



James Ellis
Head of Legal and Democratic Services

MEETING : EXECUTIVE
VENUE : VIRTUAL MEETING - VIRTUAL MEETING
DATE : TUESDAY 24 NOVEMBER 2020
TIME : 7.00 PM

MEMBERS OF THE EXECUTIVE

- | | |
|-----------------------------------|---|
| Councillor Linda Haysey | - Leader of the Council |
| Councillor Peter Boylan | - Executive Member for Neighbourhoods |
| Councillor Eric Buckmaster | - Executive Member for Wellbeing |
| Councillor George Cutting | - Executive Member for Corporate Services |
| Councillor Jan Goodeve | - Executive Member for Planning and Growth |
| Councillor Graham McAndrew | - Executive Member for Environmental Sustainability |
| Councillor Suzanne Rutland-Barsby | - Executive Member for Communities |
| Councillor Geoffrey Williamson | - Deputy Leader and Executive Member for Financial Sustainability |

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DISCLOSABLE PECUNIARY INTERESTS

1. A Member, present at a meeting of the Authority, or any committee, sub-committee, joint committee or joint sub-committee of the Authority, with a Disclosable Pecuniary Interest (DPI) in any matter to be considered or being considered at a meeting:
 - must not participate in any discussion of the matter at the meeting;
 - must not participate in any vote taken on the matter at the meeting;
 - must disclose the interest to the meeting, whether registered or not, subject to the provisions of section 32 of the Localism Act 2011;
 - if the interest is not registered and is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days;
 - must leave the room while any discussion or voting takes place.
2. A DPI is an interest of a Member or their partner (which means spouse or civil partner, a person with whom they are living as husband or wife, or a person with whom they are living as if they were civil partners) within the descriptions as defined in the Localism Act 2011.
3. The Authority may grant a Member dispensation, but only in limited circumstances, to enable him/her to participate and vote on a matter in which they have a DPI.
4. It is a criminal offence to:

- fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register;
- fail to notify the Monitoring Officer, within 28 days, of a DPI that is not on the register that a Member disclosed to a meeting;
- participate in any discussion or vote on a matter in which a Member has a DPI;
- knowingly or recklessly provide information that is false or misleading in notifying the Monitoring Officer of a DPI or in disclosing such interest to a meeting.

(Note: The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.)

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AGENDA

1. Apologies

To receive apologies for absence.

2. Leader's Announcements

3. Minutes - 6 October 2020 (Pages 7 - 20)

To approve as a correct record the Minutes of the meeting held on 6 October 2020.

4. Declarations of Interest

To receive any Member(s) declaration(s) of interest.

5. Sustainable Travel Town Bids (Pages 21 - 32)

6. Review of Outcomes of the Parking Task and Finish Group (Pages 33 - 62)

7. Shared Waste Service – Alignment of Commercial Waste and Recycling Services (Pages 63 - 78)

8. Garden Waste Service - Policy (Pages 79 - 102)

9. Gilston Area Community Engagement Strategy (Pages 103 - 136)

10. Hertfordshire Growth Board (Pages 137 - 174)

11. European Regional Development Fund (ERDF) Programme - Launchpad 2 (Pages 175 - 192)
12. Budget 2021/22 and Medium Term Financial Plan 2021 – 2024 Proposals (Pages 193 - 396)
13. Quarterly Corporate Budget Monitor – Quarter 2 September (Pages 397 - 414)
14. 2019/20 Treasury Management Outturn (Pages 415 - 440)
15. 2020/21 Mid-Year Treasury Management Update Report (Pages 441 - 470)
16. Update from Overview and Scrutiny Committee (Pages 471 - 476)

To receive a report of the Committee Chairman.

17. Update from Audit and Governance Committee

Given the publishing requirements of the Executive and the fact that Audit and Governance received the Budget and Treasury reports at their meeting on 17 November the Chairman of Audit and Governance will present a summary to Members.

18. Urgent Business

To consider such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information.

MINUTES OF A MEETING OF THE
EXECUTIVE HELD AS A LIVESTREAMED
MEETING ON TUESDAY 6 OCTOBER 2020,
AT 7.00 PM

PRESENT: Councillor (Chairman/Leader)
Councillors L Haysey, G Williamson,
P Boylan, E Buckmaster, G Cutting,
J Goodeve, G McAndrew and S Rutland-
Barsby.

ALSO PRESENT:

Councillors R Bolton, B Crystall,
M Goldspink, J Jones, M McMullen, T Page,
M Pope, C Redfern, S Reed, P Ruffles,
S Newton, A Ward-Booth and J Wyllie.

OFFICERS IN ATTENDANCE:

Richard Cassidy	- Chief Executive
Rebecca Dobson	- Democratic Services Manager
James Ellis	- Head of Legal and Democratic Services and Monitoring Officer
Jonathan Geall	- Head of Housing and Health
Steven Linnett	- Head of Finance
Jane O'Brien	- Senior Environmental Health Officer (Residential)
Sara Saunders	- Head of Planning

	and Building Control
Helen Standen	- Deputy Chief Executive
Kevin Steptoe	- East Herts Garden Town Lead Officer
Su Tarran	- Head of Revenues and Benefits Shared Service
Paul Thomas-Jones	- Environmental Health Manager - Commercial

179 APOLOGIES

There were no apologies for absence.

180 LEADER'S ANNOUNCEMENTS

The Leader, Councillor Haysey, welcomed all those attending the online meeting, and those observing the livestream. She said she particularly wished to commend Officers at this time. Many residents might not be aware of the extent of work which Officers were accomplishing during these challenging times. She thanked all East Herts Officers for their hard work behind the scenes in developing new initiatives and working practices.

Councillor Haysey reminded Executive Members of the way in which voting would be conducted, using the virtual indicators, and asked that any Member wishing to speak should raise either a "blue hand" symbol, or unmute themselves to ensure no requests to speak were

overlooked.

181 MINUTES

The Leader proposed, and Councillor Cutting seconded, a motion that the Minutes of the meeting held on 1 September 2020 be approved as a correct record and be signed by the Leader. The motion, on being put to the meeting and a vote taken, was declared CARRIED.

RESOLVED – that the Minutes of the meeting held on 1 September 2020, be approved as a correct record and signed by the Leader.

182 DECLARATIONS OF INTEREST

There were no declarations of interest.

183 UPDATE FROM OVERVIEW AND SCRUTINY COMMITTEE

Councillor Wyllie, Chairman of the Overview and Scrutiny Committee, gave a verbal report on the recent meeting of the Committee.

He said the Committee had met on 15 September 2020, and had considered a number of reports, including the Council Tax Reduction Scheme 2021/22, and the policy for enforcing standards for private sector landlords, both of which were items on the agenda for this meeting.

184 UPDATE FROM AUDIT AND GOVERNANCE COMMITTEE

Councillor Pope, the Chairman of the Audit and

Governance Committee, gave a verbal update on the work of the Committee. He said the Committee had last met on 22 September 2020. This meeting had been the last one attended by the outgoing Head of Strategic Finance and Property, Bob Palmer, at which Councillor Pope had placed on record his thanks to him. The Committee had also welcomed the new Head of Strategic Finance and Property, Steven Linnett.

Councillor Pope said the Committee had considered a number of reports including the draft Statement of Accounts for 2019/20 and updates from the Shared Internal Audit Service and Shared Anti-Fraud Service. The external auditor, EY, had reported on progress on the 2019/20 audit, and it was pleasing to note that the auditor anticipated issuing an unqualified audit opinion on the financial statements.

The Committee had also considered the Budget Monitor report for 2020/21 Quarter 1, which was an item on the Executive's agenda, and with which the Committee had no concerns.

Finally, Councillor Pope expressed his gratitude to the former Head of Strategic Finance and Property for his excellent work.

185 EAST HERTS DISTRICT PLAN 2018 – AMENDMENTS TO POLICIES MAP

The Leader submitted a report highlighting three inaccuracies in the adopted East Herts District Plan Policies Map. Further typographical errors had also been identified by a parish council. These minor errors were to changes references to "St. Thomas' burial

ground” to “Perry Green burial ground” in the original report at paragraph 2.5, and to change references to “CLFR1” in Appendix A to the report to “CFLR1”.

The Executive was invited to agree to recommend to Council the amendments to correct the policies map and the minor errors in the original report and appendix.

There being no comments, Councillor Haysey proposed, and Councillor Buckmaster seconded, a motion to support the recommendations in the report and to correct the minor errors specified in this Minute. The motion, on being put to the meeting, and a vote taken, was declared CARRIED.

RESOLVED – to recommend to Council that the amendments at the appendix to the report, and as identified in the above Minute, be noted and approved to form part of the adopted East Herts District Plan 2018 Policies Map.

186 HARLOW AND GILSTON GARDEN TOWN: SUSTAINABILITY GUIDANCE AND CHECKLIST

The Leader submitted a report inviting Executive Members to consider the draft Harlow and Gilston Garden Town (HGGT) Sustainability Guidance and Checklist and seeking agreement that it be published for consultation.

Councillor Haysey said the Guidance and Checklist was to be used by applicants and partner authority Officers to ensure consistent standards of masterplans, pre-application proposals, planning applications and

discharge of conditions applications.

There being no comments, Councillor Haysey proposed, and Councillor Buckmaster seconded, a motion to support the recommendations in the report. On being put to the meeting, and a vote taken, the motion was declared CARRIED.

RESOLVED - that the draft Harlow and Gilston Garden Town Sustainability Guidance and Checklist be agreed for a six week period of public consultation between October and December 2020.

187 POLICIES FOR ENFORCING STANDARDS FOR PRIVATE SECTOR LANDLORDS

Councillor Boylan, the Executive Member for Neighbourhoods, submitted a report seeking that the proposed new policies on housing standards enforcement and the adoption of powers introduced in the Housing and Planning Act 2016 be recommended to Council for adoption. The policies had been developed with other local authorities across Hertfordshire and Bedfordshire. The Overview and Scrutiny Committee had considered the proposals and had made a number of helpful comments which had been taken into account.

Councillor Boylan thanked Officers, and in particular the Senior Environmental Health Officer. Councillor Buckmaster said he hoped there would be no need to implement the policies, as they included some significant powers. However, he welcomed the fact that the policies would ensure use of the penalties was

done in a consistent and transparent way.

Councillor Boylan proposed, and Councillor Goodeve seconded, a motion to support the recommendations in the report. On being put to the meeting, and a vote taken, the motion was declared CARRIED.

RESOLVED – to recommend to Council that (a) the following proposed new policies, as attached at the appendix to the report, relating to housing standards enforcement, using powers introduced in the Housing and Planning Act 2016, be adopted:

- (i) issuing of civil penalties;
- (ii) applications for rent repayment orders;
- (iii) applications for banning orders; and
- (iv) use of the Rogue Landlords and Property Agents Database.

188 COUNCIL TAX REDUCTION SCHEME 2021/22

Councillor Williamson, the Executive Member for Financial Sustainability, submitted a report on the annual review of the local Council Tax Support scheme, which asked Executive Members to consider the latest available information on the scheme, and to consider whether any changes should be made for 2021/22.

Councillor Williamson said the report set out the history of the scheme at East Herts and summarised the current scheme for 2020/21. The scheme replicated the previous Council Tax Benefit scheme, but limited the Council Tax liability which was used to assess entitlement to 91.5% for working age customers.

Councillor Williamson said the scheme was reviewed each year. Since its introduction, the same level of assessment had been maintained. It was necessary to be aware that making any change would come with risks, such as reducing income for the Council and precepting authorities, or, if entitlements were reduced, causing hardship. Any change would require modelling and consultation. Therefore the recommendation was to continue the current scheme.

There being no comments, Councillor Williamson proposed, and Councillor Rutland-Barsby seconded, a motion to support the recommendation in the report. On being put to the meeting, and a vote taken, the motion was declared CARRIED.

RESOLVED – to recommend to Council that the current local Council Tax Support Scheme be continued for 2021/22.

189 QUARTERLY CORPORATE BUDGET MONITOR - Q1 JUNE 2020

The Executive Member for Financial Sustainability, Councillor Williamson, welcomed Steven Linnett as the Council's new Head of Strategic Finance and Property and Section 151 Officer.

Councillor Williamson then submitted a report on financial monitoring for the first quarter of the current financial year. He said this had been a time of considerable financial uncertainty, during which many of the Council's core funding streams had been affected adversely. Without Government help the

position would have been worse. The report indicated a forecast outturn of an overspend of £100,000, with capital expenditure on target, with only a comparatively small amount of £100,000 to be carried forward to future years. The report asked Executive Members to note the net revenue budget forecast overspend and revised capital budget.

Councillor Williamson invited questions.

Councillor Redfern referred to the review which had been resolved upon at the previous meeting, regarding the Capital programme and updated business cases for major projects as part of the budget setting process. She said it was important that such updated business cases be submitted to the Council. It was necessary to decide whether the major projects were viable, and would not burden Council taxpayers if estimated incomes failed to materialise. She asked that the Executive agree that the revised business plans be brought to Council as soon as possible.

Councillor Williamson said work on the business case for the projects had been taking place for some time, in relation to various scenarios including Brexit and Covid-19. Such work was nearing completion, and indications were that the financial position for the Council was still positive. Budget setting would be conducted for next year, and the review would be made available soon.

Councillor Goldspink welcomed the review of the business case for the major projects, and asked when they would be made available. Councillor Williamson said that the information would be shared with all

Members as soon as possible.

Councillor Williamson then proposed, and Councillor Goodeve seconded, a motion to support the recommendations in the report. On being put to the meeting, and a vote taken, the motion was declared CARRIED.

RESOLVED - that (A) the net revenue budget forecast overspend of £100K in 2020/21 be noted as shown in Table 1 of the report; and

(B) the revised capital budget for 2020/21 is £73.985m, of which £100K is estimated to be carried forward to future years, be noted.

190 USE OF COMPULSORY PURCHASE (CPO) POWERS IN THE GILSTON AREA

The Leader submitted a report on use of compulsory purchase order powers in the Gilston area. She explained that the appendices to the report contained exempt information and as such were restricted from public discussion, due to the fact that they contained the details of landowners. If Members wished to consider those papers, the meeting would need to exclude the public and press by switching off the livestream and recording.

Councillor Haysey said the report proposed a recommendation to Council to agree in principle that it would make use of the compulsory purchase order powers available to it, to secure land to deliver transport infrastructure in the Gilston area and the wider strategic planning benefits referred to in the

report. The powers would be used only if the land could not be acquired by negotiation.

There being no comments, Councillor Haysey proposed, and Councillor Williamson seconded, a motion supporting the recommendations in the report. On being put to the meeting, and a vote taken, the motion was declared CARRIED.

RESOLVED - (A) to recommend to Council that, in principle, (and subject to Harlow District Council resolving to follow the same course of action) the Council be prepared to use powers available to it under section 226(1)(a) of the Town and Country Planning Act 1990 to compulsorily purchase land in the Gilston area, as generally shown on the plans at Appendix 1 to the report, to enable the construction of transport infrastructure to support the delivery of the Gilston Area allocation in the East Herts District Plan (The Gilston Area Allocation) and the achievement of the wider strategic planning benefits referred to in the report;

(B) that the Executive delegates authority to the Head of Legal and Democratic Services, in consultation with the Head of Planning, to enter into a Compulsory Purchase Order Indemnity Agreement (CPO IA) in relation to this matter, on behalf of the Council; and

(C) that the Executive and Council note that Officers will undertake the work needed to prepare for a possible Compulsory Purchase Order (CPO) together with the associated

documentation and, if necessary, will bring a further report back to the Executive and Council seeking authority to make a CPO.

191 EXCLUSION OF PRESS AND PUBLIC

Councillor Haysey proposed, and Councillor Boylan seconded, a motion to exclude the press and public from the meeting during the discussion of the next item, on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972, in that disclosure could compromise a proposed exercise of compulsory purchase order powers.

On being put to the meeting, and a vote taken, the motion was declared CARRIED.

RESOLVED – to exclude the press and public from the meeting during the discussion of the next item, on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972, in that disclosure could compromise a proposed exercise of compulsory purchase order powers.

192 COMPULSORY PURCHASE ORDER REQUEST - OPTIONS APPRAISAL PROCESS

The Executive Member for Financial Sustainability submitted a report setting out the context for a request that Officers explore options in response to a request to exercise compulsory purchase order

powers.

Members considered the proposals and noted that a report would be brought back for further consideration.

Councillor Williamson proposed, and Councillor McAndrew seconded, a motion to support the recommendations in the report. On being put to the meeting, and a vote taken, the motion was declared CARRIED.

RESOLVED - that the recommendations in the report containing exempt information be approved, in that Officers be authorised to explore Compulsory Purchase Order options and report back to Executive and Full Council.

