demand for such loans has increased in recent years such that a budget of £20,000 has been allocated for 2016/17.

A17. Carryovers from 2015/16 in Place Services will enable work to be completed in various areas of Harlow including The Stow and Bush Fair, flood alleviation works, the Town Park and the Town Centre. Other schemes include work to highways, drainage and community based properties.

REPORT TO: CABINET

DATE: 15 SEPTEMBER 2016

TITLE: ANNUAL TREASURY MANAGEMENT
REPORT FOR 2015/16

PORTFOLIO HOLDER): COUNCILLOR MIKE DANVERS

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This is not a Key Decision

**This decision is not subject to Call-in procedures for the following reasons:
The decision stands as a recommendation to Council.**

This decision will affect no ward specifically.

RECOMMENDED that:

- A** Cabinet notes the annual Treasury Management Report for 2015/16 (Appendix A), including that the Council operated within the Treasury Management Strategy Statement during 2015/16, and that the report is recommended to Full Council for approval.
- B** Cabinet notes the issues that the outcome of the EU Referendum is creating and their impact on the Council's treasury management activities.

REASON FOR DECISION

- A** In complying with latest Codes of Practice, Full Council is required to receive an annual report on the prior year's treasury management functions of the Council, which should also receive review by Cabinet in advance of its presentation to Full Council.
- B** The Prudential Indicators 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 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. On 10 February 2010, Full Council adopted the Chartered Institute of Public Finance and Accountancy’s (CIPFA’s) Code of Practice on Treasury Management (as revised November 2009) – “the Code”.
3. During 2015/16 the minimum reporting requirements were that Full Council should receive the following reports:
 - An annual treasury strategy in advance of the year (Full Council, 5 February 2015)
 - A mid-year treasury update report (Full Council, 17 December 2015)
 - An annual review following the end of the year describing the activity compared to the strategy (this report).
4. The annual report for 2015/16 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 Councillors.

ISSUES

5. As stewards of public funds, the Council will continue to take all practical steps to protect its investment portfolio. In this respect, emphasis remains in this order of priority: security, liquidity and yield.
6. 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.
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”. Once again 2015/16 has been a year of continued low interest rates and The Bank of England’s Base Rate remained at 0.5%. The Council has attempted to gain the best yields without compromising security and liquidity. The average rate achieved was 0.608%.
9. The EU Referendum vote for “Brexit”, together with the recent announcement that the Bank of England has reduced the base rate to 0.25%, is impacting on the Council’s treasury management activities and adding further uncertainty to money market activities during 2016/17. The market experts remain uncertain of the outcomes for long-term interest rates, exchange rates, budget cuts and bank defaults at the current time.
10. In response to this situation, and in order to provide reassurance to Councillors, the Council will proceed in its treasury activity with great caution and will continue to maintain particular emphasis on its key priority of investment security. The Council will continue to operate within the remit of the approved Treasury Management Strategy Statement (TMSS) and will use the lending list of approved institutions provided by the Council’s treasury advisors, Arlingclose. This lending list is regularly updated and amended by Arlingclose in response to changes in the status and ratings of institutions and in response to forecasts and events occurring within the markets. As a result the lending list has suffered reductions in the options available for investing the Council’s cashflow balances, as well as shortening of investment periods and investment limits, particularly following events and market concerns since the “Brexit” result.
11. The advice from Arlingclose is that the Council must aim towards a good investment spread as this is the best defence to protect the Council from a possible capital loss. As a result, the Council now holds investments in Certificates of Deposit (CDs), the CCLA (the Local Authority property fund), Money Market Funds, fixed and variable investments and the Treasury’s DMO. Looking forwards, other investment vehicles will be considered that meet the security requirements of the TMSS whilst offering yet further investment opportunities and flexibility.
12. In order to further protect the Council’s investment options, it may also be necessary to review some of the investment parameters within the TMSS (for example investment limits) if there are indications that future market events may constrict the lending list beyond what is manageable within the Council’s treasury operations. In such an eventuality, this will either be picked up by the routine mid-year review of the TMSS or would necessitate a further interim report to Cabinet and Council, possibly following any necessary decisions required to be made by the Head of Finance in conjunction with the Corporate Management Team and Portfolio Holder to enable the safe deposit of Council Investments. Meanwhile, the treasury management activity

remains controlled by and is forecast to operate within the approved TMSS for 2016/17.

IMPLICATIONS

Place Services

None specific.

Author: **Graeme Bloomer, Head of Regeneration**

Finance (Includes ICT)

As contained in the report.

Author: **Simon Freeman, Head of Finance**

Housing

None specific.

Author: **Andrew Murray, Head of Housing**

Community Wellbeing (includes Equalities and Social Inclusion)

None specific.

Author: **Jane Greer, Head of Community Wellbeing**

Governance (includes HR)

None specific.

Author: **Brian Keane, Head of Governance**

Background Papers

Treasury Management Strategy 2015/16

Glossary of terms/abbreviations used

None

HARLOW COUNCIL ANNUAL TREASURY MANAGEMENT REPORT 2015-16

Introduction

1. This report sets out the Council's outturn position in accordance with recommended practice.
2. It provides a review of external economic conditions impacting on the Council and focuses on the major issues affecting its borrowing and investments.
3. The Council uses treasury management advisors to help its decision making, keeping officers up to date with economic and more specifically market developments and providing training and support. Arlingclose Limited was appointed in December 2012 following a competitive process.
4. Economic background and commentary is provided by Arlingclose throughout this Report. Throughout 2015-16 interest rates remained low with the Bank of England base rate at 0.5%. This meant that interest earnings on investments remained low.
5. As stewards of public finance, the Council will continue to take all practical steps to protect its investment portfolio. In this respect, emphasis remains in this order of priority:
 - **Security:** reducing risk in order to protect the return on capital sums, particularly in relation to the Council's investments.
 - **Liquidity:** 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 access to funds.
 - **Yield:** obtaining a reasonable return on Investments.
6. The Council has in recent years run a portfolio fairly typical of similar Councils with investments in banks and building societies, through Money Market Funds and occasionally with other Councils. Investments have generally been for periods of no more than six months. This has enabled the Council to meet its treasury management priorities. The Council's approach to investment has always protected its capital, placing security above anything else.
7. During 2015/16 the Council began to invest in certificates of deposit (CDs). These are investments issued by a bank or building society and are fixed deposits and give a guaranteed interest return. These differ from term deposits in that the Council is not obliged to hold the investment through to its full maturity and may realise the money by selling the CD into an active secondary market. CDs offer greater liquidity and access to counterparties which do not trade in term deposits.

8. In addition to CDs, the Council also invested £2 million in The Local Authorities' Property Fund known as CCLA. This is an investment vehicle designed for local authorities with long term funds to invest in the commercial property sector and achieves both a rising income and capital growth.
9. The Council's treasury management activity is underpinned by the Chartered Institute of Public Finance and Accountancy's Treasury Management Code (CIPFA's TM Code), which requires it to produce annually Prudential Indicators and a Treasury Management Strategy Statement (TMSS) on likely financing and investment activity. The Code also requires that Councillors are informed of treasury management activities at least twice a year (mid-year and at year end).
10. The Council's TMSS for 2015/16 was approved by Full Council on 5 February 2015, and superseded by the TMSS 2016/17 on 4 February 2016.
11. The Council invests substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Council's treasury management strategy.

External Context (supplied by Arlingclose)

12. **Growth, Inflation, Employment:** The UK economy slowed in 2015 with GDP growth falling to 2.3% from a robust 3.0% the year before. CPI inflation hovered around 0.0% through 2015 with deflationary spells in April, September and October. The prolonged spell of low inflation was attributed to the continued collapse in the price of oil from \$67 a barrel in May 2015 to just under \$28 a barrel in January 2016, the appreciation of sterling since 2013 pushing down import prices and weaker than anticipated wage growth resulting in subdued unit labour costs. CPI picked up to 0.3% year/year in February, but this was still well below the Bank of England's 2% inflation target. The labour market continued to improve through 2015 and in Q1 2016, the latest figures (Jan 2016) showing the employment rate at 74.1% (the highest rate since comparable records began in 1971) and the unemployment rate at a 12 year low of 5.1%. Wage growth has however remained modest at around 2.2% excluding bonuses, but after a long period of negative real wage growth (i.e. after inflation) real earnings were positive and growing at their fastest rate in eight years, boosting consumers' spending power.
13. **Global influences:** The slowdown in the Chinese economy became the largest threat to the South East Asian region, particularly on economies with a large trade dependency on China and also to prospects for global growth as a whole. The effect of the Chinese authorities' intervention in their currency and equity markets was temporary and led to high market volatility as a consequence. There were falls in prices of equities and risky assets and a widening in corporate credit spreads. As the global economy entered 2016 there was high uncertainty about growth, the outcome of the US presidential election and the consequences of June's referendum on whether the UK is to remain in the EU. Between February and March 2016 sterling had

depreciated by around 3%, a significant proportion of the decline reflecting the uncertainty surrounding the referendum result.

14. **UK Monetary Policy:** The Bank of England's MPC (Monetary Policy Committee) made no change to policy, maintaining the Bank Rate at 0.5% (in March it entered its eighth year at 0.5%) and asset purchases (Quantitative Easing) at £375bn. In its Inflation Reports and monthly monetary policy meeting minutes, the Bank was at pains to stress and reiterate that when interest rates do begin to rise they were expected to do so more gradually and to a lower level than in recent cycles.
15. Improvement in household spending, business fixed investment, a strong housing sector and solid employment gains in the US allowed the Federal Reserve to raise rates in December 2015 for the first time in nine years to take the new Federal funds range to 0.25%-0.50%. Despite signalling four further rate hikes in 2016, the Fed chose not to increase rates further in Q1 and markets pared back expectations to no more than two further hikes this year.
16. However central bankers in the Eurozone, Switzerland, Sweden and Japan were forced to take policy rates into negative territory. The European Central Bank also announced a range of measures to inject sustained economic recovery and boost domestic inflation which included an increase in asset purchases (Quantitative Easing).
17. **Market reaction:** From June 2015 gilt yields were driven lower by the a weakening in Chinese growth, the knock-on effects of the fall in its stock market, the continuing fall in the price of oil and commodities and acceptance of diminishing effectiveness of central bankers' unconventional policy actions. Added to this was the heightened uncertainty surrounding the outcome of the UK referendum on its continued membership of the EU as well as the US presidential elections which culminated in a significant volatility and in equities and corporate bond yields.
18. 10-year gilt yields moved from 1.58% on 31/03/2015 to a high of 2.19% in June before falling back and ending the financial year at 1.42%. The pattern for 20-year gilts was similar, the yield rose from 2.15% in March 2015 to a high of 2.71% in June before falling back to 2.14% in March 2016. The FTSE All Share Index fell 7.3% from 3664 to 3395 and the MSCI World Index fell 5.3% from 1741 to 1648 over the 12 months to 31 March 2016.
19. It is still early days after the EU referendum vote outcome; however, in the period immediately following the result the financial markets have remained calmer than initially anticipated. Money markets have responded to the cut in the Bank of England base rate from 0.5% to 0.25% and the interest rates for short term investments (up to 12 months) have dropped accordingly. Clearly this will have an impact on the Council's investment interest income and so the 2016/17 budget will need amending in the light of lower interest rates available in the financial market.