The meeting closed at 7.33 pm

Chairman
Date

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East Herts Council Report

Executive

Date of Meeting: 24 November 2020

Report by Executive Member for Environmental Sustainability

Report title: Sustainable Travel Town Bids

Ward(s) affected: All Ware, All Hertford, All Bishop's Stortford,

Summary

RECOMMENDATIONS FOR EXECUTIVE, it be recommended to Council that:

- (a)** In principle, East Herts Council supports the aspirations of LTP4 and the Sustainable Travel Town criteria
- (b)** East Herts Council will, in principle, support towns wishing to submit bids for Sustainable Travel Town status

1.0 Proposal(s)

- 1.1 That East Herts Council support the aspirations within Hertfordshire Council Councils Local Transport Plan 4 (LTP4) and the principles relating to the conditions for Sustainable Travel Town

2.0 Background

- 2.1 As part of the delivery of the Local Transport Plan (LTP4) adopted by Hertfordshire County Council (HCC) in 2018 a Sustainable Travel Town programme has been developed by HCC.

- 2.2 Organisations across Hertfordshire were invited to submit an outline bid to become a Sustainable Travel Town to HCC. A total of eight bids across Hertfordshire were received.
- 2.3 Across East Hertfordshire three bids were submitted by interested parties, covering the towns of Bishop's Stortford, Ware and Hertford.
- 2.4 East Herts Council has been asked to support the bids made. There are numerous conditions that the council will need to support and prioritise and needs to consider whether *in principle*, the aspirations are supported. This is likely to be a long term programme spanning a number of years.
- 2.5 The Hertfordshire County Council panel is due to meet in December 2020. Successful bidders will be notified following the meeting.
- 2.6 All submissions are required to have the support of the district council where the council is not the promoter. This is essential as many of the key elements required, such as car parking enforcement, car parking charges and spatial planning, are the responsibility of the council and would in all likelihood require the council to amend its policies.
- 2.7 Once a scheme has been selected by the HCC Panel, a memorandum of understanding will be developed between HCC and the successful applicant(s) which will establish the agreed principles of the types of measures districts councils will need to support as part of the Sustainable Travel Town programme. Following this, a comprehensive project plan will be developed with the district councils to establish the aims of the scheme, and support the towns with the programme of delivery and the monitoring and reporting arrangements.
- 2.8 Hertford Town Council met to discuss the conditions directly with HCC officers and portfolio holder. They made a written

response to HCC which can be found at **Appendix B**.

3.0 Reason(s)

3.1 Due to the numerous conditions (which can be found at **Appendix A**) consideration needs to be given to the willingness and ability to *in principle* support all conditions such as Parking requirements:

- To ensure that there is no free parking in town centres.
- To ensure that there is no net gain in parking spaces both on-street and in off-street facilities.
- To demonstrate how existing parking restrictions will be enforced, and to support the implementation of new restrictions where these will make conditions more attractive for pedestrians, cyclists or buses.

3.2 and Planning requirements:

- To deliver car-free development wherever possible, and to reduce parking standards in all other new developments where it can be clearly demonstrated that car-free cannot be delivered.

4.0 Options

4.1 The council could choose not to support the aspirations, but this would result in the town bids being unsupported and therefore not meeting the basic criteria

4.2 The principles align with the corporate plan:

Sustainability at the heart of everything we do

- We will make changes to how the council manages its own premises, people and services

- We will use our regulatory powers to promote action by others
- We will influence and encourage others to be more environmentally sustainable

4.3 Officers are asked to have open dialogue and discussion with HCC to reach an acceptable list of criteria for the programme

5.0 Risks

5.1 In the current economic climate, it may be considered that there is a conflict with our Corporate Plan ambitions. Businesses may see the removal of free parking in the town centres as a barrier to growth. For this reason in principle support is recommended.

Encouraging economic growth

- We will develop new sources of income
- We will support businesses growth
- We will create viable places

5.2 The decision to charge for all car-parking (no free time), including on street parking which is currently free may not be popular with residents. It is unclear if this charging policy would also apply to disabled users or whether exemptions would be possible.

5.3 On the flip side, it may increase income from parking charges and enable more investment in growing the local economy. And/or provide revenue to deliver or subsidise sustainable transport measures to aid their viability.

6.0 Implications/Consultations

6.1 The council has been approached by Hertford Town Council

and the Ware Neighbourhood Planning Group, requesting that we support their bids. The Bishop's Stortford bid was submitted by Shaping Stortford on behalf of East Hertfordshire District Council.

- 6.2 The member Parking Task and Finish group is making recommendations that support the sustainability agenda and will encourage more walking and cycling as the preferred methods of travel where possible.

Community Safety

Yes/No

Data Protection

Yes/No

Equalities

Yes/No

No differences between residents in the protected characteristics in terms of car use, public transport use, economic position (and thus impact of reduced free parking)

Environmental Sustainability

Yes/No

LTP4 and the Sustainable Travel Town principles contribute to environmental sustainability through encouraging more sustainable means of transport

Financial

Yes/No

There will need to be changes to signage across the District as well as new signage and means of charging where free on street parking currently exists. This is to be determined. It is expected that costs will be recovered from the additional charges.

Health and Safety

Yes/No

Human Resources

Yes/No

Human Rights

Yes/No

Legal

Yes/No

Specific Wards

Yes/No

7.0 Background papers, appendices and other relevant material

7.1 **Appendix A** – STT – District/Borough Criteria

7.2 **Appendix B** - Letter from Hertford Town Council to Hertfordshire County Council

Contact Member

Councillor Graham McAndrew, Executive Member for Environmental Sustainability. graham.mcandrew@eastherts.gov.uk

Contact Officer

Helen Standen, Deputy Chief Executive, Tel: 01992 531405.
helen.standen@eastherts.gov.uk

Report Author

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Requirements for Districts / Boroughs to Enable Sustainable Travel Towns

District / borough councils will be required to sign up to fully delivering / supporting the following actions in order that a sustainable travel town in their area can be considered for entry into the programme:

Parking Measures

- To ensure that there is no free parking in town centres.
- To ensure that there is no net gain in parking spaces both on-street and in off-street facilities.
- To demonstrate how existing parking restrictions will be enforced, and to support the implementation of new restrictions where these will make conditions more attractive for pedestrians, cyclists or buses.

Planning

- To deliver car-free development wherever possible, and to reduce parking standards in all other new developments where it can be clearly demonstrated that car-free cannot be delivered.
- To ensure that new housing and employment developments have high quality walking and cycling routes to existing facilities such as shops and health centres.
- To ensure that new housing and employment developments make full provision to accommodate bus services.
- To enable the delivery of park and ride facilities where appropriate.

Highway Measures

- Support the re-allocation of road space away from the private car to enable measures such as bus lanes, cycle lanes, high-occupancy vehicle (HOV) lanes and wider footways to be delivered.
- Support trials of road closures (part-time or full-time) and the subsequent permanent implementation where trials are successful.
- Support the implementation of bus priority measures such as bus lanes and priority at traffic lights.
- Support the delivery of new cycle routes and other cycling infrastructure, including in town centres.
- Support the adjustment of signal-controlled crossings to give greater time to pedestrians and cyclists.
- To provide or enable high quality signing and other wayfinding infrastructure, including trials of electronic wayfinding tools.

Other Measures

- To commit to the use of S.106 and CIL (Community Infrastructure Levy) receipts to help deliver the sustainable travel town measures.
- To bid for other funding streams open to districts / boroughs which could be used to fund sustainable travel town measures.
- To provide or enable additional seating in town centre locations and on key routes to trip attractors.
- To use district / borough resources (e.g. websites and publications) to support the promotion of active travel campaigns.

- To support the use of new technology to influence travel behaviours (for the positive encouragement of sustainable transport and/or the discouragement of single-occupancy car travel).
- To give a high priority to the cleaning of footways and the public realm.

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HERTFORD TOWN COUNCIL

County Councillor Derrick Ashley
Executive Member for Growth, Infrastructure, Planning and Economy
Members Support
Postal Point CHO147
Hertfordshire County Council
County Hall
Pegs Lane
Hertford SG13 8DN

11th September 2020

Dear Councillor Ashley

SUSTAINABLE TRAVEL TOWN PROGRAMME – HERTFORD TOWN COUNCIL BID

Thank you for your letter of 7 August 2020 and the information it enclosed. Thank you also for your time when you attended the zoom meeting with Town Councillors on Wednesday 9 September 2020.

The Council has given careful consideration to your letter and in particular the list of criteria that the District and Borough Councils would be required to sign up to if they choose to continue to support bid(s) from Town and Parish councils/other organisations in their administrative areas.

Hertford Town Council remains very supportive of the Sustainable Travel Town Programme in delivering the aims of the Local Transport Plan to increase sustainable transport across Hertfordshire.

However, whilst the Town Council has not been asked to comment on or agree the District and Borough criteria, as the submitter of the Hertford STT bid, the Council wishes to provide some comments on the criteria.

The Council is concerned at criteria in relation to parking measures and planning.

As was discussed in the zoom meeting, a blanket ban of free parking in Hertford Town Centre needs very careful consideration as the county town seeks to meet the challenges presented by the Covid-19 pandemic.

The other criterion that causes concern is the requirement to deliver car free housing and to reduce parking standards in new developments when car free housing cannot be delivered. Overspill parking to surrounding streets may occur and

as such create problems for existing residents and businesses in Hertford. Inappropriate parking does on occasion lead to reduced highway safety when sight lines at junctions are reduced by verge parking of vehicles.

Counter Proposal

To mitigate these concerns the Council wishes to take up the positive offer made at the zoom meeting to offer a counter proposal for these elements of the criteria.

Town Centre Parking

It is suggested that a study/review of town centre on street parking can form a committed part of an STT programme for Hertford. The study can undertake a thorough review of parking locations and dwell times (how long the space is used for) and also engage with users to determine their appetite/likely response if town centre on street parking were to start to incur a nominal charge for its use.

The outcome of the study would be considered and appropriate measures be introduced in the STT programme.

Parking at New Development

Successful car free housing schemes rely on two underpinning principles; firstly that there is a full range of services and facilities within convenient walking or cycling distance from the housing site and that on street parking control (CPZ) surround the physical development site.

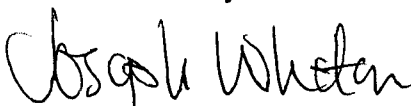
As such it is suggested that East Herts District Council could undertake a study on the viability of car free housing in Hertford that would inform the District Plan review or review of development standards for parking in new development.

Any changes to development parking standards or the introduction of car free housing would inform the STT programme and should not necessarily hold up the award of programme entry.

The STT programme can begin to develop and implement a range of positive and encouraging measures that will lead to greater use of sustainable travel modes in Hertford.

The Council looks forward to the outcome of the Growth, Infrastructure, Planning and Economy Cabinet Panel being held on 8 October 2020.

Yours sincerely



Joseph Whelan

East Herts Council Report

Executive

Date of Meeting: 24 November 2020

Report by: Executive Member for Environmental Sustainability

Report title: Review of Outcomes of the Parking Task and Finish Group

Ward(s) affected: All

Summary

To present to the Executive on the outcome of work of the parking task and finish group in the context of the medium term financial plan.

RECOMMENDATIONS for EXECUTIVE:

(a) the findings of the review of the parking task and finish group recommendations be received and considered.

(b) To approve the cessation of the following recommendations within the Parking Task and Finish group report:

- a. Recommendation 3: improve the accessibility and availability of short stay parking including an increase to the number of limited waiting, free bays where possible, throughout the town.
- b. Recommendation 10: Support Parish council the lobbying for an increase in the number of parking spaces in the station car park.
- c. Recommendation 17: The Council to challenge station car park operators to reduce their charges to reflect closer to the all-day charge in East Herts town centre car parks.

(c) To approve the following recommendations for deferral:

- a. Recommendations 1: Design and implement measures to encourage rail commuters to park in station car parks
- b. Recommendation 16: Revise the designation of Council owned car parks

(d) To note that the following recommendations will be incorporated in service plans for officers to monitor, reporting periodically to the portfolio holder for parking:

- a. Recommendation 2: Revise the designation of Council owned car parks
- b. Recommendation 6: Review Blue Badge provision in Council-owned car parks
- c. Recommendation 9: Implement a permit parking scheme for town centre workers
- d. Recommendation 11: Lobby for improved cycle parking facilities and improved public transport
- e. Recommendation 13: Establish EV charging bays in EHDC car parks
- f. Recommendation 15: Implementing and lobbying for sustainability improvements including solar canopies, on-street EV charging and car clubs.

(e) To refer the amendment in the Residential Parking Zone policy as described in paragraph 2.24 and Appendix A to Council for adoption.

1.0 Proposal(s)

- 1.1 It is proposed that the Executive considers the review of the recommendations of the Member Task and Finish Group established by the Overview and Scrutiny Committee, which cover the following issues related to the council's Parking Policy:

- 1.1.1 Town Centre Parking

- 1.1.2 Resident Parking Zone (RPZ) policy

1.1.3 Climate change/ sustainability implications of parking policy.

1.2 It is proposed that the updated RPZ policy is referred to Council for approval as described in paragraph 2.22

2.0 Background

2.1 In 2019 the Overview and Scrutiny Committee set up a Member Task and Finish Group to consider parking matters. At its meeting on 10 December 2019 the Overview and Scrutiny Committee received a report from this Group outlining its findings and recommendations for further consideration. This report was received by the Executive on 11 February 2020, with the following recommendations approved:

(A) the findings of the Overview and Scrutiny Committee Parking Task and Finish Group be received and considered, and

(B) Authority be delegated to the Head of Operations, in consultation with the Chairman of the Overview and Scrutiny Committee and Chairman of the Parking Task and Finish Group, and with the Executive Member for Environmental Sustainability, to assess the full viability of the recommendations and bring a further report to the Executive setting out cost implications.

This section of the report will review each of the recommendations in the context of cost, operational delivery implications and the objectives of the corporate plan (Sustainability, Enabling communities, Economic growth and Digital by Design). Updated recommendations will provide the following outcomes:

- **Complete:** for those items with no further actions
- **Cease:** for items that either no longer apply or recommended to stop
- **Monitor:** for items that will be built into officer service/work

plans for monitoring

- **Defer:** pausing items due until parking behaviour stabilises
- **Refer:** items that can be referred to Council for approval

Town Centre Parking Policies (Part 1- Bishop's Stortford)

2.2 **Recommendation 1:** Design and implement measures to encourage rail commuters to park in station car parks rather than Council owned facilities on the basis that this will increase the availability of town centre parking spaces for town workers and shoppers.

2.3 **Review:**

Work to date:

Prior to lockdown, work was being developed to propose an uplift to the “all day” car parking tariff which would have matched station car park prices, in some areas this could be £10 per day. The impact of this could have a) deterred commuters from parking in EHDC car parks and park closer to the station by using the station car parks and b) ensure that commuters using EHDC car parks paid a premium for the parking space, income from this would have supported a discount scheme for town centre workers.

Updated costs:

The set up cost for such a scheme would include a Traffic Regulation Order (TRO), updated tariff board, re-programming for pay and display machines and pay by phone service. The total set up costs would be in the region of £65,000. Though the income generated from such a scheme could offset the set up costs and ongoing revenue implications from enforcement, in the current climate of working from home due to Government guidance as a response to Coronavirus and with long stay car parking occupancy at only 15% it would be prudent to re-assess the need for such a scheme when a “new normal” is

established.

SEED Review:

This work supports the “encouraging economic growth in Town Centres” theme of the corporate plan by providing a way to fund town worker discount.

Updated Recommendation:

Defer – officers to continue to monitor the use of long stay car parks in EHDC and re-assess long stay parking demand prior to the 2022/23 budget setting process.

- 2.4 **Recommendation 2:** Revise the designation of Council owned car parks, placing most long stay provision at the edge of the town centre with charges set at a level that supports town centre workers in particular.

2.5 Review:

Work to date: Most of the long stay car parks in Bishop’s Stortford are at the peripheral areas of the town already with Elm Road car park having a lower tariff to direct usage for long stay users. Apton Road and Link Road car park are currently mixed used car parks which has the potential to change to short stay car park. However, with the new Northgate Gate End (NGE) car park due to open in February 2022, it would be more beneficial to review the designation of car parks in Bishop’s Stortford in line with the finalised car park management plan of the new NGE car park which is due to be completed imminently.

Updated Costs:

This is a significant piece of work in relation to officer time which can be absorbed within the current resourcing levels if there are no other projects going live at the same time. Should the review result in changes to designation the cost for this is approximately £18,000 which includes the cost of a TRO, change in signage and programming with no guaranteed

increase in income. As the new Northgate End car park will require a TRO it is recommended this work is carried in simultaneously to minimise costs and ensure the car parking provision within EHDC assets are effective.

SEED Review:

This work supports the “encouraging economic growth” in Town Centres theme of the corporate plan.

Updated Recommendation:

Monitor - Review the designation of car parks in Bishop’s Stortford in conjunction the car park management proposals for Northgate End car park.

- 2.6 **Recommendation 3:** In parallel with (recommendation 2), improve the accessibility and availability of short stay parking in the town centre with the aim of promoting the town’s economic wellbeing. This to include an increase to the number of limited waiting, free bays where possible, throughout the town.

2.7 **Review:**

Work to date:

Following the introduction of social distancing measures in town centres and pedestrianised areas, limited waiting bays are currently restricted and therefore this work may need to be revisited once the parking behaviour has stabilised. However, the creation of “more” parking provision and free parking bays goes against the Council’s sustainability agenda. The removal of free parking will be reviewed as part of a wider piece of work regarding sustainable travel town status.

Updated Costs:

Should this be implemented the cost of changes would be dependent on the number locations included in the TRO. Broadly, this would include the cost of a TRO and change to signage and increased enforcement presence.

SEED Review:

In order to balance the sustainability objectives of the Council and economic viability of towns, clear parameters and priorities need to be set including:

- Minimising the creation of free parking provision
- Utilising the Council's current parking provision (including NGE) to promote the economic viability of town centres i.e. designation and pricing.

Updated Recommendation:

Cease - Improving the accessibility of short stay provision can be created by the review of designation in recommendation 2. As this recommendation creates the provision of "more" free parking, it is recommended that this item is not adopted.

2.8 **Recommendation 4:** Introduce a permit scheme for employees of town centre businesses to incentivise them to park away from the town centre (through the shared use of Resident Permit Zones (RPZ) where possible).

2.9 This recommendation is reviewed within the RPZ recommendation section of this report.

2.10 **Recommendation 5:** Better publicise the existing on-street business permit scheme in the 'Chantry' RPZ, widen the criteria for eligibility for permits and offer more flexible payment terms such as monthly/quarterly payment options.

2.11 Review:

Work to date – Complete

Further communications and marketing of this scheme took place prior to lockdown. The eligibility criteria was widened and the annual payment was offered at a 6 monthly instalments. Take up is still low which could be impacted by more people working from home or that the payment options requiring further flexibility. Promotion of this scheme will take place on a periodic basis.

Updated Costs:

Currently the Council's payment system does not cater for direct debit payments outside the Council tax system. Should this be available at a later stage the payment mechanism can be adjusted. Any manual work arounds for this will incur increased administration which would impact the price of the permit.

SEED Review:

This work supports the "encouraging economic growth in Town Centres" theme of the corporate plan.

Updated Recommendation:

Complete - No further action required.

- 2.12 **Recommendation 6:** Review Blue Badge provision in Council-owned car parks with a view to moving towards the 6% proportion recommended by the DfT where there is demonstrable demand.

- 2.13 Review:

Work to date:

A review of blue badge provision within East Herts Council car parks demonstrated that blue badge bays make up approximately 3% of bays. Also as blue badge holders are able to park in any parking bay for free there has been no demand from the public to increase the number of bays. A number of blue badge bays are underutilised. The Parking Service will continue to monitor usage of blue badge bays and respond accordingly to any changes in demand.

Updated Costs:

N/A

SEED Review:

This item supports the "enabling communities" work strand of the corporate plan.

Updated Recommendation:

Monitor.

Town Centre Parking Policies (Part 2 - Hertford)

2.14 **Recommendation 7:** Improve the quality and quantity of on-street directional signage to the town's car parks. Including the use of digital availability signage where possible (use of S106 from developments to fund this)

2.15 Review:

Work to date/ Updated Recommendation: Complete – No further action.

2.16 **Recommendation 8:** Support offering town centre workers use of the Wallfields staff car park at weekends due to the additional pressure on parking in Hertford at present arising from the temporary loss of the Bircherley Green multi-storey car park.

2.17 Review:

Work to date/ Updated Recommendation: Complete – no further action

2.18 **Recommendation 9:** Implement a permit parking scheme whereby town workers can park at a lower charge in lesser used, edge of town car parks.

2.19 Review:

Work to date:

A town worker permit scheme is underpinned by the Information Technology (IT) infrastructure required to manage it or else a manual work around would incur additional costs which would impact on the cost to the user making the "lower charge" insignificant. Work continues in this area to negotiate costs and find a suitable solution.

Updated Costs:

To be confirmed at a later date.

Updated Recommendation:

Monitor - It is recommended that this item is continued to be monitored.

Parking Policies in Other Towns

2.20 Recommendation 10: Support the Parish Council in an approach to the provider of the free car park at Watton at Stone station, requesting that they increase the number of parking spaces in the station car park.

2.21 Review:Work to date/ SEED Review:

Given that this is a request for further/new free parking, this recommendation does not align with the Council's sustainability agenda nor does it meet other strands of the corporate plan. It is recommended that item is no longer pursued.

Updated Recommendation:

Cease- continue to understand parking pressures for alternative solutions

2.22 Recommendation 11:

The following recommendations have been reviewed as one as they simply commit the Council to lobby for improvements in public transport provision with providers where appropriate to do so. No further action is required in this area.

11A) Encourage the provision of improved, secure bicycle parking facilities at ALL stations.

11B) Encourage the delivery of improved public transport, including 'on demand' services that will link with train arrivals and departures and serve the needs of residents of outlying villages who currently have to drive to St Margarets or Watton at Stone to catch the train.

Resident Permit Zone (RPZ) Policy

2.23 **Recommendation 12**, this consolidates all the principles regarding RPZs suggested in the task and finish including:

A) Review the current RPZ Policy and Operational Guidance, in part to create more favourable eligibility criteria and terms on which new schemes might be awarded and operate.

B) Require that through their design, new RPZs maximise parking availability to non-resident motorists on a managed basis where this can be achieved at little or no detriment to residents (to include the creation of permit-based parking for business workers where appropriate).

C) Require that the implications of a proposed RPZ for the wider parking and traffic management situation in the town be fully understood and appropriate mitigations identified before that scheme is granted.

D) Require that scheme set-up costs are recouped over a defined number of years through the permit charge levied against residents within that RPZ.

E) As a quid pro quo for agreeing to the above, the permit charge to residents to be offset by the revenue generated from the sale of permits to businesses and their staff.

2.24 Review:

Work to date:

The proposed principles for recommendation 13 A-D can be supported however expectations need to be managed within the current resources. Principles that need to be agreed include:

- No more than two RPZs can be investigated and processed at any given time which will be on a first come first serve basis.
- All set up costs associated with the RPZ must be covered within the permit price and re-couped within 4years with ongoing permit costs thereafter covering all revenue costs.

- The permit price will be issued as part of the consultation so residents can make an informed decision.
- All RPZ permit prices need to be reviewed as part of the Council's Medium term financial plan.
- Should external funding be sourced, this may impact the price of the RPZ however not the time taken to process. Given the Council's financial strategy, it is not recommended that additional resources in terms of officer time be sought to process additional RPZs.
- Recommendation E, should not be adopted as it does not account for the additional administration required to process adjusted pricing in accordance with business/non-resident permit take up. Also the Chantry RPZ scheme would suggest that a shared scheme may not always be popular despite the rationale being sound.
- In all cases/requests, officers will liaise with members to explore a more strategic approach to RPZs to minimise the impact of displacement. This will prevent the piecemeal approach to RPZs to help manage expectations.
- Should a RPZ request be refused, the same street/road will not be revisited for a minimum of 2 years.

Updated Costs:

- The cost of each RPZ will differ depending on the size of it. A "small scale" RPZ would be in the region of £10,000.

Updated Recommendation:

Refer - Changes to the policy and operational guidance can be recommended to Council for approval subject to the changes listed in 2.24. These can be found in Appendix A

Climate Change/Sustainability and Parking Policy

2.24 Recommendation 13: Establish an initial 5% of bays in EHDC

car parks as electric vehicle (EV) charging bays and commit to increasing this proportion in anticipation of growing demand.

2.25 Review:

Work to date:

An audit of all EHDC car parks has taken place and determined the following in relation to the number of Electric Vehicle bays:

- 4 general EV bays in Gascoyne Way Multi Storey, Hertford
- 4 in Causeway, Bishop's Stortford.
- 5 EV "pool cars": X2 in Causeway, Bishop's Stortford and X3 in Wallfields, Hertford.
- 3 scheduled for Bell Street, Sawbridgeworth in the near future.

Subject to successful external funding EV provision could be expanded to:

- Buntingford
- Stanstead Abbots
- Other off street provision in Hertford
- Grange Paddocks, Stortford

The new Northgate End MSCP will have 54 EV bays.

SEED Review:

This supports the sustainability and enabling our communities theme of the corporate plan.

Updated Recommendation:

Monitor - this item will be incorporated into the sustainability action plan of the corporate strategy and actioned where external funding is available.

2.26 **Recommendation 14:** Place a time limit on the use of EV

charging bays to ensure an appropriate turnover of qualifying vehicles.

2.27 Review:

Work to date/Updated Recommendation:

Complete. A 3 hour maximum stay has been successfully advertised under a TRO. The infrastructure should be implemented before the end of December 2020. No further action required on this item.

2.28 Recommendation 15: the following 5 recommendations will be treated as one:

- A) Consider the erection of solar canopies where appropriate to generate electricity for possible sale to the National Grid.
- B) Support an investigation into options for the creation of on-street EV charging facilities, for example from lamp posts and raised kerbs.
- C) Support the use of electric bicycles through the provision of dedicated charging facilities, including around stations
- D) Encourage the implementation of car clubs, ideally electric, alongside new residential developments plus the installation of additional electric vehicle charging points throughout the town.
- E) Ensure public transport services are commissioned and operational at the same time as major new residential developments are occupied, to encourage new residents to shift towards public transport use as a first choice.

2.29 Review:

Work to date:

Further work needs to be carried out to assess the suitability of installing solar canopies in EHDC car parks ensuring the cost of these is balanced by the savings created in electricity use in the car parks.

The current on-street infrastructure is not designed to generate the level of electricity required for EV charging points without retro-fitting which could require the need for new substations in some areas. Street lighting is not an EHDC asset however the Council can retain an influencing role in this. Through the Council's supplementary planning document (SPD) for sustainability the Council's policy expands on the requirements for sustainable design and zero and low carbon development in East Herts. The policy expects new developments to achieve a high standard of design and electric vehicle charging points.

In terms of public transport the Council will continue to have an influencing /lobbying role in this area.

Updated Costs:

Solar canopies to be explored further.

SEED Review:

This supports the sustainability agenda of the corporate plan.

Updated Recommendation:

Monitor this work through the sustainability action group of the corporate plan.

- 2.30 **Recommendation 16:** Implement variable message signage (VMS) to direct motorists to car parks with available spaces (and where appropriate to the location of those spaces within a car park). This is aimed at bearing down on the problem of vehicles searching for available spaces which is known to contribute significantly to air pollution in town centres.

2.31 Review:

Work to date:

Officers have received an initial quote for this work for Bishop's Stortford town centre which is approximately £100,000. It is recognised that this is a substantive piece of work and that within the current climate that this work should be revisited when parking behaviour has stabilised. In the meantime, it is

anticipated that following the national lockdown; the run up to the Christmas period could be busy and as a “work around” officers will engage with the parking contractor to explore whether Civil Enforcement Officers would take on a stronger marshalling role in and around car parks to reduce congestion in town centres at key times.

Updated Costs:

£100,000 for Bishop’s Stortford. A scheme in Hertford is comparable in scope and would be a similar cost. Where external funding is available through section 106 this will be explored by officers.

Updated Recommendation:

Defer this work until parking behaviour stabilises and use the current enforcement resources to marshal areas periodically during traditionally busy times in the year.

Other Recommendations:

2.32 Recommendation 17:

The Council to instruct that a letter be sent to station car park operators challenging their current parking charges and requesting that they be reduced to something closer to the prevailing all day charge in our town centres.

2.33 Review:

Work to date:

Given that parking occupancy in EHDC long stay car parks is currently underutilised this recommendation can be put on hold. However, the likelihood of the letter having any impact is highly unlikely as it will impact the station car park providers income. Recommendation one seeks to *“Design and implement measures to encourage rail commuters to park in station car parks rather than Council owned facilities on the basis that this will increase the availability of town centre parking spaces for town workers and shoppers”*; using pricing as a way to change

behaviour, may be more beneficial and feasible for the EHDC to consider increasing long stay parking to match station car park tariffs to deter use.

Updated Costs: N/A

SEED Review:

This recommendation does not align with the corporate plan.

Updated Recommendation:

Cease moving this recommendation forward and revisit long stay parking when parking behaviour stabilises.

- 2.34 **Recommendation 18:** Residents to be encouraged to notify Manchester Airport Group (MAG) of 'airport parking' problems and the Council to be encouraged to publicise the number and website as widely as possible using its own website, social media and other forums.

2.35 Review:

Work to date/Updated recommendation:

Complete. Periodic communications on this will go out on social media.

Recommendations for Further Scrutiny

- 2.36 **Recommendation 19:** the following recommendations have been consolidated.

- A)** Policies and strategies to address 'airport parking' in primarily residential streets (primarily in Bishop's Stortford).
- B)** Policies and strategies to address commuter parking in primarily residential streets.
- C)** Policies and strategies to address the problem of overnight HGV parking in town centres and primarily residential streets.

2.37 Review:

Recommendations 19 A) and B) are primarily dealt with via RPZs. Limited short stay and waiting restrictions can be

implemented where appropriate in liaison with the County Council.

Recommendation C) will need to be monitored as there is currently no substantial evidence to suggest overnight HGV parking in centres is an issue. Should evidence be gathered on this the Council could explore a larger vehicles ban.

Updated Recommendation:

Monitor HGV overnight parking.

2.37 A Summary of the review of recommendations can be found in the table below.

Recommendation/ Short name	Updated Costs	S	E	E	D	Review Outcome
1. Commuter Parking	£65,000			✓		Defer
2. Designation Review - BS	£18,000			✓		Monitor
3. Limited and free bay provision	£10,000					Cease
4. Shared RPZ / Refer to No. X						
5. Chantry RPZ promotion	-			✓		Complete
6. Blue badge	-		✓			Monitor
7. Signage – Hertford	£500			✓		Complete
8. Wallfields Car park	Officer time			✓		Complete
9. Town worker	TBC			✓		Monitor

permit						
10. Watton at Stone station parking	-					Cease
11. Public transport provision	-	✓	✓			Monitor
12. RPZ	min £10,000			✓		Refer
13. EVs	Externally funded only	✓				Monitor
14. Time limit EV	£3,000 TRO	✓				Complete
15. Sustainability	-	✓				Monitor
16. VMS	£100,000 in BS	✓		✓	✓	Defer
17. Letter to railway car parks	None					Cease
18. MAG airport parking	N/A		✓			Complete
19. Further scrutiny	TBC					Monitor

3.0 Reason(s)

3.1 In line with the Constitution, the Executive is required to consider reports from the Overview and Scrutiny Committee and/or Performance, Audit and Governance Oversight Committee. At the meeting of the Executive 11 February 2020 it was approved that a review of the recommendations will be provided to the Executive.

4.0 Options

4.1 Alternative options would be to consider implementing all recommendations of the parking task and finish

group without reviewing the updated recommendations in the context of changes in parking behaviour, the new corporate plan and pressure on budgets.

5.0 Risks

- 5.1 This approach minimises the Council's risk in a time of uncertainty.

6.0 Implications/Consultations

- 6.1 The implications are highlighted within the body of the report.

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

Yes – comments highlighted within the report

Financial

Yes – comments highlighted within the report

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

No

Specific Wards

All

7.0 Background papers, appendices and other relevant material

7.1 All previous information can be found here:

<http://democracy.eastherts.gov.uk/documents/g3518/Public%20reports%20pack%2011th-Feb-2020%2019.00%20Executive.pdf?T=10&J=5>

7.2 The updated RPZ policy is in Appendix A.

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**EAST HERTS COUNCIL
RESIDENT PERMIT PARKING SCHEMES
OPERATIONAL GUIDANCE**

1. INTRODUCTION

Resident permit parking schemes (RPZs) may be offered to assist residents living in areas where on-street parking demand significantly exceeds supply and where it is not appropriate to manage parking problems using conventional parking restrictions.

This document supports the policy framework that governs the prioritisation, implementation and operation of RPZs in East Herts.

2. ADVANTAGES AND DISADVANTAGES OF AN RPZ

Implementing an RPZ can bring advantages and disadvantages:

Advantages

- Discourages commuter/long term parking in residential streets
- Enhances the environment in residential areas
- Residents find on-street parking is easier and more convenient
- May engender improved traffic management
- Can deliver road safety benefits
- Encourages the use of alternative, more sustainable modes of travel
- Can reduce traffic and congestion

Disadvantages

- Possible negative effects of displaced commuter parking
- Costs of implementation and management
- Residents and their visitors have to pay to park in their street
- Permits do not absolutely guarantee a parking space
- May only help manage an under-supply of spaces, not solve underlying supply problems
- Can lead to inefficient use of on-street parking spaces
- Possibility that a RPZ may reduce availability of on-street parking, with consequent problems for visitors and businesses

Permit Scheme Design

To ensure the efficient use of available on-street parking, RPZs should only be implemented on a 'shared use' basis whereby resident permit parking is shared *on a managed basis* with non-resident motorists such as local business workers (in the form of a permit scheme) or 'casual' users parking on a virtual (e.g. pay by phone) basis.