Local Context

20. At 31 March 2016 the Council's underlying need to borrow for capital purposes as measured by the Capital Financing Requirement (CFR) was £226.894m, while usable reserves and working capital which are the underlying resources available for investment were £41.390m.

Borrowing Strategy

21. At 31 March 2016 the Council held £211.837m of loans as part of its strategy for funding previous years' capital programmes.
22. 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.

Borrowing Activity in 2015/16

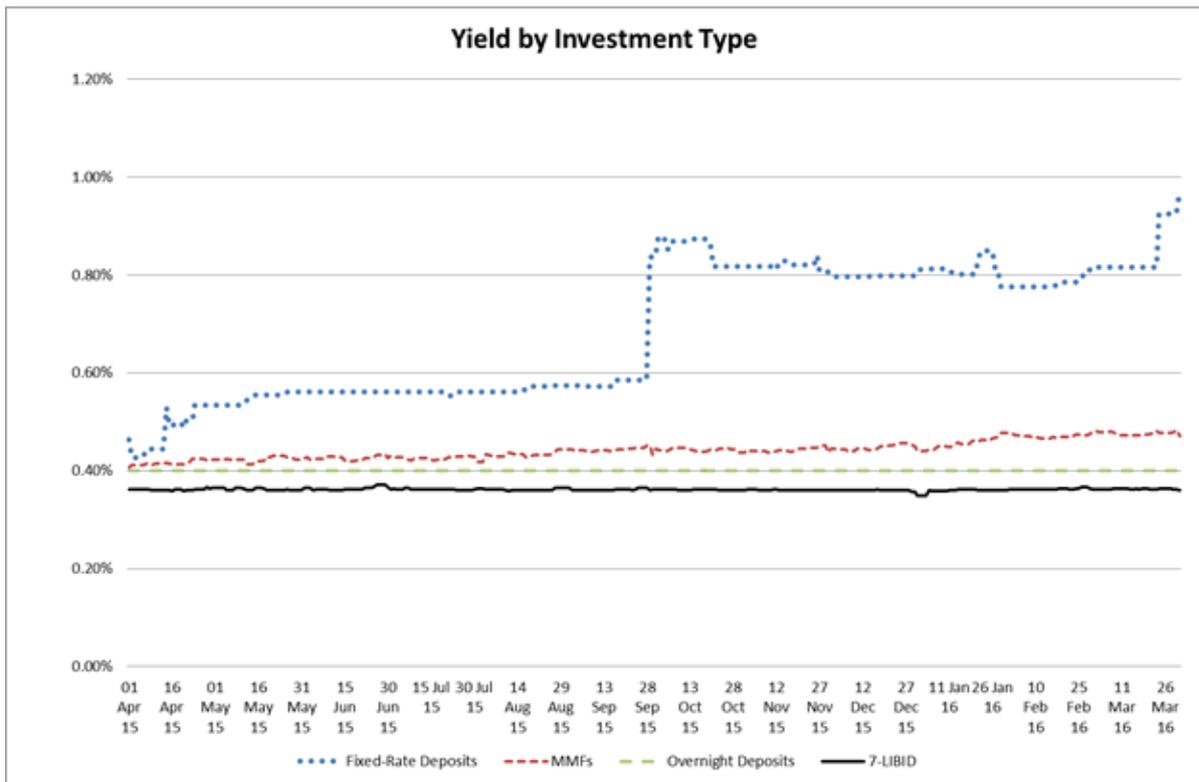
	Balance on 01/04/2015 £m	Maturing Debt £m	Debt Prematurely Repaid £m	New Borrowing £m	Balance on 31/03/2016 £m	Avg Rate %
CFR						
Short Term Borrowing	0.000	0.000	0.000	0.000	0.000	0
Long Term Borrowing	211.837	0.000	0.000	0.000	211.837	3.31
TOTAL BORROWING	211.837	0.000	0.000	0.000	211.837	3.31
Other Long Term Liabilities	0.110	(0.110)	0.000	0.000		
TOTAL EXTERNAL DEBT	211.947	(0.110)	0.000	0.000	211.837	
Increase/ (Decrease) in Borrowing £m					(0.110)	

Investment Activity

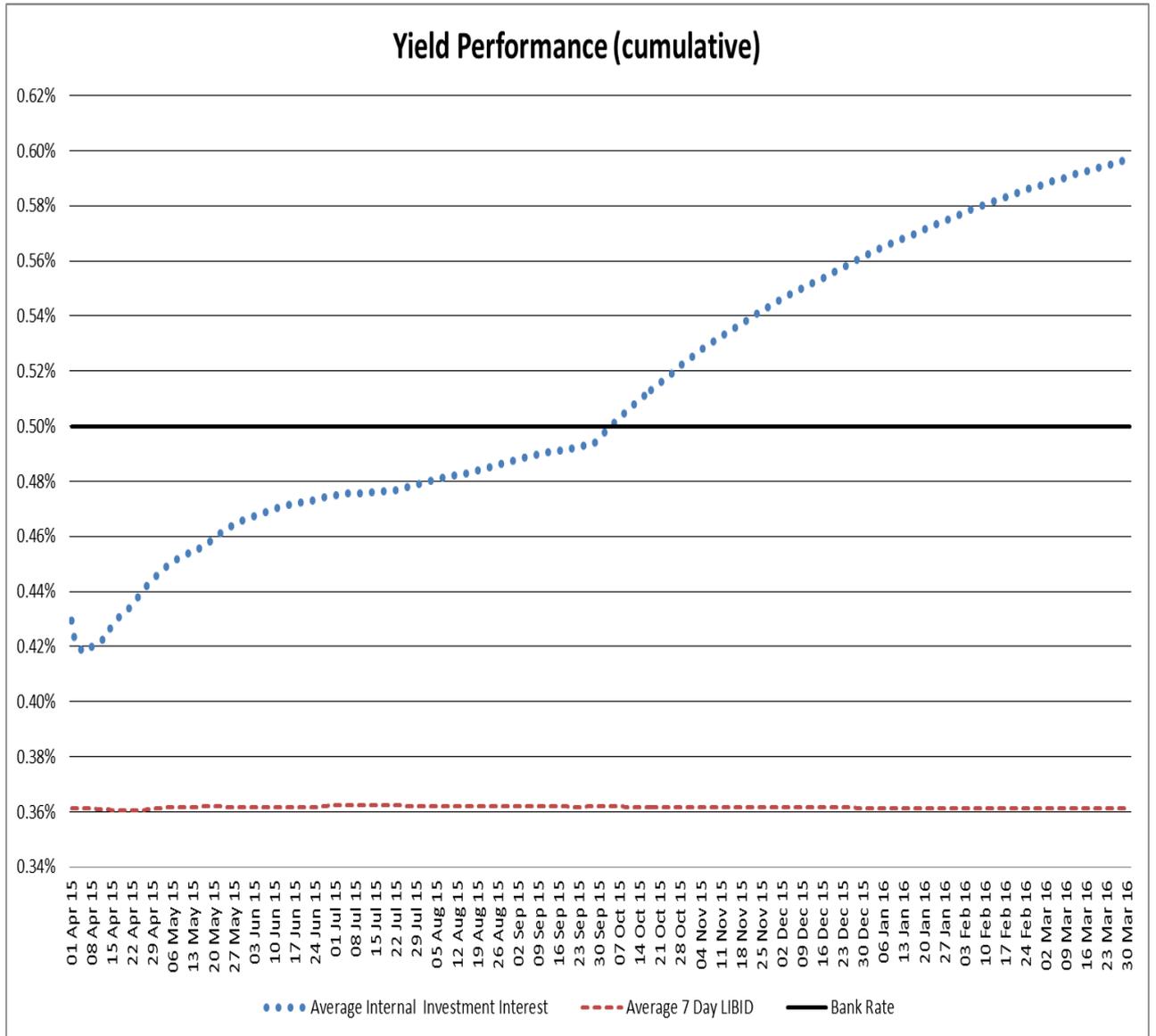
23. The Council has held significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During 2015/16 the Council's investment balances have ranged between £36.866m and £58.426m, finishing the financial year at £44.545m. The average balance of investments held during 2015/16 was £47.745m. The actual interest received of £0.343m exceeded the estimated return of £0.206m.

The team of officers who are responsible for the day to day treasury management monitor the average rate of return on investments against the 7 day LIBID rate. The average return received by the Council of 0.61% compared very favourably to the 7 day LIBID rate of 0.36%.¹

24. The following graph illustrates the yield for fixed term deposits and liquid investments (overnight deposits and Money Market Funds).



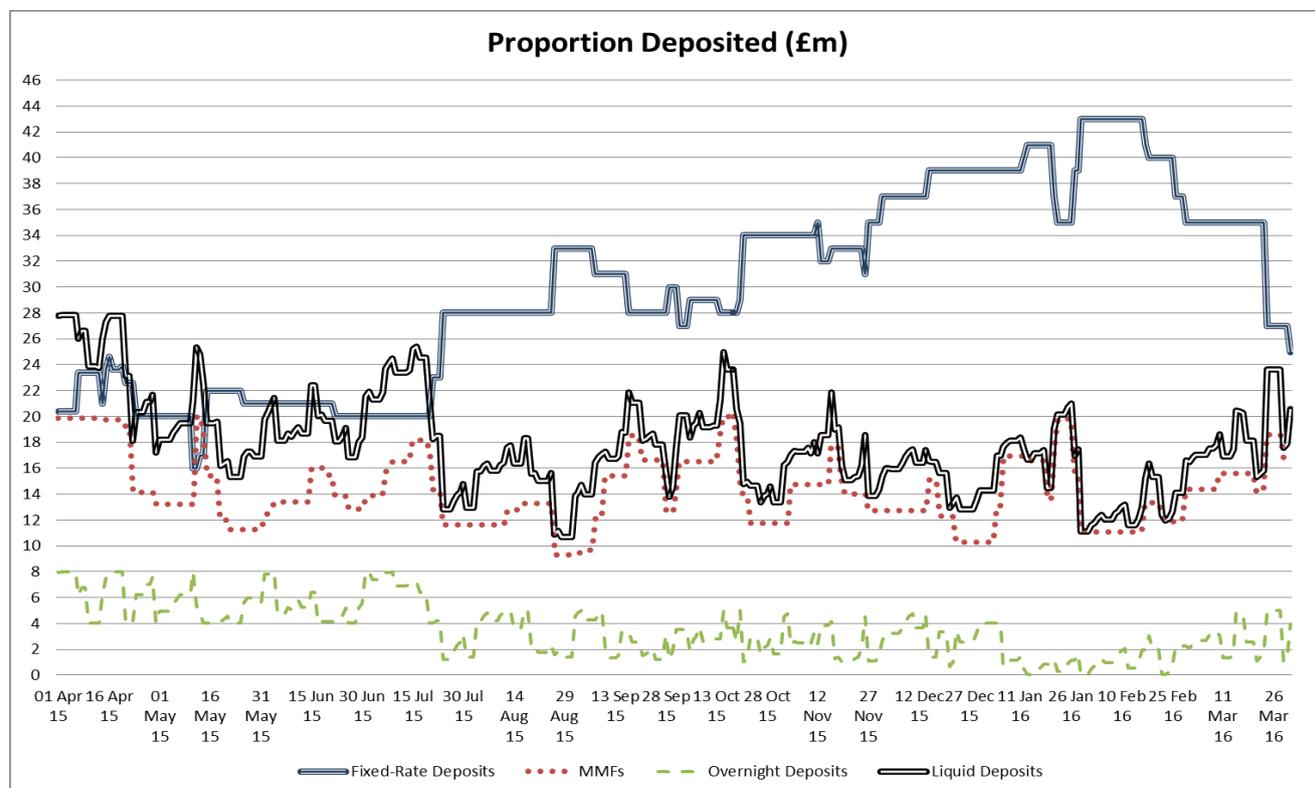
25. Overall Yield Performance is shown in the following graph below:



Investment Activity in 2015/16

Investments	Balance on 01/04/2015 £m	Balance on 31/03/2016 £m	Avg Rate /Yield on 31/03/16 (%)
Short term Investments (call accounts, deposits)	18.915	24.965	0.69
Banks and Building Societies	3.000	0.000	0.00
Local Authorities			
UK Government: DMADF	5.400	0.000	0.00
Money Market Funds	16.600	16.580	0.44
Building societies without credit ratings	1.000	1.000	0.55
CCLA	0.000	2.000	4.56
TOTAL INVESTMENTS	44.915	44.545	0.61
Increase/ (Decrease) in Investments £m		(0.370)	

26. The proportion of surplus cash invested in fixed term deposits and overnight deposits during 2015/16 is shown in the graph below:



27. Security of capital has remained the Council's main investment objective. This has been maintained by following the Council's counterparty policy as set out in its Treasury Management Strategy Statement for 2015/16.
28. Counterparty credit quality was assessed and monitored with reference to credit ratings (the Council's minimum long-term counterparty rating is A- across rating agencies Fitch, S&P and Moody's); credit default swap prices, financial statements, information on potential government support and reports in the quality financial press.

Counterparty Update

29. The transposition of two European Union directives into UK legislation placed the burden of rescuing failing EU banks disproportionately onto unsecured institutional investors which include local authorities and pension funds. During the year, all three credit ratings agencies reviewed their ratings to reflect the loss of government support for most financial institutions and the potential for loss given default as a result of new bail-in regimes in many countries. Despite reductions in government support many institutions saw upgrades due to an improvement in their underlying strength and an assessment that the level of loss given default is low.

30. Fitch reviewed the credit ratings of multiple institutions in May. Most UK banks had their support rating revised from 1 (denoting an extremely high probability of support) to 5 (denoting external support cannot be relied upon). This resulted in the downgrade of the long-term ratings of the Royal Bank of Scotland (RBS), Deutsche Bank, Bank Nederlandse Gemeeten and ING. JP Morgan Chase and the Lloyds Banking Group however both received one notch upgrades.
31. Moody's concluded its review in June and upgraded the long-term ratings of Close Brothers, Standard Chartered Bank, ING Bank, Goldman Sachs International, HSBC, RBS, Coventry Building Society, Leeds Building Society, Nationwide Building Society, Svenska Handelsbanken and Landesbank Hessen-Thuringen.
32. S&P reviewed UK and German banks in June, downgrading the long-term ratings of Barclays, RBS and Deutsche Bank. S&P also revised the outlook of the UK as a whole to negative from stable, citing concerns around the referendum on EU membership and its effect on the economy.
33. National Australia Bank (NAB) announced its plans to divest Clydesdale Bank, its UK subsidiary. NAB listed Clydesdale on the London Stock Exchange and transferred ownership to NAB's shareholders. Following the demerger, Fitch and Moody's downgraded the long and short-term ratings of the bank.
34. At the end of July 2015, Arlingclose advised an extension of recommended durations for unsecured investments in certain UK and European institutions following improvements in the global economic situation and the receding threat of another Eurozone crisis. A similar extension was advised for some non-European banks in September, with the Danish Danske Bank being added as a new recommended counterparty and certain non-rated UK building societies also being extended.
35. In December the Bank of England released the results of its latest stress tests on the seven largest UK banks and building societies which showed that the Royal Bank of Scotland and Standard Chartered Bank were the weakest performers. However, the regulator did not require either bank to submit revised capital plans, since both firms had already improved their ratios over the year.
36. In January 2016, Arlingclose supplemented its existing investment advice with a counterparty list of high quality bond issuers, including recommended cash and duration limits. The Council did not make use of these long-term investment options during 2015/16 but will be considering utilising bonds during 2016/17.
37. The first quarter of 2016 was characterised by financial market volatility and a weakening outlook for global economic growth. In March 2016, following the publication of many banks' 2015 full-year results, Arlingclose advised the suspension of Deutsche Bank and Standard Chartered Bank from the

counterparty list for unsecured investments. Both banks recorded large losses and despite improving capital adequacy this will call 2016 performance into question, especially if market volatility continues. Arlingclose will continue to monitor both banks.

38. The end of bank bail-outs, the introduction of bail-ins, and the preference being given to large numbers of depositors other than local authorities means that the risks of making unsecured deposits continues to be elevated relative to other investment options.

Compliance

39. The Council confirms compliance with its Prudential Indicators for 2015/16, which were set in February 2015 as part of the Council's Treasury Management Strategy Statement.

Investment Training

40. The Council has a small team of officers who are trained in treasury management activity. The organisation is not sufficiently large to have dedicated experts so it places reliance on support from its treasury management advisors.
41. The team of officers comprise those who provide strategic leadership with authorisation powers, and staff who are responsible for day-to-day cashflow management and dealing. On the job training and attendance at the treasury advisors seminars occurred during the year.

Annex A Prudential Indicators 2015/16

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

(a) Estimates of Capital Financing Requirement (CFR)

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

Capital Financing Requirement	31.03.16 Approved £m	31.03.16 Revised £m	31.03.16 Actual £m	31.03.17 Estimate £m	31.03.18 Estimate £m	31.03.19 Estimate £m
General Fund	33.362	40.807	39.525	43.592	44.336	45.358
HRA	155.248	187.370	187.370	187.370	187.370	187.370
Total CFR	188.610	228.177	226.895	230.962	231.706	232.728

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.

Debt	31.03.16 Approved £m	31.03.16 Revised £m	31.03.16 Actual £m	31.03.17 Estimate £m	31.03.18 Estimate £m
Borrowing	211.837	211.837	211.837	211.837	211.837
Finance leases	0.194	0.110	0.000	0.000	0.000
Total Debt	212.031	211.947	211.837	211.837	211.837

Total debt is expected to remain below the CFR during the forecast period.

The actual debt levels are monitored against the Operational Boundary and Authorised Limit for External Debt, below.

(b) Authorised Limit and Operational Boundary for External Debt

Operational Boundary for External Debt: The operational boundary is based on the Council's estimate of most likely, i.e. prudent, but not worst case scenario for external debt.

Operational Boundary	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Borrowing	250.000	252.000	252.000	253.000
Other long-term liabilities	1.500	1.500	1.500	1.500
Total Debt	251.500	253.500	253.500	254.500

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

Authorised Limit	2015/16 £m	2016/17 £m	2017/18 £m	2018/17 £m
Borrowing	260.000	260.000	260.000	265.000
Other long-term liabilities	5.000	5.000	5.000	5.000
Total Debt	265.000	265.000	265.000	270.000

(c) Ratio of Financing Costs to Net Revenue Stream:

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

Ratio of Financing Costs to Net Revenue Stream	2015/15 Estimate %	2015/16 Revised %	2015/16 Actual %	2016/17 Estimate %	2017/18 Estimate %
General Fund	3.47	3.94	3.94	2.76	3.55
HRA	12.35	11.56	10.56	11.65	11.68

(d) Incremental Impact of Capital Investment Decisions:

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

Incremental Impact of Capital Investment Decisions	2015/16 Estimate £	2015/16 Revised £	2015/16 Actual £	2016/17 Estimate £	2017/18 Estimate £
General Fund - increase in annual Band D Council Tax	54.99	34.38	36.01	37.48	18.63
HRA - increase in average weekly rents	24.50	21.22	12.98	21.35	10.17

(e) Adoption of the CIPFA Treasury Management Code:

Full Council approved the adoption of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* at its meeting on 10 February 2010.

Annex I

Glossary of Terms and Definitions

Bank Rate:

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

Base Rate:

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

BRRD: 'Bank Recovery and Resolution Directive'

CD: see 'Certificate of deposit'.

CDS: see 'Credit Default Swaps'

CFR: see 'Capital Financing Requirement'

CP: see 'Commercial paper'.

CRA: see 'Credit Rating Agency'.

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

Callable Deposit

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

Capital Financing Requirement

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

Certificate of Deposit

A certificate of deposit is an unsecured investment issued by a bank or building society which is a fixed deposit, giving a guaranteed interest return. These differ from term deposits in that the lender is not obliged to hold the investment through

to maturity and may realise the cash by selling the CD into an active secondary market. This may be useful in instances where the counterparty receives a downgraded credit rating, or the investor encounters an unexpected cashflow issue. CDs are obtained through specialist brokers who deal through the primary and secondary market. CDs offer liquidity and greater access to counterparties who do not trade in term deposits.

CIPFA Treasury Management Code of Practice

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

Commercial Paper

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

Corporate Bond

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

Counterparty

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

CPI: Consumer Prices Index

Credit Default Swaps

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

Credit Rating

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

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

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

Credit rating agency

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

DCLG: Department for Communities and Local Government

DMADF: see 'Debt Management Agency Deposit Facility'

DMO: see 'Debt Management Office'

Dealing

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

Debt Management Agency Deposit Facility

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

Debt Management Office

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

Derivative

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

ECB: European Central Bank

Equity

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

EU: European Union

Fed: The Federal Reserve (US)

FLS: Funding for Lending Scheme

Floating Rate Notes

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

Forward Deal

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

Forward Deposits: see 'forward deal'

Fund Manager

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

GDP: Gross Domestic Product

Gilt

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

Gilt Funds

Pooled fund investing in bonds guaranteed by the UK government.

HRA: Housing Revenue Account

HRACFR: Housing Revenue Account Capital Financing Requirement

iTraxx benchmark

A group of international credit derivative indexes that are monitored by the International Index Company (IIC). The credit derivatives market that iTraxx provides allows parties to transfer the risk and return of underlying assets from one party to another without actually transferring the assets. iTraxx indexes cover credit derivatives markets in Europe, Asia and Australia.

Lender Option Borrower Option

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

Liquidity

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

LIBID: see 'London Interbank Bid Rate'

LIBOR: see 'London Interbank Offer Rate'

LOBO: see 'Lender Option Borrower Option'

London Interbank Bid Rate

The 'London Interbank Bid Rate' (LIBID) is the rate of interest at which first-class banks in London will bid for deposit funds. Often used as a benchmark for deposit

rates. LIBID is not fixed in the same way as LIBOR (q.v.), but is typically one-sixteenth to one-eighth of a per cent below LIBOR.

London Interbank Offer Rate

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

MMF: see 'Money Market Fund'

Money Market Fund

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

MPC: Monetary Policy Committee

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

Open Ended Investment Companies (OEIC)

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

Other Bond Funds

Pooled funds investing in a wide range of bonds.

PWLB: see 'Public Works Loan Board'

Programme of Development

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

Public Works Loan Board

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

Rating Agency: see 'Credit Rating Agency'

Repo: see 'Repurchase Agreement'

Repurchase Agreement

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

Reverse Gilt Repo

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

Sovereign Issues (Ex UK Gilts)

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

Supranational Bonds

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

T-bills: see 'Treasury Bills'.

Term Deposit

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

Time Deposit: see 'Term Deposit'

Treasury Bills

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

Treasury Management Strategy

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

Treasury Management Policy Statement

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

Variable Rate Asset Value

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

VNAV: see 'Variable Net Asset Value'.

Weighted Average Maturity

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

REPORT TO: CABINET

DATE: 15 SEPTEMBER 2016
TITLE: DEBT WRITE-OFFS

PORTFOLIO HOLDER(S): COUNCILLOR MIKE DANVERS
LEAD OFFICER(S): SIMON FREEMAN, HEAD OF FINANCE,
(01279) 446228

CONTRIBUTING OFFICER: DONNA BEECHENER, REVENUES &
BENEFITS MANAGER, (01279) 446228

This is a Key Decision

It is on the Forward Plan as Decision number I006009

This decision is not subject to Call-in procedures for the following reasons:

The recommendations are in scope of the original budget as approved by Full Council

This decision will affect no ward specifically.

RECOMMENDED that:

- A** Irrecoverable non domestic rates amounting to £ be written off. .
- B** Irrecoverable sundry debts amounting to £68,161.20 be written off.

REASON FOR DECISION

The Cabinet's approval is required to write off irrecoverable debts.

BACKGROUND

1. Harlow Council has an excellent record of recovering monies owed by customers. The Council collects 99% of Non-domestic Rates due and over 99% of Council Tax. Debts are only ever written off as a last resort and where recovery is deemed to be impossible. The amounts put forward for write-off in this report amount to less than 1% of the total collectable debts.
2. All efforts to recover debts are undertaken in accordance with the relevant legislation.
3. On-going review processes have identified –
 - 8 Non Domestic rate debit balances,
 - 3 Sundry Debt account debit balances

requiring write off approval in line with Financial Regulations. The details for each are shown in Appendix One, Tables 1 and 2.

4. Write-off limits in the Financial Regulations require write-off requests relating to Council Tax, Housing Benefit overpayments, sundry debts and Non-Domestic rates be presented to Cabinet for formal approval.

IMPLICATIONS

Regeneration

No specific implications within the report

Author: **Graeme Bloomer, Head of Regeneration**

Finance

Debt write offs reflect a loss of income to the Council, but are only authorised after all attempts to recover debt are exhausted. The cost of non-domestic rates write offs are partially met by the national non domestic rate pool and partially by the billing and precepting authorities.

Author: **Simon Freeman, Head of Finance**

Housing

No specific implications within the report

Author: **Andrew Murray, Head of Housing**

Community & Wellbeing

No specific implications within the report, although issues around poverty may arise in discussion of individual cases.

Author: **Jane Greer, Head of Community & Wellbeing**

Governance

None beyond those contained in the report

Author: **Brian Keane, Interim Head of Governance**

Background Papers

None

APPENDIX 1

Table 1

Non Domestic Rates	
Reason for debt write off	Amount £
Liquidation	4,874.50
Liquidation	8,512.22
Liquidation	43,566.12
Liquidation	14,419.09
Liquidation	25,651.83
Liquidation	42,235.30
Liquidation	2,240.96
Voluntary Liquidation	42,602.04
Total Non Domestic Rates write offs	184,102.06

Table 2

Sundry Debts	
Reason for debt	Amount £
Abscond	16,500.00
Abscond	536.43
Abscond	25,012.50
Total Sundry Debts write offs	42,048.93

REPORT TO: CABINET

DATE: 15 SEPTEMBER 2016

TITLE: NICHOLLS FIELD PAVILION
REFURBISHMENT (PROJECT NO. 16/011)

PORTFOLIO HOLDER: COUNCILLOR TONY DURCAN, PORTFOLIO
HOLDER REGENERATION & ENTERPRISE

COUNCILLOR EMMA TOAL, PORTFOLIO
HOLDER FOR YOUTH & COMMUNITY

LEAD OFFICERS: GRAEME BLOOMER, HEAD OF PLACE
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JANE GREER, HEAD OF COMMUNITY
WELLBEING
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CONTRIBUTING OFFICERS: CHRIS PURVIS, SPORTS & LEISURE POLICY
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WILL HALES, PROPERTY & FACILITIES
MANAGER
(01279) 446852

This is a Key Decision

It is on the Forward Plan as Decision Number 1004805

Call-in Procedures may apply

This decision will affect Bush Fair Ward

RECOMMENDED that:

- A** The most advantageous tender assessed against the criteria included in the tender documents submitted by Contractor B is accepted in the sum of £709,385.00 “subject to contract”.

REASON FOR DECISION

- A** To enable the Council to enter into a contract for these works in compliance

with Contracts Standing Orders.

BACKGROUND

1. Nicholls Field Pavilion refurbishment is being delivered as the final phase of The Harlow Gateway Partnership. This project has already delivered Harlow Leisurezone, the new Harlow Town Football Club stadium, an athletics track at Mark Hall School, refurbished Ash Tree Field Pavilion and Playing Pitches and much needed new homes on the former sport centre and swimming pool sites.
2. In 2009, Consultants Knight, Kavanagh and Page produced a Playing Pitch Strategy which identified Nicholls Field and Ash Tree Field as being the top two playing pitch priorities for capital investment. The Ash Tree Field project has been delivered and is already providing enhanced health and wellbeing benefits to the community as a result of the investment.
3. Nicholls Field Pavilion and playing pitches have a history of community use for sport and recreational purposes, most notably football and youth provision. The building has been subject to vandalism including two fires in separate parts of the building which has resulted in it being unusable and in very poor condition. It is however strategically located and is easily accessed from numerous wards on foot or bicycle.
4. The 2016 Joint Strategic Needs Assessment, which sets out the current and future health and wellbeing needs of the community, states that Harlow has lower than average rates of life satisfaction. However, it is known that good emotional and mental health is fundamental to the quality of life and productivity of individuals, families and communities. It is associated with improved learning; increased participation in community life; reduced risk-taking behaviour and improved health outcomes. There are opportunities for the project to make a contribution towards addressing the health inequalities that have been identified.
5. The Council has identified a potential tenant for the community element of the building. The proposal from the prospective tenant highlights a full programme of community use for all ages, encouraging physical activity and positive lifestyle choices. It is proposed that an agreement for lease for the facility will be signed simultaneously with the works contract. This proposal will generate an income and will also help mitigate the Council's liabilities in relation to the building.

6. The wider playing field site has capacity for a maximum of 6 senior football pitches. The 2009 Playing Pitch Strategy recommended focusing investment in multi-pitch sites and Nicholls Field has the largest capacity of any Harlow Council site. These pitches are not subject to a formal use agreement at present due to the fact that the existing changing room facilities are no longer accessible due to fire damage.
7. The refurbishment proposal will also deliver changing rooms that meet current Football Association standards and deliver improvements to the pitches which will minimise the number of games cancelled due to inclement weather conditions. These improvements will enable the Council to market the pitches and changing facilities further and explore opportunities to enter into an additional lease agreement for the changing rooms and sports pitches.
8. The facility is located adjacent to one of the main gateways into Harlow. At present the derelict pavilion and disused playing fields present a negative impression when entering the town. A refurbished facility will present a more positive impression of the town at one of the key gateway sites.
9. The scheme funding will be met from the following sources –

Harlow Gateway Partnership 16/17 Capital Programme.	£497,948
Insurance settlement.	£53,894
Concessionary Fares Provision.	£226,000

The allocation for the scheme will be sufficient to meet the agreed contract price and all associated professional fees relating to the scheme.

10. The Works comprise refurbishment, alterations and extension to existing fire damaged single storey sports pavilion to provide new accommodation and facilities for an incoming tenants and changing rooms for football teams playing on adjacent pitches. The works also include improvements to the playing pitches, upgrading the existing fencing and external works to include landscaping.

THE PROCUREMENT PROCESS

11. The Council invited six suitably qualified and experienced contractors to tender for the works and six tenders were received by the deadline. A tender analysis has been undertaken, on the basis of the most economically advantageous, against a 40:60 Quality/Price split. The prices, rankings and weighted scores are shown below:-

	Quality Weighted Score	Total Price for Delivery £'s	Price Weighted Score	Total Points Score	Ranking
Contractor A	2880	688,682.65	5100	7980	3
Contractor B	4000	709,385.00	4920	8920	1
Contractor C	2040	584,879.00	6000	8040	2
Contractor D	3520	812,959.00	4320	7840	5
Contractor E	3200	748,007.00	4680	7880	4
Contractor F	3080	837,706.00	4200	7280	6

12. Contractor B has submitted the most economically advantageous bid when assessed against the criteria included in the tender documents. This Contractor submitted the highest quality bid and has demonstrated that they will be able deliver the works to the standard required by the Council.
13. The anticipated date of commencement is 8 November 2016. A 26 week works programme is scheduled.

GLOSSARY OF TERMS

Joint Strategic Needs Assessment	A process by which local authorities, clinical commissioning groups and other public sector partners jointly describe the current and future health and wellbeing needs of its local population and identify priorities for action.
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IMPLICATIONS

Place (includes Sustainability)

As contained within the report.

Author: **Graeme Bloomer, Head of Place**

Finance (Includes ICT)

The financial implications are set out in the report. It is anticipated that overall income generation from the site will improve once the scheme is full completed and operational.

Author: **Simon Freeman, Head of Finance**

Housing

As contained within the report.