3. INITIAL CRITERIA FOR CONSIDERATION OF AN RPZ

Criteria that should be met before an RPZ request can be shortlisted:

- There should be early evidence of resident and District Councillor support for an RPZ (e.g. petition, build-up of email requests or letters).
- The kerb space occupied by non-residents should be greater than 40% at times when parking problems caused by non-residents occur (survey required).
- There should be sufficient kerb space to enable a minimum of 75% of all households within the proposed scheme area to park at least one vehicle on-street (survey required).

4. FINAL CRITERIA FOR RPZ PRIORITISATION

Final criteria that will inform the order of progression of shortlisted RPZ requests:

- Availability of external funding.
- Current resourcing available to move this work forward (i.e. only 2 schemes will be processed at any one time).
- Any beneficial tie-in with other work being undertaken e.g. town centre enhancements.
- Resolves problems for emergency and utility vehicle access.
- The availability of off-street parking for non-residents in the area.
- The impact of displacing non-resident cars.
- The size of the proposed RPZ.

The final decision as to whether to progress a shortlisted RPZ to design and consultation stage and the outline terms on which that scheme should be developed will rest with the Portfolio Holder acting in consultation with the Head of Service and on the advice of the Parking Manager.

The geographical area of a proposed RPZ will be based on officer judgement, informed by considerations such as the presence of natural or man-made boundaries, requests logged, input from District Councillors and any conditions attached to external funding (where applicable).

5. CONSULTATION AND IMPLEMENTATION PROTOCOL

All proposed RPZs will be subject to consultation. The process will comprise:

- Preliminary consultation with District Councillors for the affected ward(s) and wards immediately adjacent to the proposed scheme area.
- A survey of all residents and businesses within the proposed area to identify the level of concern regarding parking difficulties and to establish the level of support for an RPZ. This consultation will also be used to identify the community's outline requirements for a RPZ. The results of this questionnaire will be used to inform the development of a proposed RPZ.
- To qualify for progression to design stage, a simple majority of the total number of households in streets where a scheme is proposed (50% +1) must

respond formally to this initial questionnaire and a simple majority of these respondents (50% + 1) must vote in favour of a scheme.

- Officers may re-consult in streets where the vote is tied, where residents' wishes appear unclear or where officers are aware of decisions made in nearby streets may make impact the situation elsewhere; however any decision by officers to depart from the above position must be clearly justified in relevant commissioning reports and communicated to affected residents.
- Except in the case of very small scale schemes, a second round of consultation should be by means of a public exhibition or public meeting as appropriate to the size and scale of the potential RPZ. This will allow officers to answer questions on a one to one basis and to further refine elements of the proposed scheme's design.
- The next, formal stage of the process will involve the advertisement of a Traffic Regulation Order in the local media, on-street Notices and using the Council's social media where appropriate.
- The resolution of statutory objections to a Traffic Regulation Order is a matter for officers; however in exceptional circumstances where the volume and/or type of objection is viewed by officers as significant and/or when a petition has been received that qualifies the lead petitioner to address the Council, the matter may be referred to an appropriate committee of the Council for review.
- All RPZs will be reviewed approximately six months after implementation. This review will include a survey of District Councillors, residents and businesses in and around the scheme area, following which point modifications may be made following the promotion of an Amendment Order, where these are seen as beneficial to the needs of residents and others.

6. DETAILED DESIGN PRINCIPLES

When designing an RPZ there should be a clear understanding of the parking problems in the area and the implications of the introduction of the RPZ. Accordingly, when considering the needs of the residents and determining the layout of an RPZ the following detailed points must be addressed:

- Maintaining traffic flow & visibility at junctions
- Vehicle access
- Emergency vehicle access
- Loading/unloading requirements
- Bus stops
- Needs of blue badge holders
- Limited waiting areas for local businesses
- Needs of visitors and other categories of drivers who need to park within the zone
- The mix of the area (residential/commercial).
- Safety of the public and other road users within the zone

The objective in all cases should be to maximise amenity for residents whilst taking into account the needs of the wider community.

Signage and markings are required to be in accordance with the current Traffic Signs Regulations and General Directions and the relevant sections of the Department for Transport Traffic Signs Manual. Special authorisation will be obtained from the Department for Transport before any non-standard scheme is implemented. Individually marked or designated parking bays will not normally be provided.

Residents of new housing developments within established scheme areas (e.g. apartment buildings or existing buildings converted into apartments) will not automatically be considered for inclusion in that scheme where private off-street parking is included in the development. In other cases, primarily where new houses are built that do not have private off-street parking there should be a presumption towards creating on-street permit eligibility for that new address and in such circumstances the developer should be required to meet the costs of amending and advertising the relevant TRO as part of the planning process.

Private roads and roads that are not maintained at public expense will not be considered for inclusion in a resident permit parking scheme.

7. SCHEME CHARGING PRINCIPLES

Permit charges shall be determined by the Council and set at a level that recoups the implementation costs over a defined period and also meets the annual operational costs of individual RPZs.

Residents within a proposed scheme area will be given the Council's best estimate of the likely permit charge at the earliest possible stage in the consultation process. Residents will be required to signify their agreement to these charging principles before a scheme is progressed to design and formal consultation stages.

8. RPZ OPERATIONAL TERMS

Outline operational terms of a proposed RPZ will be set out at the start of the consultation process and will be refined through the process of consultation with residents, local Members and through the TRO process.

The following principles will apply:

- The number of resident permits offered per household will be based on an officer assessment of the availability of kerb space versus the number of households within the proposed scheme area.
- The quantity of visitor parking hours offered per annum will be approximately 20% of the annual operating hours of the RPZ. (For example, if a scheme operates for 10 hours a day, 6 days a week, approx. 600hrs of visitor parking time will be issued per household).
- The operational hours of a scheme will be considered on an individual basis and as a rule they will be set at the minimum necessary to secure the primary objective of that scheme whilst maximising its potential for legitimate use by other motorists.

9. SPECIAL PERMITS

To qualify for a special parking permit an organisation or individual will be required to demonstrate:

- That they are providing essential care, health or other essential community service for residents within the RPZ.
- That there is a need for them to park within the RPZ to provide that service.

A carer individual or organisation will be required to apply using the Council's online permit management system. If their application meets the Council's criteria they will be granted permits. The Council may require additional, supporting documentation in support of an application.

10. REVIEW OF AN RPZ

Review of Schemes

The Council will review resident satisfaction with a newly introduced RPZ approximately six months after implementation. This review will also canvass the views of residents, affected Councillors and others from a wider area outside the scheme's boundary, to ensure its full effects are understood. Where beneficial, the scheme may then be modified as per the process set out in Section 6 of this document (Consultation and Implementation Protocol).

11. REMOVAL OF AN RPZ

Significant evidence of local support for the removal of an RPZ will be managed in the same manner as the process set out in Section 6 of this document (Consultation and Implementation Protocol).

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EAST HERTS COUNCIL RESIDENT PERMIT PARKING POLICY

INTRODUCTION

A Resident Permit Parking Scheme (RPZ) may be introduced to assist residents living in an area where on-street parking demand significantly exceeds supply and where it is not appropriate to manage this demand using conventional parking restrictions.

This document sets out the policy framework that underpins the adoption and operation of RPZs in East Herts.

Schemes will be implemented and will operate in accordance with Operational Guidance which operates in parallel with this Policy.

The Member Role

- Considerable financial and other resources are expended during the investigation, design and implementation of a resident permit parking scheme. For this reason and to ensure the Council's proposals are in line with the community's wishes, Member involvement in the process from its earliest point is essential. No scheme will progress to detailed survey, design and consultation stage until it receives support from all District Councillors for the affected area(s).

Award of Schemes

- East Herts Council will prioritise residents' parking needs in primarily residential areas where there is evidence derived from surveys that demand for on-street parking significantly exceeds supply, due to the presence of non-residents' vehicles.
- East Herts Council will follow the extensive consultation process set out in Statute and Operational Guidance. The Council will seek to implement an RPZ only in areas where, following consultation, a majority of those residents who express a view wish to be included in a scheme.
- East Herts Council will follow Statute, Operational Guidance and best practice when designing, implementing and administering its resident permit parking schemes. In particular the Council will:
 - Seek to ensure that schemes operate in support of the Council's network management obligations as set out in Part 2 (16) of the Traffic Management Act 2004 and other relevant legislation.
 - Seek to ensure that each RPZ does not generate a net financial surplus for the Council.
- East Herts Council will assess the wider effects on the community when considering the implementation of an RPZ, including the potential for vehicle displacement, the additional demand for off-street parking that may be

generated and the ability of nearby car parks to accommodate this demand. These issues will be addressed through the scheme design, consultation and reporting processes.

- Except where this is not possible for sound operational reasons East Herts Council will only introduce 'shared use' RPZs, to ensure the most efficient use of on-street parking provision.

Financial Principles

- East Herts Council will recover the set-up costs of an RPZ over a four year period through the sale of permits and visitor parking time within that RPZ.
- East Herts Council will cover the operational costs of an RPZ from the residents who benefit from the scheme – primarily from the sale of permits, visitor parking time and income from shared use parking. At all stages during the consultation process the Council will give residents its 'best estimate' of the likely initial cost of permits should a scheme be implemented, to allow residents to make an informed decision on whether to seek inclusion in a scheme.
- Scheme revenue and costs will be reviewed on an annual basis as part of the Council's annual fees and charges process.
- East Herts Council will not take into account Penalty Charge Notice revenue that may arise from the implementation of a scheme when setting and reviewing scheme charges.
- Any inadvertent surplus arising from the Council's on-street parking operations (including RPZs) will be ring fenced for use by the Council in accordance with S55 of the Road Traffic Regulation Act 1984.
- Two schemes will be investigated at any one time within the Council current resources.

Review of Schemes

- East Herts Council will review resident satisfaction with a newly introduced RPZ approximately six months after implementation. This review will also canvass the views of residents, Councillors and others from the wider area, outside the scheme's boundary, to ensure its full effects are understood. Where beneficial, the scheme may then be modified.

Removal of Schemes

- Receipt of a significant number of requests for the removal of an established scheme will be managed in line with the 'Consultation and Implementation' process set out in Section 6 of Operational Guidance.

East Herts Council Report

Executive

Date of Meeting: 24 November 2020

Report by: Executive Member for Environmental Sustainability

Report title: Waste Shared Service Alignment

Ward(s) affected: ALL

Summary:

- This report seeks to create efficiencies within the shared waste service by aligning elements of waste and recycling services with North Hertfordshire District Council (NHDC), in particular, in relation to pricing for services whereby the contract pricing allows this.

RECOMMENDATIONS FOR EXECUTIVE:

- A) To agree to the alignment in pricing and a common pricing structure for the shared waste service, for residual commercial and chargeable household waste; within the 2020-21 financial year. To agree to the introduction of charges for recyclable commercial and recyclable chargeable household waste in line with existing shared waste service charging; within the 2020-21 financial year;**

- B) To agree to a new pricing structure for chargeable household bulky waste collections; within the 2020-21 financial year;**
- C) To agree to the introduction of event waste management charges to align procedures in the shared service; within the 2020-21 financial year;**
- D) To agree to the introduction of new procedures for the management of fly-tipping, residual waste and recycling at flats to align procedures and charging within the shared service; within the 2020-21 financial year;**
- E) That the Executive endorses the delegation of decision making for setting the fees and charging regarding waste services, as set out in this report, to the Head of Strategic Finance and Property in consultation with the Executive Member for Environment Sustainability, through the Shared Service Waste Partnership Board, and to refer this decision to Council.**

1.0 Proposal(s)

- 1.1 The introduction of a new common pricing structure for services within the shared waste service.
- 1.2 The introduction of new procedures and charging for EHC regarding event waste management and the management of fly-tipping, residual waste and recycling at flats for the shared service.

2.0 Background

- 2.1 The shared waste service was formed in December 2017 in advance of the start of the shared waste contract with North Hertfordshire District Council (NHDC). At the time the shared service was formed an alignment of policies in relation to collection services was undertaken but an alignment of administrative functions and charging was not.

- 2.2 Work is ongoing to align the administrative functions of the shared service to provide greater consistency, efficiency and resilience and this report seeks to progress this work by ensuring consistency in charging whereby contract pricing permits this. This report is being progressed to further align services, providing greater efficiency and financial benefit to the authority in the management of its services.
- 2.3 Any delay to the alignment will increase the administrative burden of the client team and prevent efficiencies being made through system changes. Much of the change will ensure effective cost recovery and delay will impact further on losses being made by the service as well as impacting on the introduction of the new commercial recycling service.
- 2.4 East Herts Council as Waste Collection Authority (WCA) has a legal duty under the Environmental Protection Act 1990 (EPA) to make arrangements for the collection of household waste and commercial waste where requested by the occupier of a premises.
- 2.5 There is also a duty to collect dry recyclable waste where requested from commercial premises. For commercial waste the legislation places a requirement for businesses to pay a reasonable charge for collection services and also places a duty on the waste collection authority to recover this charge.
- 2.6 Under the Controlled Waste Regulations for some waste that is considered household waste, the local authority may recover a reasonable charge for collection. The Council already has charges for bulky waste collection. Charging structures have not been reviewed for a number of years.
- 2.7 Proposals around commercial waste and recycling charges were considered at the Joint Waste Partnership Board on 8th October 2020. The new charging structure is proposed to

come into effect from 1st December 2021 for all new customers. From the 1st April 2021 the new pricing structure will come into effect for existing customers and will include an uplift of CPI as at November 2020 plus 2%.

Commercial and chargeable household residual waste collections

- 2.8 Since the start of the joint contract and inception of the shared client team the commercial waste services have operated wholly separately which has created inefficiencies in the back-office service provision.
- 2.9 Contract costs for the authorities are the same and are based on per lift charges.
- 2.10 A review of the charges made by each authority has been undertaken. This has identified differences in the costs for customers with the same provision and therefore the profit margin for each authority. Pricing differentials also create additional administrative burdens in the determination of contract costs for customers.
- 2.11 Both Councils operate different charging rates for commercial premises and school/charities (chargeable household collections). This is predominantly due to reduced disposal costs due to their legislative classification, however there are also differing contractual collection costs for these premises.
- 2.12 At EHC an additional discounting system operates where customers have either additional bins or additional collections. The Council incurs the same costs for each collection of each bin and for each bin provided. This is an historical arrangement that represents net cost to the Council and has to be withdrawn to reflect current collection arrangements and contract costs.
- 2.13 It is proposed to align the charges for both authorities to

ensure consistency across the shared service. The proposal sees the higher charge made by either authority being used, as this better reflects the actual costs of collection under the contract. Predominantly NHDC have higher charges.

- 2.14 Due to the discounting system in place at EHC the uplift for some customers would be disproportionately high and therefore an impact assessment on EHC customers has been undertaken. As a consequence, any price rises for customers will be capped at 15% meaning that price alignment for these customers will be phased over two years, so as to reduce the financial burden on individual businesses.
- 2.15 All businesses impacted by higher than inflation price rises will be offered an audit of their waste collections and the offer of dry recycling collections which are a significantly cheaper charge. This will potentially save them money and increase recycling rates from businesses.
- 2.16 In order to ensure that customers have sufficient notice of price changes and that any contract cost changes are reflected in the pricing structure, it is recommended that the Executive endorses the delegation of decision making for setting the fees and charging regarding waste services, as set out in this report, to the Head of Strategic Finance and Property in consultation through the Shared Service Waste Partnership Board, and to refer this decision to Council. Such a change will be documented through an amendment to the Inter-Authority Agreement to reflect this delegation from both partner Councils.

Commercial and chargeable household dry recycling collections

- 2.17 The introduction of commercial recycling services in the East Herts area was written into the new contract. The

introduction of these services has been delayed by Covid - 19 and to effectively embed other elements of the contract.

- 2.18 The proposal is to introduce this service from January 2021, primarily to existing commercial and chargeable household customers. (Chargeable household refers predominantly to schools and charities). This will be on a town by town basis and services will initially be offered where the contractor has capacity on the existing fleet.
- 2.19 There will be a 'soft launch' with the existing customer base only being offered the service in order to ensure we have sufficient capacity but web pages will all be updated and existing customers will be contacted as part of a phased introduction. Although this is a new service for EHC, there are approximately 80 schools currently receiving recycling collections free of charge, as a result of recycling services not being offered commercially in East Herts. This has been resulting in a loss to the Council as a consequence of contract and disposal costs.
- 2.20 The intention is to continue to encourage recycling at schools and the proposed prices are affordable and competitively priced to ensure schools do not experience additional hardship as a consequence. Any schools currently receiving a free service will have an opportunity for an audit of waste collections to ensure their collection solution is the most cost effective for them before the introduction of charges in April 2021.

Bulky waste collections

- 2.21 Since the start of the contract there has been a steady rise in requests for bulky waste collections. This has implications on the resources to perform the service but also has had negative budget implications for some collections. The collection contract is priced to allow for up

to 6 items from individual premises to be collected. This means we pay the same contract price for the collection of 1 item as we do for 6 items from the same property. Under the existing pricing structure the charge for residents only requiring one item to be removed does not cover the current contract costs. Therefore, a loss is made for each of these collection types.

2.22 The budgetary implications are summarised in Appendix A, based on an estimate of 'pre-Covid 19' service levels the proposal estimates a net budget impact of £10,000, accounting for up to a 20% loss in service uptake. The new price structure will allow for up to 6 items to be collected under one charge, to align with the contract charge. This reduces the cost for residents who require the removal of more than three items but increases the costs for 1 or 2 items.

2.23 To align the charging with NHDC the proposal is from January 2021 the charge to be raised to £45 for up to 6 items, with an inflation rise in April 2021 of CPI (as at November 2020) plus 2%.

Number of Items	Current Price	Proposed Price
1	£29	£45
2	£40	£45
3	£50	£45
4	£62	£45
5	N/A	£45
6	N/A	£45
Small	£73	£73
Medium	£106	£106
Large	£160	£160
Cancellation Fee	£11	£11

Waste management at events

- 2.24 Waste generated by events is predominantly commercial waste, by definition. It is therefore considered necessary to bring charges forward to cover the contract costs and administration of bin provision for events and align with the services provided as part of the shared service.
- 2.25 The costs for event waste management cover the:
- delivery and collection of bins
 - emptying of bins
 - disposal of residual waste or recycling
 - washing of bins to return to our stock.
 - administration of the service
- 2.26 Waste collections of this type require 'Waste Transfer Notices' under the 'Duty of Care' requirements. This is an administrative burden for the team along with the setting up of the requirements for each event.
- 2.27 The event waste management service is currently provided free of charge by EHC. Consequently, there is currently a cost burden and the changes will be net positive to the budget. It is however difficult to predict this accurately whilst events are suspended due to the Covid-19 pandemic.
- 2.28 The purpose of this change is cost recovery of items identified in 2.25 and is in line with Council policy.

Fly-tipping and waste collections from flats

- 2.29 For approximately five years NHDC have been operating a partnership approach to the management of waste and recycling at flats. In 2017 they won a LARAC award for the initiative.
- 2.30 The management of waste and recycling at flats is

resource intensive not only for the client but also for the contractor. Contacts from residents regarding the 'mismanagement' of flats waste take up a significant proportion of Contract Officer time.

- 2.31 At the moment there is an expectation that the Council will continue to clear fly-tipping and empty contaminated recycling bins at flats and although this may resolve an immediate issue it does not manage the problem in the longer term and issues often recur.
- 2.32 The proposal is to take a more proactive approach in the first instance in the hope that this will encourage greater participation from managing agents and residents leading to efficiencies in the longer term in managing waste and recycling from flats. Where there are recurring waste management problems at a block of flats the waste team will engage with the managing agents and undertake an audit of the collection services on site and capacity of bins.
- 2.33 Information will be provided to residents and new signage fitted where necessary. As well as information on what can be recycled, the information will include contacting the managing agent in the first instance when there are problems at the flat block.
- 2.34 The managing agents will be required to participate in the management of waste and recycling in bin stores this includes but is not limited to ensuring access is restricted to residents and collection staff only.
- 2.35 Once the information and correct capacity is all in place the Council will facilitate a clearance free of charge to give the flat block a 'clean slate'. Managing agents will then be required to manage the use of the bins at flat blocks by managing fly-tipping around the bins, with EHC offering clearance services for a charge where managing agents can not facilitate this within their own staff.

2.36 The changes proposed above will still incur costs to the Council, however in instances where there are continued problems which require the Council to intervene in works other than scheduled waste collections. We will have a mechanism to recharge these costs to the managing agents.

3.0 Reason(s)

3.1 The shared service has been operating for some time and the client team seeks to align services to ensure greater efficiency and capacity to effectively manage the services and contract.

3.2 An impact assessment has been undertaken for the shared services to determine the most appropriate charging options for both EHC and NHDC. The impact assessment considered both Councils budgets and the impact on individual customers.

3.3 In some instances services are being provided free of charge where there are direct costs to the Council, resulting in a cost burden. In other circumstances charges are calculated in a 'matrix' style and have discounting for multiple bins or multiple collections. This discounting is not proportionate and does not reflect the structure of the contract costs to the Council.

3.4 In addition, there are also pricing structures where the contract costs are higher than the charges to residents resulting in a net loss to the Council.

3.5 A review of charging by other local authorities indicates that the majority charge for these services in a similar way to the proposals.

4.0 Alternative options considered

- 4.1 Consideration was given to keeping the charges the same. A full impact assessment has been completed and this is not considered the most efficient or consistent option for the shared service or EHC.

5.0 Risks

- 5.1 There is a risk that the commercial waste customer base will be affected by the changes to charges. However, commercial competitors all charge for these services and prices have been checked for competitiveness and therefore this risk is low.
- 5.2 Covid 19 has significantly impacted on the commercial customer base. The full outcome of this is as yet unknown. It is therefore likely that the current customer base reduces further impacting on the resultant budget position.

6.0 Implications/Consultations

- 6.1 The Chief Finance Officers at EHC and at NHDC have been consulted on the alignment of prices as well as the relevant Executive Members for both authorities.
- 6.2 The proposals were presented to the joint Waste Partnership Board on 8th October 2020.
- 6.3 The budgetary implications for commercial waste are summarised in Appendix A for commercial waste and based on the current customer base the proposal estimates a net budget impact of £70,000.
- 6.4 The budget impact for bulky waste collections for 20/21 currently indicates a net loss of approximately £8,800 per year based on the last 17 months of data. The budgetary implications for bulky waste collections with the new pricing proposals are anticipated to be net positive between £7000 and £9000 taking account of the price change impact on service use.
- 6.5 The budgetary implications for the introduction of commercial recycling and charges for event waste management are unclear but will be a net positive for the Council. The commercial recycling income target for 20/21 was proposed to be £25,000, due to the pandemic this work was put on hold.

Community Safety

Yes

Fly-tipping in bin stores presents a fire risk. New management procedures will help reduce this risk.

Data Protection

No

Equalities

No

Environmental Sustainability

Yes

Improved recycling provision at flats and improved recycling provision for commercial customers.

Financial

Yes

Net positive financial impact. Further information is within the body of the report.

Health and Safety

Yes

Fly-tipping in bin store poses a health and safety risk for users and staff. New management procedures will help reduce this risk.

Human Resources

Yes

The introduction of new services requires additional administration. However, efficiencies gained from service alignment with NHDC will in part facilitate the additional administration requirements.

Human Rights

No

Legal

No

Specific Wards

No

7.0 Background papers, appendices and other relevant material

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East Herts Trade Prices Summary

	No Of Customers	20/21 Current Prices	21/22 Proposed Prices	Difference	% Difference	21/22 Prices Capped @ 15%	% Difference
Trade Customers	708	£ 170,187.83	£ 181,942.41	£ 11,754.58	6.91%	£ 181,942.41	6.91%
Sacks (Annual)	150	£ 14,850.00	£ 18,450.00	£ 3,600.00	24.24%	£ 17,077.50	15.00%
School Customers	67	£ 32,844.99	£ 43,450.62	£ 10,605.63	32.29%	£ 37,771.74	15.00%
Charity Customers	26	£ 2,994.02	£ 4,096.60	£ 1,102.58	36.83%	£ 3,443.12	15.00%
Sacks (Annual)	1	£ 57.00	£ 112.00	£ 55.00	96.49%	£ 65.55	15.00%
Quarterly Totals	801	£ 206,026.84	£ 229,489.64	£ 23,462.80	11.39%	£ 223,157.27	8.31%
Annual Totals	952	£ 839,014.37	£ 936,520.55	£ 97,506.18	11.62%	£ 909,772.14	8.43%

Trade Container Size	EHDC	Proposal	EH % Increase	Capped Prices for Existing Customers	Notes
	19/20				
120	-	£5.50	-	£5.50	No Price for EH. No 120 Customers
240	£8.69	£9.00	3.54%	£9.00	
360	£9.90	£10.00	0.97%	£10.00	
660	£16.58	£16.58	0.00%	£16.58	
1100	£21.29	£21.29	0.00%	£21.29	
Sacks	£99.00	£120.00	21.21%	£113.85	

Charity Container Size	EHDC	Proposal	EH % Increase	Capped Prices for Existing	Notes
	19/20				
240	£6.44	£8.00	24.22%	£7.41	
360	£6.88	£8.85	28.55%	£7.92	
660	£11.54	£14.20	23.07%	£13.27	
1100	£12.48	£17.50	40.22%	£14.35	
Sacks	£57.00	£112.00	96.49%	£65.55	

School Container Size	EHDC	Proposal	EH % Increase	Capped Prices for Existing	Notes
	19/20				
120	-	£5.50	-	£5.50	No Price for EH. No 120 Customers
240	£6.61	£6.61	0.00%	£6.61	
360	£7.37	£8.25	11.95%	£8.25	
660	£12.09	£12.09	0.00%	£12.09	
1100	£13.04	£15.00	15.00%	£15.00	
Sacks	£57.00	£112.00	96.49%	£65.55	

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East Herts Council Report

Executive

Date of Meeting: 24 November 2020

Report by: Executive Member for Environmental Sustainability

Report title: Garden Waste Policy

Ward(s) affected: ALL

Summary:

This report seeks to approve the key policies, principles and service standards for the charged garden waste service that was approved by Council on 29 January 2020 as part of the council's Medium Term Financial Plan.

RECOMMENDATIONS for EXECUTIVE:

- A) Approve the key principles of a chargeable garden waste scheme as highlighted in paragraph 1 for the purpose of public consultation prior to a decision on implementation by Council

1.0 Proposal(s)

1.1 To agree the following key principles of chargeable garden waste service:

- The cessation of the free organic waste collection service.
- The introduction of an annual charge for garden waste collections of £50.

A reduced 'early bird' direct debit rate at £45, for the first year only, to help anticipate resource requirements and reduce future year administration

- of the service.
- The option of purchasing up to 3 garden waste bins for collection

2.0 Background

- 2.1 The shared waste service was formed in December 2017 in advance of the start of the shared waste contract with North Hertfordshire District Council (NHDC).
- 2.2 At the time the shared service was formed each authority had an opportunity to introduce a charged garden waste collection service. At this time East Herts District Council (EHDC) decided to maintain a free garden waste collection service.
- 2.3 In January 2020, the option for charging for a garden waste service was approved at Council as part of the Medium Term Financial Plan. It identified an income of £400,000 for 2021. This report therefore seeks to determine the charging policy and other terms and conditions of the service.
- 2.4 East Herts Council as Waste Collection Authority (WCA) has a legal duty under the Environmental Protection Act 1990 (EPA) to make arrangements for the collection of household waste and commercial waste where requested by the occupier of a premises.
- 2.5 Under the Controlled Waste Regulations for some waste that is considered household waste, the local authority may recover a reasonable charge for collection. The Council already has charges for bulky waste collection.
- 2.6 A number of local authorities in Hertfordshire already charge for garden waste, these include North Hertfordshire District Council, Welwyn Hatfield Borough

Council, Watford, Broxbourne Borough Council and Three Rivers District Council.

- 2.7 Charges for East Herts have been determined based on contract costs and anticipated administrative costs. Examples of charges from neighbouring authorities are in the table below.

	Standard Charge	Direct Debit Charge (if different)
Broxbourne	£42	£34
Harlow	£42	
North Hertfordshire	£40	
Uttlesford	£46	
Three Rivers	£45	£40
Watford	£45	£40
Welwyn Hatfield	£35	

- 2.8 The WRAP waste data portal indicates that of the 406 councils which operate a garden waste collection service, 237 (58%) of these are chargeable.
- 2.9 The shared service client team has taken learning points from Councils already operating charged garden waste collection services and will be producing an FAQ document which will be available on the EHDC website. This will be regularly updated with information on the new service. A draft FAQ document can be found in Appendix A.

Implementation

- 2.10 The existing organic waste collection service would cease

on 1st April 2021 and food waste would be diverted to the residual bin.

- 2.11 It is recommended that the initial sign up to a charged garden waste collection service is sought over a short period of time, beginning on 1st February with a high impact communications campaign. This gives just over seven weeks to implement the new service and will help ensure all residents are aware and prepared for the change.
- 2.12 Offering a reduced rate cost for early sign up by direct debit in the first year during this intense period of advertising will allow for the necessary time needed to schedule collections and plan routes for collection vehicles. A reduced rate of £45 (on the proposed full annual cost of £50) is proposed up to 15th March 2021. This reduced rate will be applicable in the first year only.
- 2.13 Sign up will still be possible after this date at the full charge of £50 and operational resources will be allocated and routes mapped based on anticipated trends after the early sign up.
- 2.14 The council's financial management system is currently not set up to easily facilitate the payments for large numbers of households via direct debit therefore managing this through a separate fully auditable IT system via the contractor is the preferred solution. This will in turn reduce the administrative burden and cost of the client team administrating services through the same web portal as the shared service.
- 2.15 Terms and conditions will be aligned as far as is reasonably practicable with those of the shared service to ensure consistency in messages delivered by the client team. Key terms and conditions include:-
- The service is a garden waste only service, not a

- mixed organics service (i.e. garden and food waste).
- A 14 day cooling off period and lead in time from sign up to service start.
- The garden waste service will operate on a fixed year basis from 1st April each year, to 31st March the following year.
- Residents will be allowed to purchase up to three garden waste fortnightly collections for the year.
- Payment will be by direct debit, credit or debit card only.
- Bins will be emptied fortnightly in the same week as the recycling bin, in line with other bin collection requirements.
- Garden waste collections are for household waste only, commercial garden waste will not be collected.
- Side waste will not be accepted, with the exception of real Christmas trees.
- Bin stickers will be issued to residents who purchase the service.

2.16 A copy of the full draft terms and conditions can be found in Appendix B.

2.17 The client team will promote home composting including the opportunities for home composting of food waste through a number of initiatives and incentives.

2.18 Additional temporary resources will be required in the client team and in the customer service team to administer the sign up period each year, these have been costed into the proposals, but will be reviewed annually.

2.19 For the first 6 months of the roll out the Council will not collect brown bins of those residents who do not sign up to the service. It is anticipated that residents may sign up at a later date.

2.20 The charge will not be prorated as scale back of resources is not possible.

3.0 Reason(s)

- 3.1 The agreed budget for 2021 identifies an income for garden waste of £400,000 for 2021/22.
- 3.2 A reduced 'early bird' introductory price for the new garden waste service will ensure levels of take up can be assessed in sufficient time to ensure adequate assets and resources are available to residents who request the service.
- 3.3 The use of direct debit for the 'early bird' sign up will assist with the renewal of subscriptions each year.

4.0 Alternative options considered

- 4.1 The cessation of the organic waste collection service only; was considered in order to meet the budget position for 2021/22, however this is not recommended due to the additional burden this is likely to have on residual waste collections and Household Waste Recycling Centres.

5.0 Risks

- 5.1 There is a risk that fewer residents than anticipated sign up to the charged garden waste service and choose to home compost or dispose of garden waste by other means. This could reduce the anticipated income offsetting service costs.
- 5.2 There is a risk of increased complaints with the implementation of the charged service which may impact on the reputation of the council.

6.0 Implications/Consultations

- 6.1 The Chief Finance Officer at EHC and the Executive Member and Financial Sustainability have been consulted.

- 6.2 A public consultation was undertaken in 2017; it is not anticipated that the public opinion in relation to charged services in the district has changed significantly. A further public consultation will take place in relation to the roll out of the charged service. Draft questions can be found in Appendix C.
- 6.3 Financial modelling for the charged garden waste service has been undertaken based on predictions around the take up of services by residents. 20% of residents with gardens indicated in the public consultation in 2017 that they would use the service. However information gained from actual take up from neighbouring authorities indicates that EHC can expect sign up to be between 40% and 50% of households with gardens. The overall scheme with a take up of 45% of all households and including an early direct debit discount should result in a net reduction in cost of £700,000.
- 6.4 There are no capital implications associated with this report. A stock of bins will be maintained to manage replacement bins.
- 6.5 The recycling rate for the authority could reduce. This is dependent on take up but is anticipated to be between 4% and 8% based on the reductions seen at other local authorities and a take up of 40%.

Community Safety

No

Data Protection

Yes – Customer data will be obtained for the purpose of performing the services, taking payment and communicating the renewal of the subscription service.

Equalities

Yes – not offering cash and cheque as a means of payment may

impact on elderly residents more than other some others. A full EqIA will be undertaken following the public consultation.

Environmental Sustainability

Yes - Improved efficiency of services by only routing vehicles where collections are required. Home composting to discourage food to landfill and road map in place for weekly food waste collection in 2023.