Author: **Andrew Murray, Head of Housing**

Community Wellbeing (includes Equalities and Social Inclusion)

Engaging on sport and physical activity plays a significant role in the health & wellbeing of people of all ages.

Author: **Jane Greer, Head of Community Wellbeing**

Governance (includes HR)

The Council has carried out a compliant procurement process and evaluated the tenders received in line with the pre-determined criteria, as the recommendation is based on this process it would difficult to challenge the decision to appoint Contractor B.

Author: **Brian Keane, Head of Governance**

Background Papers

None

REPORT TO: CABINET

DATE: 15 SEPTEMBER 2016

TITLE: AWARD OF CONTRACT FOR SMALL
ROOFING SCHEMES
(PROJECT NO. 16/037)

PORTFOLIO HOLDER: COUNCILLOR TONY DURCAN

LEAD OFFICERS: GRAEME BLOOMER, HEAD OF PLACE
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WILL HALES, INTERIM PROPERTY &
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CONTRIBUTING OFFICERS: MALCOLM WRIGHT, PROPERTY, FACILITIES
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TINA MCDERMOTT, CORPORATE
PROCUREMENT (01279) 446175

This is a Key Decision

It is on the Forward Plan as Decision Number 1005958

This decision is subject to Call-in

This decision will affect Bush Fair, Great Parndon and Mark Hall Wards

RECOMMENDED that:

- A** The most economically advantageous tender assessed against the criteria included in the tender documents submitted by Contractor A is accepted in the sum of £250,474 “subject to contract”.

REASON FOR DECISION

- A** To enable the Council to enter into a contract for these works in compliance with Contracts Standing Orders.

BACKGROUND

1. A number of the Council’s non housing flat roofs are circa 25 years old and are therefore coming to the end of their useful lives. The Council is seeking

to embark on a project to replace the roof coverings at Bush Fair, The Stow and the Abercrombie Centre for the following reasons:-

- a) These roofs are now in a very poor condition;
- b) To protect the Council's property assets from water ingress damage;
- c) To comply with health & safety standards;
- d) To comply with the Council's contractual obligation to maintain the exterior of the properties, thus avoiding exposure to damage claims from our tenants;
- e) To maintain rental income streams generated from the subject properties;
- f) To reduce ongoing revenue costs associated with repairs;
- g) To reduce carbon emissions and energy cost by the provision of insulation to the roofs.

THE PROCUREMENT PROCESS

2. The Council invited seven suitably qualified and experienced contractors to tender for the works and five tenders were received by the deadline. A tender analysis has been undertaken, on the basis of the most economically advantageous, against a 50:50 Quality/Price split. The prices, rankings and weighted scores are shown below:-

	Quality Weighted Score	Total Price for Delivery £'s	Price Weighted Score	Total Points Score	Ranking
Contractor A	5000	£250,474.00	4200	9200	1
Contractor B	4450	£235,083.23	4500	8950	2
Contractor C	3750	£324,197.50	3250	7000	4
Contractor D	3250	£211,204.00	5000	8250	3
Contractor E	0	£250,186.90	4200	4200	5
Contractor F	No Bid Received				
Contractor G	No Bid Received				

3. Contractor A has submitted the most economically advantageous bid when assessed against the criteria included in the tender documents. This Contractor submitted the highest quality bid and has demonstrated that they can deliver the works to the standard required by the Council.
4. Contractor E failed to submit any of the quality information requested as part of the invitation to tender.
5. A 16 week works programme has been scheduled to commence on 18

October 2016 subject to Cabinet's approval.

IMPLICATIONS

Regeneration (includes Sustainability)

None specific

Author: **Graeme Bloomer, Head of Place**

Finance (Includes ICT)

The tendered price from the preferred bidder is containable within the approved capital programme for 2016/17 including the 2015/16 carry forward items.”

Author: **Simon Freeman, Head of Finance**

Housing

As contained within the report.

Author: **Andrew Murray, Head of Housing**

Community Wellbeing (includes Equalities and Social Inclusion)

None specific

Author: **Jane Greer, Head of Community Wellbeing**

Governance (includes HR)

The Council has carried out a compliant procurement process and evaluated the tenders received in line with the pre-determined criteria, as the recommendation is based on this process it would difficult to challenge the decision to appoint Contractor B.

Author: **Brian Keane, Head of Governance**

REPORT TO: CABINET

DATE: 15 SEPTEMBER 2016

TITLE: STREET NAMING AND NUMBERING
POLICY REVIEW

PORTFOLIO HOLDER: COUNCILLOR DANNY PURTON

LEAD OFFICER: GRAEME BLOOMER, HEAD OF PLACE
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CONTRIBUTING OFFICER(S): MIROSLAV SIHELKY, GEOGRAPHIC
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INFORMATION SYSTEMS OFFICER
(01279) 446540

This is not a Key Decision
It is on the Forward Plan as Decision number I006086
Call-in Procedures may apply
This decision will affect no ward specifically.

RECOMMENDED that:

- A** The Street Naming and Numbering Policy attached as Appendix 1 to this report is approved.
- B** The revised Street Naming and Numbering schedule of fees as set out in Appendix B of Appendix 1 is approved.

REASON FOR DECISION

- A**
 - 1. The procedure for processing applications for street naming and numbering (Appendix 2) was last reviewed in 2008 although at that time this did not include the detailed policy and guidance for naming streets and numbering properties.
 - 2. The development of the National Land and Property Gazetteer (NLPG) and the associated British Standard for gazetteer records has emphasised the need for a clear and comprehensive policy for street naming and numbering. Increased use of the NLPG by public services

including the Valuation Office and Emergency Services places increased importance on clarity of addresses held within the NLPG.

3. The draft Street Naming and Numbering Policy attached as Appendix 1 has been drawn up to take account of legislative requirements and national best practice.
4. A clearly defined policy will assist in speeding up the street naming and numbering process to the benefit of prospective owners/occupiers through early adoption of street naming and numbering schemes.
5. There are benefits to the emergency services, postal delivery services etc. of a well regulated street naming and numbering function.

B The revised fees listed within the policy will reflect current service costs for processing the applications. Also the fee structure will be much clearer to the applicant.

BACKGROUND

1. The Council conducts its street naming and numbering functions under the Public Health Act 1925. Under this legislation developers can submit proposals for street naming and the Council must lodge an objection to any such proposal within one calendar month. Developers have a legal right of appeal to the Magistrates' Court against such any such objection.
2. By adopting and promoting a clear set of policies for street naming and numbering the Council will be better placed to make a case in any such legal proceedings covered in paragraph 1 above.
3. The Street Naming and Numbering Policy will be published on the Council's website and more pro-active measures will be introduced to alert developers at an early stage of the need to submit applications for street naming and numbering in a common format (through the introduction of an revised application forms) and in compliance with the Street Naming and Numbering Policy.
4. The Public Health Act 1925 sets out a clear time frame for consideration of proposed street names put forward by developers. The policy has been revised to ensure that the Council can operate within the legislative framework whilst still making the process accountable to the community.

IMPLICATIONS

Place (includes Sustainability)

None specific.

Author: **Graeme Bloomer, Head of Place**

Finance (Includes ICT)

None specific.

Author: **Simon Freeman, Head of Finance**

Housing

None specific.

Author: **Andrew Murray, Head of Housing**

Community Wellbeing (includes Equalities and Social Inclusion)

None specific.

Author: **Jane Greer, Head of Community Wellbeing**

Governance (includes HR)

No specific other those contained within the report.

Author: **Brian Keane, Head of Governance**

Background Papers

None

Glossary of terms/abbreviations used

National Land and Property Gazetteer (NLPG)



HARLOW COUNCIL

Street Naming and Numbering Policy

2016

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STREET NAMING AND NUMBERING POLICY

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1. LEGISLATION

1.1. The relevant statutory provisions with regards to street naming are:

- a) Section 64 of the Town Improvement Clauses Act 1847 (incorporated into Section 160 of the Public Health Act 1875). This allows the Council to name streets (i.e. set names for new streets), mark the street name (street nameplate provision) and control interference with such markings (under the legislation interference is a criminal offence).
- b) Section 21 Public Health Acts Amendment Act 1907. This provides for the alteration of street name with consent of two-thirds of the ratepayers/council tax payers living in the street. It also gives power to mark the altered street name and control interference with such markings.
- c) Section 17-19 Public Health Act 1925. This legislation covers:
 - New names of streets - notice served by developer and requiring the approval of the Council or (by appeal) the Magistrates' Court (Section 17).
 - Alteration of names of streets, and assignment of names of un-named streets - notice by Council, and consideration of any objections by Magistrates' Court (Section 18).
 - Marking of street names and control of interference – i.e. provision of street nameplates and prosecution of anyone removing or interfering with the nameplate (Section 19).

1.2. If section 18 of the Public Health Act 1925 is adopted, then section 21 of the Public Health Acts Amendment Act 1907 automatically ceases to apply (and vice versa). Similarly, if section 19 of the Public Health Act 1925 Act is adopted, the street naming provisions in the Town Improvement Clauses Act 1847 will cease to apply and vice versa.

1.3. Section 18 of the Public Health Act 1925 enables an authority to alter the name of a street and to give a name to an un-named street (with the provision for an objector to require the decision to be considered and determined by the Magistrates' Court.) Although no consultation process is included in Section 18, officers would carry out a consultation in such cases in any event, and therefore it is considered that Section 18 is more appropriate than Section 21 of the Public Health Acts Amendment Act 1907.

APPENDIX 1
STREET NAMING AND NUMBERING POLICY

- 1.4. In terms of street numbering, these provisions are contained in sections 64 and 65 of the Town Improvement Clauses Act 1847. These provisions allow the Council to designate numbers of individual houses in streets, ensure that properties are properly marked with their number (or name), and control interference with such numbers. These provisions are automatically applied throughout England and Wales, via the Public Health Act 1875 and Schedule 14 of the Local Government Act 1972.

- 1.5. As well as simply determining the name or number to be allocated, the Council has (as part of dealing with these applications) carried out liaison services with other bodies. There is no statutory requirement for such liaison and consultation, but it is clearly related to the naming and numbering functions. As this is a discretionary service, a charge can be levied as set out in the schedule of charges on Appendix B

Charging Provisions

The Local Government Act 2003 brought about new devolved powers for Local Authorities; these included giving Councils new powers to trade and charge for non statutory (i.e. discretionary) services if they are Best Value Authorities (Section 93 of the Act).

2. POLICY STATEMENT

- 2.1. The naming and numbering of streets and buildings in Harlow District is controlled by Harlow Council under the Public Health Act 1925. The purpose of this control is to make sure that any new street names, building names and numbers are allocated logically with a view to ensuring, amongst other things, the effective delivery of mail and that emergency service vehicles are able to locate any address to which they may be summoned.
- 2.2. The Council wishes to ensure all new developments are addressed, named and numbered correctly and are issued the correct postcode by Royal Mail.
- 2.3. Anyone wishing to change the name or number of their property or seeking an address for a new property should apply in writing to Harlow Council following the procedures detailed in this policy.