Financial

Yes - Net positive financial impact as mentioned in paragraph 6.3

Health and Safety

No

Human Resources

Yes- The introduction of new services requires additional front end call handling and back office administration.

Human Rights

No

Legal

No

Specific Wards

No

7.0 Background papers, appendices and other relevant material

Appendix A – Draft FAQs

Appendix B – Draft Terms and Conditions

Appendix C – Draft consultation questions

Contact Member

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Garden Waste Collection Service FAQs

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What is the Garden Waste Collection Service?

It is an opt in, chargeable service to have garden waste (including: grass and hedge cuttings, leaves, flowers, prunings, twigs, small branches and fallen fruit) collected fortnightly from your existing 240L brown bin.

[\(back to top\)](#)

Why are you now charging for garden waste collections?

Like many Councils we have a reduced budget from central Government and need to save £XX million pounds annually by 2022/23. We can therefore no longer afford to subsidise the cost of collecting this additional waste. The decision to charge for garden waste collections is one of many difficult decisions the Council has faced to help reduce the costs of providing services.

Unlike household waste and recycling there's no legal requirement to collect garden waste and councils can charge for collections. The income from charging for garden waste

collections will make the service self-financing. Well over half of all Councils in England charge for this service and have done for many years.

Not all properties in East Hertfordshire require a garden waste collection service as they do not have a garden. Introducing a charge is fair as the service will only be paid for by those households that choose to use it. This is similar to bulky waste collections where only households requesting the service have to pay. ([back to top](#))

Is it legal to charge for the collection of garden waste?

Yes. Under the Environmental Protection Act 1990, councils can charge for the collection of garden waste. Charging for the collection of garden waste will bring EHC in line with some of our neighbouring councils who have a charged service, such as North Hertfordshire District Council, Welwyn Hatfield, Watford, Broxbourne and Three Rivers. ([back to top](#))

Why can't the charge be added to Council Tax?

There is no legal requirement to collect garden waste this means that it is not required to be covered by your council tax payment and therefore many Councils charge for this service in order to continue to be able to offer collections of garden waste. The alternative was that East Herts removed collection of garden waste as a service completely.

Councillors agreed that it was important to continue to offer a garden waste collection service for residents who wish to use it.

Council tax itself is a mandatory payment which covers a variety of services such as fire, police, adult social care and children's services including education. You may not use all these services but you still have to pay your council tax.

This change brings the garden waste collection in-line with other not legally required, pay-for services, such as bulky waste collections, which is a service only paid for by people who use it. ([back to top](#))

Can I have more than one brown bin?

Yes. You can sign up to receive a collection for up to a total of three brown bins. You can sign up and pay for an additional bin(s) to be delivered. ([back to top](#))

Can I sign up part way through the year?

You can sign up at any point before the end of January 2022 however the cost will be £50, ([back to top](#))

Can I pay via Direct Debit?

Your garden waste collections can be paid via a Direct Debit, this means your payments will renew each year without you having to re-subscribe. When signing up for Direct Debit

you will be given additional information about the Direct Debit Guarantee and how this will work and what to do should you wish to cancel your Direct Debit in the future. ([back to top](#))

How much does the service cost?

The pricing structure is detailed below.

Payment type	Amount you will pay per bin
Standard collection charge per bin (up to three bins)	£50
Charge for additional bins if you require an additional bin to be delivered	£85 (£50 standard collection charge + £35 bin and delivery)

([back to top](#))

When will my garden waste be collected?

The garden waste service will run throughout the year. If you sign up to the garden waste service, your brown bin(s) will be collected on the same day as your other recycling bins. ([back to top](#))

How will collection staff know if I have signed up to the new service?

Collection vehicles will have an electronic record of which addresses have signed up. Clearly numbering your bin(s) will also help to ensure that the crew can easily identify it for collection. You will also receive a sticker through the post to place on your bin to identify it as part of the service. This sticker needs to be displayed to ensure your brown bin is emptied. ([back to top](#))

How can I stop other people putting their waste into the garden waste bin(s) that I am paying for?

You should store your bin within your property boundary until collection day in the same way that you would with your other containers. ([back to top](#))

Can I have an assisted collection for the Garden Waste Collection Service?

If you sign up to the new service and you already have an assisted collection this will continue. If you don't currently have an assisted collection and you would like one then please apply online. ([back to top](#))

What do I do if I don't want a garden waste collection?

If you decide not to sign up to the garden waste service, you do not need to contact us to tell us. The brown bin service is 'opt-in' which means you only need to contact us if you do wish to sign up. ([back to top](#))

What do I do if I don't want re-subscribe to the garden waste service?

If you do not re-subscribe then your brown bin collections will stop at the end of March. You do not need to tell us you are not re-subscribing; as the service will be removed from your property automatically.

How do I dispose of my garden waste if I choose not to sign up to the Garden Waste Collection Service?

You could compost your garden waste at home. Information about home composting and how to purchase a reduced price home compost bin is on the website. You could also look into a private waste collection, although remember to check that any company has a waste carriers licence. ([back to top](#))

Can I put garden waste in my black bin?

We strongly discourage residents from placing garden waste in the black bin as there are alternative, more environmentally friendly ways to dispose of it. Residents can sign up to the garden waste collection service or compost at home.

However, if you do not produce a large amount of garden waste and have sufficient space in your black bin, then garden waste can be placed in there. This is providing that the bin is not over filled and that you do not place additional side waste out next to your black bin on your general waste collection day. Additional side waste won't be collected and neither will overfilled bins. ([back to top](#))

Can I have garden waste collections if I live in a flat?

If you live in a flat but you have your own garden you can still opt into the service. If you have communal gardens you should contact your managing or housing association as they will be responsible for the removal of garden waste. ([back to top](#))

Can I share a brown bin with my neighbour?

You can share a brown garden waste bin with your neighbour as an informal arrangement, but payment must be made by one householder and the bin will be assigned to one address only. ([back to top](#))

What is accepted in the brown bin garden waste service?

Garden waste only including:

- ✓ Grass cuttings
- ✓ Hedge clippings
- ✓ Small tree prunings, branches, bark and twigs
- ✓ Tree branches (up to 3cm in diameter),
- ✓ Moss, weeds (excluding controlled weeds such as Japanese Knotweed)
- ✓ Flowers
- ✓ Plants with excess soil removed
- ✓ Fallen fruit
- ✓ Leaves
- ✓ Real Christmas trees without decorations and pot

([back to top](#))

How do I receive a refund if I have changed my mind or accidentally ordered more bins than I need?

You can email XXXX with your name, address and your request. As per the terms and conditions any cancellations need to be within 14 days of payment. ([back to top](#))

Can I put pet bedding from vegetarian animals in the garden waste bin?

Pet bedding is not garden waste and therefore would be classed as general household waste.

Strictly, the brown bin is only for garden waste and all other household waste should be placed in bins as specified by the Council. ([back to top](#))

Can I put cat litter, even if it is compostable / biodegradable, in my brown bin?

From a legislative point of view, we are only able to charge residents for removal of their garden waste, and cat litter – even if it is biodegradable, does not fall into this category. However, you may wish to compost it at home. ([back to top](#))

Can I take the service with me when I move house?

If you move house within the district, you cannot take the service with you to your new property. You will need to sign up again if you want the service at your new property if the residents at your new property have not already signed up to receive the service. If you move out of the district there is no refund available as you would have already received the service for a period of time before moving properties.

Unfortunately transferring collections to a new address has an administrative cost associated with the process and we do not have the resources available to make the necessary amendments to records. We are operating our service in line with other local authorities which also state there are no refunds or transference of service to a different address available if you move house. ([back to top](#))

What will happen if someone puts their brown bin out for collection but they have not signed up to the service?

We will not be emptying any brown bins which have not been signed up and paid for so if this happens the bin will remain unemptied. Where possible, crews will place a sticker on the bin to advise the reason for the bin not being emptied. Residents will need to sign up to the garden waste service and wait until their first collection. ([back to top](#))

Why can I no longer put food waste in the brown bin with my garden waste?

Your brown wheelie bin is now for garden waste only. Although garden waste will continue to be sent to Cumberlow Green to be processed, the goal is for there to be no food waste mixed with the garden waste so they can be processed in different ways.

Mixed food and garden waste has to be processed by In Vessel Composting. This material falls under the Animal By Product Regulations and must be tipped indoors in the barn and is processed in In Vessel clamps where oxygen is blown through and it must reach 65-80°C for a minimum of 4 days to be sanitised. However the pure green garden waste which goes to Cumberlow is tipped in an outside bay and is open windrow composted. This is what we hope will be able to happen to your garden waste once there is not food waste contaminating the garden waste. Therefore please ensure there is not food waste in your brown wheelie bin. ([back to top](#))

What should I do if my question has not been answered?

Please check the terms and conditions document available to download from the website as this contains further information. [\(back to top\)](#)

Terms and Conditions of the EHC Garden Waste Subscription Service

1. This agreement is made between the resident, 'you/the customer' and East Hertfordshire District Council, 'we/the Council' of Council Offices, Pegs Lane, Hertford, Hertfordshire and relates to the Council's fortnightly garden waste collection service, 'the service'. The Council may vary or change these Terms and Conditions at any time in order to comply with any change in law, statutory guidance or best practice initiatives. You will be given at least 10 days prior written notice of any such changes. We will contact the customer using the contact details provided to the Council by the Customer at sign up.

2. Subject to Clause 3, this agreement will run from 1st April to 31st March each year, 'the service period'. Provision of services during any service period will commence a minimum of 14 days after the customer requests the service until the end of the service period. Thereafter, and in both cases, this agreement will renew annually subject to the following:

- a. Payment of the Charges
- b. The customer's right to terminate this agreement at any time
- c. The Council's right to terminate at any time for material breach
- d. The Council's right to give prior notice that the service will discontinue
- e. The Council's right to amend or replace this agreement

3. In line with the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013, you have fourteen days from acceptance of these Terms and Conditions to request cancellation of this service. Requests to cancel the service must be in writing to the Council address as stated in Clause 1 or emailed to XXXXXX . Cancellations cannot be accepted by phone. The Council will refund any payment for the services if a request for cancellation is received in accordance with this Clause.

4. The service will only be available to customers who have subscribed and paid for the service in advance, using bins supplied by the Council. All garden waste bins must be clearly visible from the road at your property's boundary, without any obstructions, away from hedges and walls and presented with the handles facing the kerb. Any sticker provided to you by the Council must be clearly seen.

5. The customer agrees to pay the Council the annual charge (see Clause 7) for the collection of garden waste for the duration of this agreement. Charges may be subject to annual inflationary increases or any change in accordance with any Council policies regarding income or contract charges. Such policies are available on the Council's website or on request. In order to secure a complete service for 1 year, Charges are required to be paid before the start of the subscription year (1st April) each year, but in any case prior to the first collection due in that year. You will be notified of any price increase or price decrease at least 10 working days before this date. Payments received after the start of the subscription year will not be reduced to reflect less than a complete service for 1 year.

6. Charges paid by Direct Debit if available renew automatically unless cancelled by the customer.

7. Details of current service Charges and concessions can be found on our website at XXXXXX. Payment by instalment will not be accepted.

8. The standard service is for one 240L brown garden waste bin, 'the bin'. There is the option of paying for a maximum of three brown 240L garden waste bins supplied per property. All bins provided by the Council for the services shall at all times remain the property of the Council.

9. Payment can be made by annual Direct Debit, credit or debit card. Payment will not be accepted via any other method.

10. The Council empties bins fortnightly. Changes to this schedule may arise from bank holiday disruptions or extreme weather conditions; however, we will communicate any scheduled changes with residents in advance via the Council's website.

11. If we fail to collect your bin, you must report it within 48 hours and it will be collected in line with our missed bin policy. Details of our missed bin policy can be found on our website at: XXXXXX . Unless required by law, the Council will not provide refunds for missed bins because the missed bin policy provides a reasonable and proportionate response.

12. We will not return to empty and do not give refunds, unless required by law, for the following:
- a) Non-presented bin or bins that do not display the identifiable stickers that are issued to the Customer by the Council;
 - b) The Council being unable to empty a bin(s) due to access issues;
 - c) Waste presented in a bin(s)/container not supplied by the Council;
 - d) If the bin(s) was not on your property's boundary (except assisted collection) by 7am;
 - e) If the bin(s) is contaminated/contains incorrect items. If the contamination continues, the Council may remove the bin(s) in accordance with Clause 15;
 - f) If the bin(s) is too heavy or overloaded;
 - g) If the bin(s) could not be emptied due to frozen contents; and
 - h) Termination by the customer except where cancellation is received within fourteen days of acceptance of these Terms and Conditions.

It is the sole responsibility of the customer to rectify any problems described above in order to receive the next due collection.

13. Refunds or partial refunds will only be considered in the following circumstances where a complete service failure has occurred as detailed below:
- i. If the Council fails to deliver a bin(s) within 6 weeks of the date on which the customer should have had their first collection; and/or
 - ii. If the Council fails to replace a bin(s) within 6 weeks of the date on which the Council reported that they had damaged a bin(s).

The amount refunded will be determined by a senior manager based on the level of the service failure and consideration of Section 55 and Section 56 of the Consumer Rights Act 2015.

14. The customer may terminate this agreement at any time by contacting the Council. If the customer moves address within the subscription year, the bin(s) must remain at the property. There will be no refund or part refund for cancellations of the service other than those identified in Clauses 3 and 13.

15. If there is evidence of misuse of the service by the customer, then the service may be cancelled by the Council following notification to the customer. There will be no refund in these circumstances. We reserve the right to remove all garden waste bins that are not used for the garden waste collection service or if there is evidence of misuse.

16. The customer will be responsible for the bin(s) at their property and uses the bin(s) at their own risk. They must only be used for garden waste from the customer's property or as advised by the Council's policies. Only garden waste is to be placed (loose, not bagged) in the bin. Garden waste includes grass cuttings, hedge clippings, tree branches (up to 3cm in diameter), twigs, bark, leaves, flowers, plants, small branches and fallen fruit. Some items of garden waste are not permitted in the bin(s) and include: large branches, tree stumps, Japanese knotweed or other notifiable or pernicious weeds, turf, earth, soil, stones, gravel, wood that has been treated or painted, faeces. Any such items will be treated as contamination. For further information on what can and cannot be accepted as part of the service please see our website.

17. If the customer believes they meet the criteria for an assisted collection; they must apply to the Council in advance to receive this service for the bin. If the customer already receives assisted collection for waste services from the Council then they will automatically receive the assisted collection for this garden waste service.

18. The bin lid(s) must be completely closed and no side waste will be collected, i.e. no extra waste next to the bin(s) or placed on the lid(s). The only exception will be for real Christmas trees (free of all decorations and pots) in January, if the tree is placed next to the bin on garden waste collection week.

19. The bin(s) is provided for use by Customers for household garden waste and should be used for its intended purpose only. The Council reserves the right to provide customers joining the service with a reconditioned (used) bin which has been washed and deemed fit for purpose. Garden waste presented in any other receptacle will not be collected.

20. The bin(s) must not be used for commercial garden waste, or for the purpose of disposing of garden waste generated through the course of operating a business.

21. If your bin(s) becomes damaged you must report it to the Council. The Council will repair or replace it, free of charge, as soon as is reasonably practical. If the bin(s) is damaged through neglect or misuse, (including overfilling) the customer/resident may be charged for the cost of repair or replacement.

22. No person other than the Council, its contractors, its subcontractors and the Customer has any rights to enforce any term of this agreement. The Customer may not assign or otherwise transfer either the benefits of this agreement or the Customer's obligations under it.

23. The Customer shall fully indemnify and keep indemnified the Council and its personnel against all liabilities, damages, costs, losses, claims, expenses, demands and proceedings whatsoever arising directly, indirectly or consequentially as a result of any action, omission, default or negligence of the Customer or any servant or agent of the Customer.

24. The Customer shall adhere to the Council's policies and guidance on the collection of garden waste in so far as any such policies or guidance relate to the customer's obligations and responsibilities.

25. The garden waste collection service, and waste services generally, will be provided by the Council's waste collection and street cleansing contractor, its subcontractors and the Council's direct contractors. A non-exhaustive list of such third parties/partners appears below, however there may be other contractors/partners that would be required to process personal data from time to time in order to provide the services:

- North Hertfordshire District Council
- Urbaser Ltd
- Whitespace Work Software
- [Web portal provider]
- [Permit provider]

26. As such, personal data and information collected about you by the Council needs to be shared with the Council's partners [contractors and subcontractors] in order that the service can be provided to you and payments received and processed. Names, addresses, phone numbers, email addresses, payment details and details relating to any enforcement action may be shared by the Council with our partners for these purposes.

By subscribing to this service, you consent to us [i] using information, including personal information, provided by you to process your application and [ii] sharing your personal data and information with our partners for the purpose of processing payments and providing and improving the service. This information will be used by the Council and its partners to process your application and take payment, to deliver and improve the service and for us and our partners to contact you in relation to the renewal of your current subscription or when the service is impacted.

We have a duty to keep records up to date therefore we require customers to notify us of any changes to their personal details.

The Council is a Data Controller under the Data Protection Act 2018. We hold information for the purposes specified in our notification to the Information Commissioner and may use this information for any of them. All personal information will be processed in accordance with this Act and will only be kept as long as it is necessary [and will be destroyed after 12 months once the service ceases]. Our partners are Data Controllers and/or Processors, as appropriate, under the Data Protection Act 2018.

27. This agreement is governed by the laws of England and the courts of England have exclusive jurisdiction over all matters concerning it.

28. If there is any conflict between this agreement and consumer rights legislation, then this agreement shall be read, interpreted and construed so as to give effect to the relevant consumer rights legislation without invalidating the remainder of this agreement which shall remain in full force and effect.

29. The Council will not be liable for any non-performance of the services which results from any reason beyond the reasonable control of the Council. Examples of reasons beyond the reasonable control of the Council are formal or informal strike action or inclement weather conditions.

Document date: October 2020

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East Herts District Council is responsible for a wide variety of services, but Waste and Recycling is our single largest expenditure. It is also a service that every one of our residents uses. We are always investigating ways to run it more efficiently for you, the council tax payer. This consultation seeks your views on Waste and Recycling, and also seeks your input into some ideas we are currently investigating. The consultation closes at midnight on 31st December 2020. The results of this consultation will help Councillors make their decisions on future services. This survey will take approximately 10 minutes to complete.

Thank you for your time and interest in East Hertfordshire's waste and recycling services.

About Your Household

1. What type of property do you live in?

- House/Bungalow without garden
- House/ Bungalow with garden
- Flat/Maisonette without garden
- Flat/Maisonette with garden
- Other please specify i.e. sheltered accommodation

2. How full are your bins and boxes on the average collection week?

	Full/ Overflowing	³ / ₄ Full	¹ / ₂ Full	¹ / ₄ Full	Empty	I don't have one
Residual (black) bin						
Blue lidded recycling bin						
Box (Paper)						
Brown (organic bin)						

3. During the coronavirus lockdown did you think more or less about the waste you produced and what you recycled?

- I recycled more because my black bin was full
- I was concerned about all the additional single use plastic and cardboard, but recycled as much as I could
- Recycling was not a priority for me
- No opinion

Dry Recycling

4. To help us ensure we are providing you with the information you need to recycle as much as you can; Are you aware of the following. Please tick all statements which apply:

- Squashing and flattening my containers means I can recycle more in my blue lidded bin
- Rinsing residues from my containers where possible will help stop smells in my bin
- I should not include any plastic bags in my blue lidded bin
- I should remove all food waste from packaging before including it in my blue lidded bin
- Cardboard should be flattened to save space in my blue lidded bin
- I can find a list of what I can recycle on the councils website
- If my bin contains items that should not be included my bin may not be emptied.

5. If you do not recycle or do not recycle all possible items are there any reasons why you choose not to recycle? Please indicate how you feel about the following statements.

	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
N/A I recycle everything I can at the kerbside					
I don't have enough space to recycle all items at the kerbside					
I don't feel I have enough information to recycle correctly					
I think recycling is pointless					
I don't want to wash and squash my recycling					
I don't need to recycle as I have space in my residual (black) bin					

6. What would encourage you to recycle more? Tick all that apply

- More information on the Council website about what can be recycled.
- More information via social media about what can be recycled.
- Larger or more recycling containers.
- Smaller residual (black bin)
- More information about what happens to items you recycle

Food and Garden Waste

7. During the coronavirus April lockdown and the temporary suspension of the brown bin service, what did you do with your food and garden waste?

- Home composted
- Put all food and garden waste in the black bin
- Used Hertfordshire County Council's waste and recycling centres when they were open
- Waited for the service to resume

8. How much of your food waste would you say you currently recycle in your brown bin? All of it, including tea bags, raw meat, mouldy food

- None of it
- Some of it
- Most of it
- All of it

9. What reasons do you have for not putting your food waste into your brown bin? (tick all that apply)

- I do not see the point of recycling my food waste
- It is not collected often enough
- I am unsure what I can and cannot put into my brown bin
- I do not have a brown bin
- It may attract unwanted pests/insects
- I compost my food waste at home
- Not applicable

10. If you had additional information and support would you be interested in home composting including some of your food waste?

- Yes
- Yes, I already home compost
- No

11. The Council has no legal obligation to collect garden waste. Bearing this in mind and the need for Councils to consider options to save money and reduce its deficit we are proposing to stop the brown bin organic waste service.

If a paid for garden waste collection service was to be introduced, how would you dispose of your garden waste?

- I would be likely to use the paid for garden waste collection service
- I would compost my garden waste at home
- I would take it to the Household Waste Recycling Centre
- I do not produce garden waste

Food and Garden Waste, Continued

12. Please indicate how likely you would be to use a paid for garden waste collection service if the annual cost were:

	Very Likely	Quite Likely	Not Likely	Very Unlikely
Up to £50				
£51 to £55				
£56 to £60				
Over £60				

13. If we offer the option as part of the charged garden waste collection service, would you be interested in having more than one bin?

- Yes
- No

14. The service will be predominantly operated through an online self-service portal. Which of the following statement do you feel most applies (Tick one)

- I feel confident I can navigate an online payment website
- I do not feel confident using an online payment website – but with clear instructions I would use this method
- I do not want to use an online payment portal I want to pay over the phone
- I do not have a debit or credit card
- I do not have a bank account

15. We are considering the option of enabling residents to sign up for an annual direct debit. Would you consider signing up by direct debit.

- Yes
- No
- Maybe

Thank you for completing our survey.

East Herts Council report

Executive

Date of Meeting: 24 November 2020

Report by: Place Making and Growth Officer (Gilston Area)

Report title: Publication of the Gilston Area Community Engagement Strategy

Ward(s) affected: Gilston, Eastwick, Hunsdon and High Wych

Summary

- This report seeks agreement for the Gilston Area Community Engagement Strategy to be a material consideration in planning matters associated with the development of the Gilston Area, and for it to be published alongside the other planning guidance documents that support implementation of the District Plan.

RECOMMENDATIONS FOR EXECUTIVE:

- a. That the Gilston Area Community Engagement Strategy is approved as a material consideration in the production of planning policy/guidance documents and the processing of planning applications associated with the Gilston Area.**
- b. That the Gilston Area Community Engagement Strategy is published alongside the other planning guidance documents that support implementation of the District Plan.**

1.0 Proposal(s)

1.1 The Gilston Area Community Engagement Strategy (GACES) has

been produced to support the implementation of Policy GA1 (The Gilston Area) of the District Plan which requires its production to assist in managing the effects of development on local residents, and enable them to participate in how the emerging new community at Gilston comes forward.

- 1.2 It is recommended that the strategy is approved for publication in order for it to be considered as a material consideration in the production of planning policy/guidance documents and the processing of planning applications associated with the development of the Gilston Area.

2.0 Background

- 2.1 As well as working with other local authorities and statutory bodies, the Council is committed through its Statement of Community Involvement (SCI) to ensuring that engagement with the local community is undertaken at every stage of the planning process.
- 2.2 As the Gilston Area will be subject to significant growth and change over the coming decades, the District Plan identifies the need for the production of a Community Engagement Strategy that is specific to the Gilston Area. Policy GA1 of the District Plan states;

“A community engagement strategy will be prepared, working with the two local parishes, which will include consideration of managing the effects on local residents, and opportunities for them to participate in the emerging new community. Engagement with the local communities and other relevant stakeholders shall take place through the planning application process and through the development of village Masterplans.”

- 2.3 The Harlow and Gilston Garden Town partner authorities recognise the value of community engagement and have collectively agreed to engage as “proactively as possible” with local stakeholders and the community across the garden town.

- 2.4 The GACES will help to ensure that growth comes forward in a positive way that will benefit both existing and emerging communities, and that development is managed appropriately to minimise disruption to the lives of local people.
- 2.5 The draft GACES has been produced by the Council, in collaboration with representatives from the local parishes and following consultation with the Gilston Area Steering Group. A copy of the draft strategy is attached as Appendix A.
- 2.6 It should be noted that the Council has reviewed and updated its Statement of Community Involvement in light of Covid-19, to ensure that plan-making and public consultation can continue in an effective way. The published addendum which sets out the changes is also relevant to the GACES. The intention is to ensure the addendum is linked to the strategy when it is published. A link to the Statement of Community Involvement including the addendum is provided in Section 7 below.

3.0 Reasons

- 3.1 The planning system can be complex and the GACES aims to address uncertainty by setting out how the various parties involved in the growth of the Gilston Area will undertake engagement, collaboration and co-operation with the community at various stages of the planning process.
- 3.2 Endorsing the GACES as a material consideration will help to ensure a consistent approach to how engagement, collaboration and co-operation with the community is undertaken and that in turn the values, needs and wants of local people are being reflected in what is planned and constructed around them.
- 3.3 The build out of the Gilston Area development is projected to take place over the next 20-25 years. Over this period the existing communities will change and a new community will

emerge. This means that the guidance will need to be updated and adapted as necessary over time to ensure it continues to be relevant and inclusive to all those affected by the development.

4.0 Options

- 4.1 The Council could decide not to approve the strategy as a material consideration when producing policy/guidance and determining planning applications associated with the Gilston Area. The GACES would be used as a guidance tool for officers looking to advise applicants and other stakeholders on how engagement should be undertaken.
- 4.2 This is not the preferred option as it could undermine the value and status of the strategy. This would compromise the LPA's ability to insist that the guidance is followed and ultimately undermine the quality and consistency of engagement undertaken with the community.

5.0 Risks

- 5.1 Should Members decide not to agree the recommendations in this report there is a risk that the value and status of the GACES would be lessened with the consequences being as set out in para 4.2 above. Furthermore it may erode public trust and confidence in the Council's commitment to meaningfully engage the community as promised in the Council's Statement of Community Involvement and in the District Plan.

6.0 Implications/Consultations

- 6.1 Representatives from the local Parish Council's and the Hunsdon, Eastwick and Gilston Neighbourhood Plan Group were invited to comment on the GACES at various stages of its drafting. The production of the strategy was welcomed and respondents were keen for it to establish a two way collaborative process that seeks to ensure the views of the

community are considered as the development of Gilston progresses. Many of the comments provided have directly informed the final draft version of the strategy attached, however there were some views expressed that officers considered should not be included. These have been summarised below together with the basis for excluding them;

(1) Financing – the community should be adequately financed by developers/the council to enable it to be properly resourced, advised and represented when responding to consultations. The strategy should therefore make specific reference to community resourcing and where it will come from.

The Strategy acknowledges in paragraph 8.5 that the Council and developers should seek to support the community representatives and that at times this may be through the provision of additional support.

The Council will continue to explore options with the applicants and wider HGGT partners in terms of how this can be financed/funded and it may be possible to provide more clarity/detail in future iterations of this document as the development progresses.

(2) The role of the Gilston Area Steering Group as an “oversight” group – Given its track record, the Steering Group cannot be relied on for the purpose identified in the strategy and as such its role should be limited to appointing (with the two directly affected Parishes) a Community Engagement Panel that would fulfil this role instead.

The Gilston Area Steering Group is the only established group where members represent all the key stakeholders involved in the development of the Gilston Area and where minutes of the meetings are made publically available. It's important that any decisions taken around engagement are undertaken in a transparent way and involve all key stakeholders.

The GACES is clear that sometimes it may be appropriate to devolve engagement on specific planning matters to appointed community panels, for example when producing Village Masterplans, with the Steering Group acting to help advise (given the local knowledge of its members and contacts) on how these could most effectively be established.

Members of the Steering Group continue to review how the group functions to ensure that it fulfils all of its roles effectively.

(3) The strategy should be clear that the community shall be involved in s106 discussions.

Section 106 agreements are private agreements made between local authorities and developers and are required to make a development acceptable which would otherwise be unacceptable in planning terms. The process of negotiating agreements is often complex and governed tightly by legislation.

For these reasons communities are not invited to be party to s106 negotiations, however the Council does acknowledge there may be certain commitments in the s106 agreement that would require and benefit from community input, for example matters associated with community stewardship.

The strategy makes provision for engagement on planning applications, particularly in regards to working through application issues that may be sensitive or significant from the community's perspective, this could include s106 matters.

- 6.2 The document was also presented to the Gilston Area Steering Group in September 2020 and shared subsequently to enable members to provide any comments they might have. Both landowners (Places for People and City and Provincial Properties) responded and their comments have been duly taken into consideration in the final version of the strategy.

Community Safety

No

Data Protection

No

Equalities

The Council's Statement of Community Involvement (SCI) was subject to an Equalities Impact Assessment, and the Gilston Area Community Engagement Strategy builds on the Council's commitment to engagement with the local community as set out in the SCI.

Environmental Sustainability

No

Financial

There are no financial implications arising from the report, any activities will be met from existing budgets.

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

It is a requirement of District Plan Policy GA1 that a Community Engagement Strategy for the Gilston Area is prepared.

Specific Wards

Hunsdon, Eastwick, Gilston and High Wych

7.0 Background papers, appendices and other relevant material

7.1 East Herts District Plan October 2018 – With particular

reference to Policy GA1 Gilston Area (Chapter 11); see <https://www.eastherts.gov.uk/districtplan>

- 7.2 East Herts District Council Statement of Community involvement; see <https://www.eastherts.gov.uk/planning-building/planning-policy/statement-community-involvement-sci>
- 7.3 **Appendix A:** Gilston Area Community Engagement Strategy.

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The Gilston Area

Community Engagement Strategy

December 2020



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Gilston Area Community Engagement Strategy

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Appendix 1: Community Engagement Framework for the Gilston Area

Appendix 2: Links to relevant supporting documents

Gilston Area Community Engagement Strategy

1. Background

1.1 In order to help meet the challenging level of housing need in East Herts, the Council (EHDC) has committed through its District Plan, to support the delivery of 10,000 homes in the Gilston Area. As well as housing, a range of supporting infrastructure including community facilities, new schools, employment and retail floorspace, new sports and open spaces, parklands and strategic transport improvements including additional / enhanced crossings over the River Stort will be delivered. It is envisaged that the development of the Gilston Area will come forward as distinct and separate villages developed through Garden City principles.

1.2 The Gilston Area forms part of the Harlow and Gilston Garden Town (HGGT), which was designated a Garden Town by the Ministry for Homes, Communities and Local Government in January 2017, and will include the development of 23,000 new homes across new neighbourhoods to the east, west, and south of Harlow, and the Gilston Area to the north. East Herts District Council is working with Harlow Council, Epping Forest District Council, Hertfordshire County Council, Essex County Council and Homes England to plan this growing community.

1.3 As well as working with other local authorities and statutory bodies, the Council is committed through its Statement of Community Involvement (SCI) and District Plan to ensuring that engagement with the local community at every stage of the planning process is undertaken through the production of a

Community Engagement Strategy for the Gilston Area. Policy GA1 of the District Plan states;

“A community engagement strategy will be prepared, working with the two local parishes, which will include consideration of managing the effects on local residents, and opportunities for them to participate in the emerging new community.

Engagement with the local communities and other relevant stakeholders shall take place through the planning application process and through the development of village Masterplans.”

1.4 As well as EHDC, the other Harlow and Gilston Garden Town authorities also recognise the value of community engagement and have collectively agreed to engage as “proactively as possible” with local stakeholders and the community across the garden town.

2. Value of community engagement in shaping the development of the Gilston Area

2.1 The Gilston Area will be subject to significant growth over the coming decades. The Council and key stakeholders are committed to ensuring that growth comes forward in a positive way that will benefit both existing and emerging communities, and that the construction phases are managed appropriately to minimise disruption to the lives of local people. Policy GA1 of the District Plan states;

“The delivery of the Gilston Area will include a mechanism for:

- *Securing long term stewardship, protection and maintenance of the parkland, open spaces, play areas and community assets;*

- *Managing the construction process to address potential impacts on existing and future communities;*
- *Encouraging a successful and active community, including an innovative approach to create the conditions for local resident participation in the design and stewardship of their new communities.”*

2.3 Engagement, collaboration and co-operation with the community at every stage of the development will help to ensure that the values, needs and wants of local people are being reflected in what is planned and constructed around them. Meaningful and timely participation enables local people to have a real influence on the content of the policies and guidance that will be a material consideration in decision making when planning applications are considered. It provides a platform for local people to communicate their aspirations and inform what is secured at the planning application stage, and enables local people to influence how development is carried out by contributing to the content of technical documents required at the post planning stage, such as plans that deal with methods of construction and environmental management. It also enables local communities to play a central role in how new places are managed and looked after, such as areas of green space and parkland.