3. STREET NAMES

- 3.1. While the Council is responsible for naming streets the applicant or developer will be asked to suggest names for any new street(s). However, it is recommended that more than one suggestion for a new name should be put forward in case one fails to meet the criteria outlined in this Policy. It is desirable that any suggested road name should have some connection with the area. The developer is requested to supply a layout plan with plot numbers of the site with the street name application.
- 3.2. If proposals comply with the Council's Policy on Street Naming and Numbering and do not meet with an objection from the Royal Mail Address Development Centre, the new address will be formally allocated and all relevant bodies will be notified.
- 3.3. If none of the offered names are considered acceptable, the Council will inform the developer, by a written notice of objection to their preferred name.
- 3.4. In serving a written notice of objection, the developer will be asked to accept the name put forward by the Council. If the developer declines, they have, under Section 17 (4) of Public Health Act 1925, the legal right to appeal to a Magistrates' Court within 21 days of the service of

the notice of objection. In such circumstances the Council will have to defend the case before the Magistrates' Court.

- 3.5. Where street names or previous numbers have been established without reference to the Council, the Council has the authority to issue Renaming or Renumbering Orders, under the Acts previously stated.
- 3.6. It is unlawful to erect a street nameplate until the street name has been confirmed in writing by Harlow District Council.
- 3.7. Nameplates are to be provided and erected to Harlow Council specifications (see Appendix A), and maintained by the Developer before any property is occupied.
- 3.8. Maintenance of street nameplates become the Council's responsibility once a street has been adopted by the Highway Authority.

4. CRITERIA FOR NAMING STREETS

- 4.1. The Street Naming and Numbering Officer will use these guidelines when agreeing a new number or address. Developers should follow these guidelines for any suggested street names.
- 4.2. New street names should not duplicate any similar name already in use in the district area. A variation in the terminal word, for example, "street", "road", "avenue", will not be accepted as sufficient reason to duplicate a name.
- 4.3. A common request is to repeat existing names in a new road or building title (for example request for "St Mary's Close" off an existing St Mary's Way, near St Mary's Church). This is not allowed as it can have a detrimental effect in an emergency situation. This is in line with Government guidance found in Department of Transport Circular 3/93.
- 4.4. Street names should not be difficult to pronounce, awkward to spell or use punctuation where it may give rise to variations.
- 4.5. The Council will not adopt any 'marketing' titles used by developers in the sale of new properties.
- 4.6. Names will not be considered that may be construed as contravening any aspect of the Council's Equality and Diversity Policy or would undermine the cohesiveness of local communities.

- 4.7. In order to avoid potential confusion with building names, street names must not include the word “The” or end with a possessive (i.e. apostrophes) or plural words (e.g. “The Saltings”).
- 4.8. Street Names that may be taken as advertising (i.e. a company name) will not be accepted.
- 4.9. The Council will not name streets after living people. It is acceptable to name a street after a deceased person, however, where necessary, written consent will be required from a family or estate of that person to have a street named after them. A copy of the written consent should be submitted to Harlow Council. If the named person has been deceased for more than 50 years then written consent is not needed. Consideration will also be given to the possible sensitivities that may arise from naming streets after controversial or notorious figures, and to the likelihood that the public perception of a deceased person may change – for better or worse – in the future.
- 4.10. The consent of the Lord Chamberlain’s office must be obtained if a name with any reference to the Royal family or the use of the word ‘Royal’ is suggested.
- 4.11. The use of street names which include numbers which can cause confusion (for example, 20 Seven Foot Lane which sounds the same as 27 Foot Lane), will not be considered.
- 4.12. All new street names should end with one of the following suffixes:

- Street (for any thoroughfare)
- Road (for any thoroughfare)
- Way (for major roads)
- Avenue (for residential roads)
- Drive (for residential roads)
- Grove (for residential roads)
- Lane (for residential roads)
- Place (for residential roads)
- Crescent (for a crescent shaped road)
- Close (for a cul-de-sac only)
- Square (for a square only)
- Hill (for a hillside road only)
- Circus (for large roundabouts with residential properties)
- Vale (for residential roads, in appropriate circumstances)
- Rise (for residential roads, in appropriate circumstances)
- Row (for residential roads, in appropriate circumstances)
- Croft
- Court

Not acceptable suffixes:

End, Cross, Meadow, Park, View, Field, Ley. (However, these words can be incorporated in a street name provided it terminates with an appropriate suffix e.g. Mile End Road).

4.13. All new pedestrian ways should end with one of the following suffixes:

Walk
Path
Way

4.14. The use of North, East, South or West (as in Cambridge Road North and Cambridge Road South) is only acceptable where the road is continuous and passes over a major junction. It is not acceptable when the road is in two separate parts with no vehicular access between the two.

4.15. The Council will avoid having two phonetically similar names within a postal area, for example Churchill Road and Birch Hill Road.

4.16. The use of a name which relates to people either living or those alive during living memory should be avoided if possible.

5. POSTCODES PROVISION

- 5.1. Harlow Council is not responsible for issuing new postcodes. When an approved address is agreed by all parties, Royal Mail will confirm a postcode, however they will not issue a postcode for a new street or property until requested to do so by the Council. The maintenance and any future changes to this postcode are Royal Mail's responsibility.

6. ADDRESS LOCALITY

- 6.1. Localities within the official postcode and post town address are the responsibility of Royal Mail. Where applicants object to a post town in their postal address, the Street Naming and Numbering section will advise them to consult Royal Mail, who has a procedure laid down in their code of practice by the Postal Services Commission for adding or amending the details.

7. GUIDELINES FOR NUMBERING BUILDINGS AND COMMERCIAL UNITS

7.1. General

- 7.1.1. A new street should be numbered with even numbers on the right and odd numbers on the left. In a cul-de-sac, consecutive numbering in a clockwise direction is preferred.
- 7.1.2. For private houses the name should not repeat the name of the road or that of any other house or building in the same postcode area. Named property cannot include words with a written number(s) within its name (e.g. Five Trees)
- 7.1.3. Additional properties in streets that are currently numbered will always be allocated a property number, unless suffix is not used as mentioned in Para 7.3.1.
- 7.1.4. Private garages, annexes and buildings used for housing cars or livestock will not be numbered separately from a main dwelling.
- 7.1.5. When numbering, a proper numbering sequence shall be maintained, with the number 13 included. Once numbered the Council will not normally re-number properties. The Council will only re-number a property where there are a consistent delivery problems or during the course of a development stage. See section 10 'Renaming streets / Renumbering Properties' for more details.

APPENDIX 1
STREET NAMING AND NUMBERING POLICY

- 7.1.6. Buildings (including those on corner sites) should be numbered according to the street in which the main entrance is to be found and the manipulation of numbering in order to secure a “prestige” address or to avoid an address, which is thought to have undesired associations will not be sanctioned.

7.2. Multiple Occupancy Buildings

- 7.2.1. In multiple occupancy buildings (e.g. blocks of flats) it is usual to give a postal number to each dwelling where the block is up to six storeys in height. When the block exceeds this height or there are not sufficient numbers available because of existing development, it should be given a name and numbered separately internally. Such names will be treated in the same way as house names. Descriptive names for flats/apartments are not permitted (e.g. Ground Floor Flat/First Floor Flat); instead flats should either be numerically or alphabetically labeled such as Flat A, Flat B, or Flat 1, Flat 2.
- 7.2.2. If a multiple occupancy building has entrances in more than one street, then each entrance can be numbered in the appropriate road if required. In this case, advice from the local delivery office will be sought.

7.3. Small Developments

- 7.3.1. The Council will endeavour to follow the existing numbering sequence for a street, or to use numbers followed by letters where there is no alternative. For example, these are included when one large house in a road is demolished and replaced by a number of smaller houses. To include the new houses in the numbered road sequence would involve renumbering all the higher numbered houses on that side of the road. To avoid this each new house should be given the number of the old house with either A, B, C or D added. Infill developments will be given suffixes relating to the lower numbered property (two properties between nos. 21 and 23 would be 21A and 21B). Suffixes will not be used for development situated prior to a numbering sequence. In this case individual property names would be requested.

- 7.3.2. Any such building names should end with one of the following suffixes:

House,	Lodge,
Terrace,	Apartments,
Court.	Mansions (residential only),
Mews,	Tower (residential or office block),
View	

- 7.3.3. If an infill development containing 2-4 properties is accessed via a private drive, and where the Council consider it is appropriate, the Council may agree to a sub-road name for that development. If there are 5 or more properties then a new street will be required.

- 7.3.4. The developer is responsible for the cost and installation of signage indicating the name of the block or individual numbering including such name. The size, type and positioning must be agreed with the Council prior to the installation.
- 7.3.5. For new developments under construction, where additional properties or plots have been added or removed after the initial numbering, the Council will re-number the entire street. The Developer will be charged a fee as set out in Appendix B.
- 7.4. **Developments Greater than 5 Properties**
- 7.4.1. Development greater than 5 Properties off a new access road should be allocated a new street name or sub-street name and numbered accordingly.
- 7.5. **Property Names**
- 7.5.1. Historically, some rural areas do not have a numbering sequence. Individual houses and small developments in these areas, on existing unnumbered roads, will normally require property names. Proposals for naming unnumbered properties should meet the general criteria set for Street Naming and should not repeat the road name, or that of any house or building in the area.
- 7.5.2. It is not possible to change a property number to a name. We will allow you to add an 'alias name' to the address. This name will be held by the Royal Mail on their 'alias file' but will not form part of the official address; the alias name can only be used with the property number, not as a replacement of it. Where a name has been added to a property together with its official number, the number must always be included in all official correspondence and displayed on the property. This is to ensure consistency of records over time, reduce costs and aid delivery of mail and emergency services response.

8. PROCEDURE FOR NEW DEVELOPMENT AND COMMERCIAL UNITS

- 8.1. The property developer should not give any addresses, including postcodes, to potential occupiers, either directly or indirectly (for example via solicitors or estate agents) before the Council has issued formal approval. The Council will not be liable for any costs or damages caused by failure to comply with this.
- 8.2. Applicants are encouraged to contact the Council prior to a formal application in order to get advice on our naming policy and the positioning of nameplates.
- 8.3. The applicant or developer will be asked to suggest names for any new street(s). See Section 4; Criteria for Naming Streets.
- 8.4. The developer will be responsible for the cost and installation of street nameplates. The Council will cover maintenance costs once the street has been officially adopted. Street nameplates must meet the specification as set out at Appendix A.
- 8.5. Numbering of the new street(s) will be carried out following the guidelines within this policy. All properties on newly named streets will be allocated numbers. All new properties on existing streets will be numbered unless the existing properties on that street all have official building names and no numbers, or in the exceptional circumstances outlined under the section 7 “Guidelines for numbering buildings”.

9. PROCEDURE FOR ADDRESS CHANGES

9.1. Numbered Properties

- 9.1.1. If a property has an officially allocated number, it will not be possible to replace the number with a name. If the occupier chooses to use a property name in these circumstances the address must still include the allocated property number.

9.2. Named Properties

- 9.2.1. To request a change to an address, the owner must give the Council either by email or in writing:
 - The existing house name, address and postcode,
 - The proposed new name,

- A plan showing the exact location of the property if the property is not easily identifiable from the existing address,
 - A date from which the property name should be changed.
- 9.2.2. Requests can only be accepted from the owners of properties and not tenants, if the Council is any doubt that the applicant is not the owner, proof of ownership may be requested.
- 9.2.3. The Council cannot formally change a property name where the property is in the process of being purchased, that is, until exchange of contracts, although the Council can give guidance on the acceptability of a chosen name before this.
- 9.2.4. A check is made by the Council to ensure there is no other property in the location with the same or similar name.
- 9.2.5. Once all checks are satisfactorily completed and any necessary fees received, the Council will change the name of the property and advise the relevant internal and external parties.
- 9.2.6. The Council will then confirm in writing to the owner of the property, the new official address.

10. RENAMING STREET / RENUMBERING PROPERTIES

- 10.1. Renaming an existing street or re-numbering properties within an existing street is avoided unless the benefits clearly outweigh the obvious disadvantages.
- 10.2. On rare occasions when this becomes necessary it is usually only done as a last resort when:
- There is confusion over a street's name and/or property numbering,
 - The residents are unhappy with their street name,
 - The number of named-only properties in a street is deemed to be causing confusion for emergency services, visitors or deliveries.
- 10.3. In such instances it is the responsibility of those requesting a change to canvass existing residents and conduct a ballot of the local residents on the issue. This will ensure that residents' views are taken into account and the results must be submitted to the Council. In addition they must consult the Royal Mail for their position on the issue. To change a street name we will require 75% support from the local residents on the issue

APPENDIX 1
STREET NAMING AND NUMBERING POLICY

as any subsequent change can be very disruptive and cause individuals to have to change all their personal address details. The consultation process referred to in this document will be implemented before any agreement is given. This is a very time consuming process and can be very emotive for those involved and should therefore only be contemplated as a last resort.

APPENDIX A – Street Nameplate Specifications

ISSUE NO: 2 23rd May 2014	
	Polycarbonate, 3mm aluminium backed
Street Nameplate Specification	225mm
	707mm
	70mm Futura Med BT9 Capital, 40mm Futura Med BT9 - lower case
	White 9003 RAL
Local Authority	10mm
	White inset 10mm from edge of plate
Harlow District Council	BS 4800 Blue 18E51
	Black
Plates:	e.g. 'No through Road' symbol to Diag. 816.1, Arrow may be added
	Polycarbonate plate
Polycarbonate, 3mm aluminium backed a minimum of 707mm long.	Drilled every 150mm in white border
	Plates secured to 150mm x 30mm recycled plastic backboards with screws every 150mm, Screw heads capped with coloured PVC caps
	2no. M8 s/s bolts per post to attach backboard to support. Bolt head and nut recessed into plastic, nut head to be capped
Plate depth:	2no 1.150mm x 80mm x 80mm recycled plastic Square ends and square tops Back Mounted. 450mm below ground level and 700mm above.

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Street Nameplate Example:



APPENDIX 1
STREET NAMING AND NUMBERING POLICY

APPENDIX B – Schedule of Fees

Activity	Charge
Add Alias Name to Numbered Property	£40/property
Naming of Building Block, Flat Block or Industrial Area	£110 / block or area
New Development of 1-5 plots	£70 / plot
New Development of 6-50 plots	£10 / plot + £300
New Development of 51+ plots	£5 / plot + £550
the schedule has been issued.	£50 / plot
Renaming of a existing property	£100 / property
Confirmation of postal address for solicitors or conveyancers	£40 / property
Confirmation of postal address for residents or occupiers	£15 / property
Provision of New Street Name	£300 / street
Renaming of a street (where requested by residents)	£450 / street

Please note that charges above are subject to periodic review.

There will be no charge for the following any change to and existing address that is incorrectly held by the Council or Royal Mail

Fees shown are applicable from September 2016. Charges are not subject to VAT. Current charges are updated on Council's website www.harlow.gov.uk regularly.



HARLOW COUNCIL

Street Naming and Numbering Policy

2008



1. INTRODUCTION

The address of a property is increasingly becoming a very important issue. More organisations, postal and emergency services and the general public need an efficient means of locating and referencing properties.

Harlow Council needs to be contacted if:

- A developer requires addresses for a new property or properties.
- A property owner wants to renumber or rename their property.
- A property owner wants to give their property a name.
- A developer wishes to create a new street within a development.

2. STREET NAMING POLICY

The Council gives preference to names which reflect the historical significance of the site.

1. It should be noted that some sites already have designated themes. For example, the Princess Alexandra Hospital area uses names of trees. Existing themes should be respected and continued wherever possible.
2. Street names should not be difficult to pronounce or spell.
3. New street names should not duplicate any similar name already in use within the district. A variation in the terminal word, for example, "street", "road", "close", "avenue", will not be accepted as sufficient reason to duplicate a name.
4. Buildings (including those on corner sites) are numbered according to the street in which the main access/entrance is to be found and the manipulation of numbering in order to secure a "prestige" address or to avoid an address which is thought to have undesired associations will not be sanctioned.
5. Streets can be named after people related to a particular site or area. Such names will only be considered, however, if the person in question is deceased.
6. It is the responsibility of the developer to provide street nameplates at the appropriate locations. The Council can provide advice on specification, quantity and locations.
7. Development names will not be considered to form part of the final address.



3. NUMBERING POLICY

No sanction will be given to the avoidance of any numbers, such as; 13, 7, 4, and so on, and a proper sequence should be maintained.

1. Legislation permits the use of numbers followed by letters. These are needed, for instance, when one large house in a road is demolished and replaced by four smaller houses. To include the new houses in the numbered road sequence would involve renumbering all the higher numbered houses on that side of the road. If a considerable number of other houses would be affected, then to avoid this each new house should be given the number of the old house with either "A", "B", "C" etc added.
2. As a general rule all roads will be numbered with odd numbers on one side, usually the left and evens on the other, usually the right. Cul-de-sac developments maybe numbered sequentially.
3. The Councils numbering sequence is final. In the event of a disagreement the matter will be determined by the Head of Property and Facilities.
4. Properties will be numbered in relation to the road in which their primary pedestrian access is located.

Schedule of Charges

Activity	Charge
Add Alias Name to Numbered Property	£40/property
Naming of Building Block, Flat Block or Industrial Area	£110 / block or area
New Development of 1-5 plots	£70 / plot
New Development of 6-50 plots	£10 / plot + £300
New Development of 51+ plots	£5 / plot + £550
the schedule has been issued.	£50 / plot
Renaming of a existing property	£100 / property
Confirmation of postal address for solicitors or conveyancers	£40 / property
Confirmation of postal address for residents or occupiers	£15 / property
Provision of New Street Name	£300 / street
Renaming of a street (where requested by residents)	£450 / street

**MINUTES OF THE SHAREHOLDER SUB COMMITTEE
HELD ON**

7 July 2016

7.30 - 8.20 pm

PRESENT

Sub Committee Members

Councillor Jon Clempner (Chairman)
Councillor Joel Charles
Councillor Mark Wilkinson
Councillor Danny Purton

Officers

John Phillips, Managing Director, HTS (Property and Environment) Limited
Simon Freeman, Head of Finance
Brian Keane, Head of Governance
Julie Galvin, Assistant Solicitor
Joel West, Governance Support Officer
Michael Harrowven, Non-Executive Chair of the HTS (Property & Environment)
Limited Board

APOLOGIES

Councillor Andrew Johnson

17. **INTRODUCTIONS**

John Phillips, Managing Director HTS (Property & Environment) Limited, introduced Michael Harrowven to the Sub Committee. Mr Harrowven was recently appointed as Non-Executive Chair of the HTS (Property & Environment) Limited Board.

18. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Andrew Johnson.

19. **DECLARATIONS OF INTEREST**

None.

20. **MINUTES**

RESOLVED that the minutes of the meeting held on 31 May 2016 are agreed as a correct record and signed by the Leader.

21. **MATTERS ARISING**

None.

22. **SUB COMMITTEE WORK PLAN**

Noted.

John Phillips, Managing Director HTS (Property & Environment) Limited, confirmed that a meeting of the Sub Committee will be required in September 2016. He also asked Councillors to note that a report on fleet procurement will be considered by the Board of Directors in September 2016.

23. **HARLOW TRADING SERVICES LIMITED TRANSITION PLAN UPDATE REPORT**

The Sub Committee received the HTS (Property and Environment) Limited Project Plan (June 2016). John Phillips, Managing Director of HTS (Property and Environment) Limited, introduced the Plan.

The Sub Committee noted the significance of risks OP7 (COHESIS software Development) and OP8 (finance ICT system) from pages 17 and 18 of the report and asked that appropriate milestones be added to the Plan to ensure software issues do not hinder progress.

The Chairman asked for a copy of the ICT migration plan.

The Sub Committee requested a copy of any legal advice the Council had been given related to State Aid Rules.

RESOLVED that the HTS (Property and Environment) Limited Project Plan (June 2016) is noted.

24. **REFERENCES FROM THE LATC BOARD OF DIRECTORS**

25. **HTS (PROPERTY AND ENVIRONMENT) LTD BUSINESS PLAN**

The Sub Committee received a report proposing an interim HTS (Property and Environment) Business Plan. John Phillips, Managing Director of HTS (Property and Environment) Limited, introduced the interim Business Plan.

RESOLVED that the Shareholder Sub Committee approves the interim Business Plan.

26. **HTS (PROPERTY AND ENVIRONMENT) LTD LOAN ARRANGEMENTS**

The Sub Committee received a report proposing outline approval of a loan to HTS (Property & Environment) Ltd to enable company set-up to be undertaken successfully. John Phillips, Managing Director of HTS (Property and Environment) Limited, introduced the report.

Simon Freeman, Head of Finance, Harlow Council, confirmed that repayment of the loan is projected to have no detrimental impact on the level of budgeted dividend from HTS to the Council.

RESOLVED that:

- A** The Shareholder Sub Committee RECOMMENDS to Cabinet the outline approval of a loan to HTS (Property & Environment) Ltd subject to the final HTS (P&E) Business Plan being approved in November 2016.
- B** The Shareholder Sub Committee acknowledges the significant progress made towards the establishment of an operational company budget for HTS (P&E) Ltd.

27. **MATTERS OF URGENT BUSINESS**

None.

28. **DATE OF NEXT MEETING**

As per Minute 21, a meeting will be arranged in September 2016 and Councillors notified accordingly.

CHAIRMAN OF THE SUB COMMITTEE

HOUSING STANDARDS BOARD

Minutes

12 July 2016

7.00pm – 8.15pm

PRESENT:

Committee Members

Cllr Mark Wilkinson (Chairman) (MW),
Cllr Bob Davis (BD)
Cllr Simon Carter (SC)

Officers:

Andrew Murray (AM)
Zulfi Kiani (ZK)
Cara Coxhead (CC)
Wendy Makepeace (WM)
Jim Preston (JPr)
Nikki Blackburn (NB)

Tenant Representatives:

Property Standards Panel:

Hugh Hoad (HH)
Sheila Robson (SR)

Tenancy Standards Panel:

Jo West (JW)

		Action
1.	<p><u>Welcome and Apologies</u></p> <p>Introductions from all attendees were made from Cllr Mark Wilkinson (Portfolio Holder for Housing).</p> <p>All were briefed on the current code of conduct.</p> <p>Name cards were requested for future meetings. .</p> <p><u>Apologies:</u> Jane Steer (JS), Cllr Bill Pryor (BP), Jenny Pearce (JP)</p>	<p>Noted</p> <p>Noted</p> <p>ZK</p> <p>Noted</p>
2.	<p><u>Declaration of Interest</u></p> <p>Cllr Simon Carter and Cllr Bod Davis declared an interest in HTS Group.</p>	Noted
3.	<p><u>Minutes of last meeting (22.03.16) and Matters arising</u></p> <p>Minutes of the last meeting were approved.</p> <p><i>Estate Inspections:</i> The inspections are now on the website. <i>Training Programme:</i> The training programme is underway.</p>	Noted
4.	<p><u>Cabinet Work plan 2016/17</u></p> <p>The Joint Finance and Performance Report (JFPR) was not available</p>	ZK

	<p>for the meeting and will be circulated when available.</p> <p>Cabinet work plan for 2016/17 discussed and clarified.</p> <p>Priorities for 2016/17 to include contract awards, allocations policy update (legislative changes), implementation of energy legislation (charging).</p> <p>Implementation of new Planning and Housing Bill 2016 discussed. Statutory instruments, and required consultation guidelines expected this month.</p> <p>Budget cycle and reporting 2017/18 commences in the Autumn. This will include arrangements for future Government funding, and the seamless transition from Kier Harlow Ltd to HTS Ltd.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>
5.	<p>Housing Performance Reports</p> <p>Performance reports were discussed and clarifications given.</p> <p>Noted that the rent collection recovery has exceeded the target and congratulations given. Request for rent balances to be included in future reports.</p> <p>Average time taken to re-let a property has achieved the target of 18 days, although the first three months of this year has exceeded the target with an average of 17 days. The Council is currently carrying 54 properties with all work validated by Resident Inspectors.</p> <p>Performance noted on exceeding target for collection of Leasehold Service Charges. Report to be reviewed and updated with further landlord information e.g. repairs.</p> <p>Modern Homes Programme performance report (May 2016) discussed. Forecast of projected delivery for 2016/17 is a further 2200 components (kitchens, bathrooms, doors etc).</p> <p>Programme is on profile, noting increase in refusals and “no access” for the quarter. “No access” procedure reported. Details given of the process and when landlord access can be enforced. Further details to be provided at next HSB.</p> <p>The Chair was keen to highlight the positive work, and not to lose sight of positive news stories.</p>	<p>Noted</p> <p>CC</p> <p>Noted</p> <p>WM</p> <p>Noted</p> <p>Noted</p> <p>JP</p> <p>Noted</p>
6.	<p>Briefing Notes:</p> <p>HRA Revenue Account Outturn Report 2015/16</p>	

	<p>The briefing was noted.</p> <p>The figure for the tenant removal expenses and Home Loss Claims is less than estimated as demand has been lower for 2015/16 than anticipated. Carry forward request of £225,000 to be requested from Cabinet.</p> <p>Capital Outturn Report 2015/16</p> <p>The briefing note was discussed and questions clarified.</p> <p>The figure for the overspend of the Pathfinder Scheme is due to the delivery of very high quality build, and project management costs, costing more than originally forecasted, with unit costs higher than average. Future Council house building is on hold due to less resources, and learning the lessons will be included in any future programme.</p>	<p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p> <p>Noted</p>
7.	<p>Current Consultations:</p> <p>None</p>	<p>Noted</p>
8.	<p>Formal questions and answers</p> <p>None</p>	<p>Noted</p>
9.	<p>Any other Business</p> <p>It was noted that there may be the need for a special meeting to consider Statutory consultation on the Implementation of the new Planning and Housing Bill (2016).</p>	<p>Noted</p>

The Date of the Next meeting is: 13 September 2016

Minutes of the Environmental SIT meeting were attached to the papers but were for information only.

Background Papers

NB: These are papers referred to in the minutes of this meeting and are not attached as appendices but that are available for the public or Councillors to study.

There were no additional reports.

**MINUTES OF THE SAFETY COMMITTEE
HELD ON**

21 July 2016

2.00 - 2.50 pm

PRESENT

Committee Members

Brian Keane (Chairman)
Karl Carr (Housing)
Jackie Davies (Health & Safety)
Rory Davies (Playhouse)
Sandra Farrington (Civic Centre/Latton Bush)
Richard Greaves (Building Control)
John Harty (Playhouse)
Wendy Makepeace (Housing)
Daniel Maylin (Housing)
Kim Middleditch (Contract Harlow)
Stuart Moseley (Insurance)
Lisa Purse (note taker)

APOLOGIES

Donna Beechener (Revenues & Benefits)
Angela Street (Community Wellbeing)

128. MINUTES OF LAST MEETING HELD 17 MARCH 2016

AGREED that the minutes of the meeting held on 17 March 2016 are agreed as a correct record.

129. MATTERS ARISING - ACTIONS COMPLETED

- a) Ref 123 c – The Committee noted that mental health training for managers previously provided by ACAS was very useful.

AGREED that the Committee provides Brian Keane with staff numbers from teams that require mental health awareness and understanding training. This would allow HR to make appropriate training provisions.

- b) Ref 124 b – Jackie Davies, Health & Safety Officer, advised that this action is outstanding pending clarification from colleagues in Housing on appropriate wording for standard letters.

- c) Ref 126 a – Jackie Davies and Sandra Farrington advised that signage has been displayed and an article had been placed in the Weekly Information

Sheet (WIS) to prevent future near miss incidents at the rear of the Civic Centre.

130. **HEALTH AND SAFETY UPDATE**

a) Accident Statistics / Aggressive Incidents / Members of Public

The Committee received a report on health and safety statistics for the period 1 January to 31 March 2016. The statistics identified 2 RIDDOR incidents to employees and 3 reportable accidents to members of the public. Details of these were provided by Jackie Davies and it was noted that all incidents are followed up with Stuart Mosely in terms of Insurance/liability concerns.

b) Statistics from the Staff Register (SSR)

Noting that more statistics are reported now than before the SSR was introduced, Jackie Davies advised that the majority of reports emanate from Contact Harlow. The Committee was advised that Kim Middleditch had been granted additional permissions to assist with monitoring and reviewing. It was agreed that the SSR is generally used well although more joined up working would ensure consistency in future.

c) Access to SSR System & Assistance

See minute 130.

d) Health Surveillance

Further to the update given to the Committee at its March meeting, Jackie Davies reported that work is ongoing to capture as many staff names and requirements as possible and reminded the Committee to raise awareness throughout the Council to assist in this sizable task.

e) PAT Testing

Jackie Davies advised that during August and September 2016 a contractor would carry out PAT testing throughout all Council buildings. Members of the Committee were advised to expect to be contacted by the contractor to arrange an appointment for equipment to be PAT tested.

It was noted that all Council equipment is PAT tested every 3 years with the exception of the Playhouse equipment which is tested annually.

AGREED that a global email would be sent advising Council staff of the planned testing.

f) Lone Working Audit

Jackie Davies advised the Committee that she had met with colleagues from Audit to discuss the review of lone working policies and procedures in key areas of the Council including Housing and Community Safety. Members of the Committee were advised to carry out pre checks and think about additional lone working requirements and how they could be implemented.

g) Asbestos Management

See Minute Item 131.

h) Defib Training / Re-qualifying First Aiders

Jackie Davies advised that first aid training throughout the Council is being maintained. It was confirmed that the Civic Centre had sufficient first aiders.

i) Fire Drills - Procedures

Jackie Davies provided feedback on the recent fire drill that took place at the Civic Centre. It was reiterated that the meeting procedures that are displayed in each Civic Centre meeting room be referred to with particular attention to public and staff with mobility issues.

131. **STATUTORY TESTING POLICIES - HOUSING (SET ITEM)**

Daniel Maylin, Contracts and Compliance Manager, reported that corporate statutory testing policies and procedures had been agreed with Kier Harlow and that HTS (Property and Environment) Limited would adhere to the policies from February 2017. Daniel went on to advise that some of the policies, including asbestos and water, had been published to the Council's website and that the other agreed Policies would be published shortly.

Asbestos in the home leaflets were circulated to the Committee. Daniel advised that the leaflets had been posted to tenants and leaseholders and were available from Contact Harlow and on online at

<http://www.harlow.gov.uk/housing-asbestos>

132. **FIRE SAFETY UPDATE - HOUSING (SET ITEM)**

Daniel Maylin advised the Committee that 42% of fire risk assessments originally identified had been completed resulting in the three year programme being ahead of schedule.

133. **PLAYHOUSE - UPDATE ON BUILDING WORKS**

Rory Davies, Technical and Projects Manager, circulated and summarised the Harlow Playhouse Capital and Building Works 2016-2019 report to the Committee which included the full Capital and Building Works Register.

134. **ANY OTHER BUSINESS**

a) Paddling Pools

Jackie Davies reported that the paddling pools were set to open on Monday 25 July 2016 and they would be open from 10 am – 6pm seven days a week until 1 September 2016. The opening of the splash park at Potter Street would be delayed due to work needed to the computer which would control the pool. Training for Paddling Pool Marshalls had been carried out and Jackie explained the role that is provided to the public.

Daniel Maylin advised that the electrical certificates for the paddling pools had expired and that this should be followed up with Angela Street.

AGREED that Stuart Mosely would assist with the issue of renewed certificates if necessary.

b) Planning Harlow Firework Event

Jackie Davies advised that organisation of the fireworks event had started and outlined some of the proposed changes from previous years.

c) Pets Corner's 50th Birthday celebration Event

Jackie Davies reminded the Committee that Pets Corner would be holding its 50 Birthday celebration event in the Town Park on Sunday 31 July 2016.

135. **DATE OF NEXT MEETING**

2pm Thursday 17 November 2016, Committee Room 2A

CHAIRMAN OF THE COMMITTEE

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