2.4 It is important that engagement is undertaken as two-way collaborative process that seeks to understand the views of the community, rather than it simply being a process where the community is told what is going to happen before it happens. Without proper communication and engagement local people may not buy into the final vision for the Gilston Area particularly if they do not feel their needs or concerns are listened to and addressed, or that they are not

seeing any tangible outcomes or promises made in the District Plan being realised.

3. Aims and objectives of the Gilston Area Community Engagement Strategy

3.1 The planning system can be complex and this Community Engagement Strategy (CES), which has been produced with input from representatives of the local parishes, aims to address uncertainty by setting out how the various parties involved in the growth of the Gilston Area will undertake engagement, collaboration and co-operation with the community at various stages of the planning process. The further aims and objectives of this document are summarised below.

To be a live working document that is adaptable and can evolve over time as the new community in the Gilston Area grows.

To ensure that those looking to engage with the community recognise that it should be a two way collaborative process that seeks to understand the views of the community.

Ensure a consistent approach to engagement through the establishment of an Engagement Framework that clarifies;

- who should be engaged and when
- what methods should be used
- who is responsible.

Clarify the role of key groups involved in shaping the development of the Gilston Area.

Aims and objectives of the Gilston Area Community Engagement Strategy

To bring together the engagement aims of other existing/emerging policy documents and guidance related to the Gilston Area and ensure that the agreed HGGT consultation principles are met.

Clarify the range of engagement methods available to ensure the widest audience is reached and the support that can be provided.

Help the community and key stakeholders better understand the planning system and the positive contribution they can make in shaping the development of the Gilston Area.

4. Guidance relevant to the Gilston Area Community Engagement Strategy

4.1 The emphasis on collaborative working with the community and key stakeholders to help shape and deliver development in the Gilston Area is reflected in a number of existing and emerging policy and guidance documents. These are set out and summarised below.

4.2 **East Herts District Council - Statement of Community Involvement -**

In 2019 the Council adopted a Statement of Community Involvement (SCI) which explains how East Herts District Council will involve the community in plan-making and in the consideration of planning applications. The SCI aims to address uncertainty by setting out how the Council will engage with people at the various stages of the planning process. It also sets out agreed consultation principles specific to the Gilston Area which have been used to help inform this document. The SCI can be viewed here: <https://www.eastherts.gov.uk/planning-building/planning-policy/statement-community-involvement-sci>

4.3 **Harlow and Gilston Garden Town Vision -** The Garden Town Vision was produced on behalf of the Harlow and Gilston Garden Town (HGGT) authorities and sets out a vision for the Garden Town and the principles which will inform its growth and management. The document states that in addition to cross boundary working, the HGGT authorities *“are committed to working with relevant organisations, service providers and community groups to ensure proposals are developed collaboratively and with thorough consideration of local priorities.”* The Garden Town vision can be viewed here: <https://www.eastherts.gov.uk/about-east-herts-0/improvement-projects-east-herts/harlow-and-gilston-garden-town>

4.4 **Emerging Gilston Area Neighbourhood Plan** - The emerging Gilston Area Neighbourhood Plan is being produced by the Gilston Neighbourhood Plan Group to influence the character and quality of development in the Gilston Area, setting out detailed policies to guide how a comprehensive and integrated development takes place, with a focus on early landscape masterplanning to provide the setting and framework for the creation of the villages. Once adopted it will form part the statutory Development Plan and will be a material consideration in planning decision making. The Neighbourhood Plan sets out the key role of the community in taking forward growth in the Gilston Area and includes policies that require local communities (existing and new) to be fully, meaningfully and collaboratively engaged with each stage of the development process.

5. Key community stakeholders

5.1 There are a number of groups and organisations local to Gilston with a particular knowledge of the area and/or represent specific local interests. These groups/organisations (as summarised below) will play an important role in informing how development comes forward in the area.

5.2 **Hunsdon, Eastwick & Gilston Neighbourhood Plan Group** – comprises representatives from the local parish councils of Hunsdon, Eastwick and Gilston and is made up of people living within the parishes. The group is responsible for the Neighbourhood Plan which is being produced to influence the character and quality of development in the Gilston Area, setting out detailed polices to guide how development should take place reflecting local community aspirations. It also acts as a body to advise and represent the Parish Councils and their

residents on the development of the Gilston Area as a whole, including in the preparation of planning policy documents and at planning application stages.

5.3 **Parish Councils** - from Hunsdon, Gilston, Eastwick, High Wych and Widford.

5.4 **Wider community stakeholders** – At various stages of the planning process, depending on the scale and complexity of the matter under consideration and the level of public interest, it will be necessary to engage more widely with local businesses, landowners and residents living in and around Gilston, Hunsdon, Eastwick, High Wych, Widford and Harlow. Engagement with other public bodies and interest groups local to the Gilston Area and the Stort Valley will also be required, such as the Stort Catchment Partnership and Herts and Middlesex Wildlife Trust.

5.5 This section of the strategy will be regularly reviewed and where necessary updated in order to ensure that it remains representative of the stakeholders; in particular it will be necessary to ensure future residents of the Gilston Area are given appropriate representation.

6. Other forums and bodies involved in the planning and decision making for the Gilston Area

6.1 **The Gilston Area Steering Group (GASG)** – comprising representatives of the local authorities that make up the HGGT partnership, parish councils, neighbourhood plan groups and developers in the Gilston Area in accordance with the terms of engagement set up for the Steering Group. The group is a

forum for discussion but also plays a key role in the co-ordination of community engagement and in providing networks for disseminating information.

6.2 The Harlow and Gilston Garden Town - since being designated a Garden Town by the government in 2017, various governance and management arrangements have been established to help ensure collaborative working around the delivery of the HGGT (including the Gilston Area). These are summarised below together with the key stakeholders they involve.

6.3 Garden Town Board – comprising members and officers from each of the five authorities, for discussion of joint matters. Board members can consider and endorse technical studies, policy guidance and other emerging work relating to the Garden Town and can make recommendations back to their separate authorities. The Garden Town Board is not a decision-making body and will typically not engage separately with stakeholders or the community. It is represented in that respect by those individual authorities who remain the decision-makers in terms of their respective functions and duties.

6.4 Garden Town officer groups – comprising officers from each of the five authorities and other stakeholders where appropriate as a forum for joint-working, including preparing and sharing technical studies, policy guidance and other emerging work relating to the Garden Town. Documents may subsequently be considered by the Board and then for adoption or approval by the individual authorities, sometimes following public consultation depending on the nature of the document.

6.5 *Garden Town Quality Review Panel* – a design panel which can review any emerging work relating to the Garden Town, including development proposals from landowners / developers. The Panel provides an independent critique in relation to matters presented to it. Its recommendations and observations may then be considered by applicants or the local authorities.

6.6 *Garden Town Developer Forum* – comprising landowners, developers and promoters active in the Garden Town, for discussion and engagement in relation to planning policies, guidance, evidence and the sharing of information in respect of masterplans and planning applications.

6.7 **Statutory Bodies** – Planning legislation identifies statutory consultees that the Council must engage with at various stages of the planning process. These include environmental organisations such as Natural England, the Environment Agency and Historic England, and local services and infrastructure providers including the Highways Agency, Hertfordshire County Council and utilities companies. The level of engagement and scale of consultation will depend on the nature of the planning document being consulted upon. Further details on statutory consultees and when they should be engaged can be found in the Council’s Statement of Community Involvement.

7. How will engagement be undertaken?

7.1 Engagement related to the development of the Gilston Area will be an end to end process that starts from the earliest design stages through to development construction and delivery. There will be different forms and levels of engagement; for example sometimes it will simply be communicating

information, such as when a planning application has been submitted or when a new school is due to open; sometimes it will be a two way collaboration where the community is party to developing ideas and informing the direction of documents, such as the Strategic Landscape and Village Masterplans and their associated Design Codes; and in some cases it will be a formal consultation where there is a statutory requirement to consult the community, such as a public consultation on a planning application.

7.2 A **Community Engagement Framework** is provided in **Appendix 1** to this document which clarifies the level of public/community engagement expected at the various stages of the planning process and the relevant responsible party.

7.3 Typically it is envisaged that landowners/applicants and developers will lead engagements with stakeholders at a pre-application stage, with East Herts Council taking a lead on statutory and other consultations once applications have been formally submitted.

7.4 The detailed methods for engagement shall be co-ordinated beforehand at the earliest opportunity in discussion with the GASG having regard to the scale and complexity of the matter under consideration, the level of public interest and whether targeted approaches are required in order to reach those who wouldn't normally be engaged.

8. Resources and limitations

8.1 Stakeholder engagement will be an essential element of the planning and delivery process for the Gilston Area, however it is recognised that there are resource implications and limitations to engagement that will need to be taken into consideration.

8.2 The Council operates a digital first approach to its communications but there is an appreciation that certain members of the community will have digital limitations. Where considered necessary parties looking to undertake engagement should seek to complement digital communications with alternative means of communication in order to engage with the widest possible audience.

8.3 The cost of producing communications and hosting events and activities will also be a factor when making decisions on methods of engagement. For example digital communications will require resource and regular commitment in order to perform well and the production of leaflets and holding exhibitions will also have a cost implication.

8.4 Generally where engagement takes place at a pre-application stage the landowners/applicants/developers will be expected to make the necessary arrangements to organise and resource this in discussion with wider representatives of the GASG. Where engagement takes place on an application after its formal submission, the Council will expect to take the lead but may need to identify additional resource from the applicant if a level of engagement is

agreed as necessary that would exceed the typical statutory process, again working with the other representatives of the GASG.

8.5 It is recognised that the Neighbourhood Plan Group and Parish Councillors contribute their time as representatives of the community on a voluntary basis including through attendance of the GASG meetings. The Council and landowners/ applicants/developers should seek to support the community representatives in their role. As a first principle this should be through sharing information in a manner that is more easily understood by the community at large but at times this may also be through the provision of additional support. Where community facilities are proposed to be used for engagement events the community will typically act positively in offering availability; in return those managing the events should support the community through respecting those facilities and agreeing appropriate costs for their hire.

8.6 The timing of engagement processes and consultations will need to be planned carefully to ensure enough notice is given, having regard to holiday periods when people may be less available or have less time to participate. It will also be important to avoid multiple engagements processes taking place simultaneously which can lead to the community being overburdened and less able to meaningfully communicate their views.

If a communication is required by a specific deadline, producing a leaflet or holding an event may take too long, in which case digital communication may then be the most suitable form of communication. Timing should not be used deliberately as an excuse to avoid more appropriate forms of engagement and

all parties are encouraged to share their communication plans with the GASG as early as possible.

8.7 Where appropriate the Council and community may offer to facilitate digital communication on behalf of other parties using their existing range of channels or support engagement events through helping to raise awareness. Where this occurs this should be treated as positive working in the spirit of collaboration but may not constitute an endorsement of the information itself.

8.8 It is recognised that the landowners/developers/applicants will wish to undertake their own engagement with stakeholders over and above what is required by this strategy. In addition the parishes and other community representatives, the County Councils and other groups and stakeholders may also wish to engage with the community on matters associated with the development of the Gilston Area. The Council and GASG should be informed of any intended engagements in advance of making arrangements to ensure these are co-ordinated and avoid competing with, or confusing other planned engagement in the Gilston Area or across the wider HGGT.

9. Methods available to assist engagement and communication

9.1 The Council has a range of channels which will be used to share news and updates on how development in the Gilston Area is progressing and to invite people to participate in consultation events and engage in working up proposals, some of these methods are set out below.

9.2 A live **web based platform** is currently being developed by EHDC and the HGGT that will be updated on an ongoing basis to keep the public informed about the progress of development as it comes forward in the Gilston Area. It will include information on a range of topic areas, including housing, community facilities and transport infrastructure secured at the planning stages through to delivery. It will also include details of how the local community can participate in the planning and design of the Gilston Area and also matters associated with the delivery and construction phase post planning.

9.3 In addition it will act as a sign post to other useful information such as documents and plans associated with the development, the programme for construction and when certain actions will be taking place such as scheduled road closures. It will also provide useful contact details if residents have any questions or concerns relating to the development.

9.4 In time it will provide a platform to review outcomes and ensure developer accountability at the post construction stage by identifying a series of standards and targets that can be used to indicate and measure the quality of the new development as it comes forward.

9.5 Landowners - Gilston Park Estate, have a project website that will also be used to support engagement going forward (<https://gilstonparkestate.com/>).

9.6 **Social Media** platforms will be used to share updates and news such as the East Herts and Harlow and Gilston Garden Town Twitter accounts. Online Consultation Platforms may also be used which allow the public to share their

comments on a proposal in real-time and in a way which is open and accountable. Feedback from these social media platforms can be used to communicate any issues or views back to the Council, Developers and other interested parties.

9.7 **Face to face methods** of engagement and communication will be used where appropriate. These will include workshop events, seminars, roadshows and Q&A sessions at public meetings. Such events could take place in person, virtually or a combination of the two.

9.8 Landowners/applicants/developers will also have various means of communication and approaches to engagement that they may wish to use. This document recognises that there are many ways of engaging and supporting new ideas.

9.9 **Other media types** will be used to communicate what is happening at Gilston such as local newspapers, Link magazine, the planning bulletin, posters, leaflets and exhibitions etc.

10. Evaluation

10.1 It is important to learn from past experience and evaluate how effective a process of engagement has been. Evaluation will provide valuable feedback on matters such as the best methods for engaging with particular groups, or the most appropriate times or venues to encourage participation. It is expected that those leading on engagement events should feedback their findings to the GASG to help inform future engagement processes.

Appendix 1: Community Engagement Framework for the Gilston Area

The purpose of this framework is to summarise and clarify the level of public/community engagement expected at the various stages of the planning process in accordance with the Council’s Statement of Community Involvement. In many cases the detailed methods for engagement will be agreed by the Gilston Area Steering Group (GASG) depending on the scale and complexity of the matter under consideration, as well as the level of public interest.

1. Policy and Guidance documents:

This section details the engagement and consultation requirements for the production of any policy/guidance documents directly linked to the implementation of District Plan Policy GA1. Note the production of policy/guidance documents that are applicable to the entire District or Garden Town will be subject to separate requirements which depending on their scope and nature may include engagement/consultation with the communities in and around Gilston.

Stage	Who from the community should be engaged (statutory and non-statutory requirements)	Engagement/consultation opportunities	Responsible party
Preparation and evidence gathering	Depending on the content and scope of the document, early engagement may be undertaken with interested parties from the local community as agreed by the GASG.	Workshops with identified parties or sub-group(s) to the GASG.	Document author
Drafting	Continued engagement with parties identified by GASG will be undertaken throughout the production of the document. For documents seeking adoption, a public	Workshops with identified parties or sub-groups to the GASG. Consultation methods will need to be	Document author Document author

	consultation on a final draft version (minimum 4 weeks consultation) is required. The author should take into account representations in completing the final version for adoption and publication.	<p>proportionate but may include;</p> <ul style="list-style-type: none"> - Public meetings and exhibitions/webinars - Website alerts - Individual letters or leaflets - Social Media, newsletters - Engagement with parish/town councils and other interested bodies - Ward Member briefings 	
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2. Major planning applications

This section details the engagement and consultation requirements applicable to the submission of major planning applications including Reserved Matters applications.

Stage	Who from the community should be engaged (statutory and non-statutory requirements)	Engagement/consultation opportunities	Responsible party
Pre-application Stage	Early engagement will be undertaken with interested parties from the local community as agreed by the GASG.	<p>Methods will need to be proportionate but may include;</p> <ul style="list-style-type: none"> - Public meetings, exhibitions, webinars - Website alerts - Leaflets - Social Media, newsletters - Engagement with parish/town councils and other interested 	Landowner/applicant

		<p>bodies</p> <ul style="list-style-type: none"> - Workshops with identified parties or subgroups may be appropriate for particularly sensitive or significant development proposals. 	
Application Stage	<p>Statutory public consultation (minimum 21 days).</p> <p>Depending on the level of interest and feedback arising from the initial statutory consultation, it may be necessary to carry out non-statutory engagement with the community if amendments to the application are required, particularly those that may be sensitive or significant from the community's perspective. This should be undertaken prior to the formal submission of any amendments and further statutory re-consultation.</p>	<ul style="list-style-type: none"> - Site Notices - Notifications to residents, local community groups and businesses - Website alerts - Press Notice in local paper - Parish council notification - Website/social media notifications - Ward Member notification - Further workshops with identified parties or subgroups, public exhibitions and/or Webinars may be required for particularly sensitive or significant development proposals. - Workshops with identified parties or subgroups and/or Webinars may be required. 	<p>EHDC</p> <p>Applicants</p>

3. Strategic Landscape and Village Masterplans and associated Design Codes

The Gilston Area Charter requires the applicants and Council to produce an Engagement Plan in consultation with the GASG prior to work commencing on any of the Gilston Area Masterplans. The Engagement Plan will include the establishment of a working group of community representatives to help inform the content of the masterplan from the earliest stages of production.

Stage	Who from the community should be engaged (statutory and non-statutory requirements)	Engagement/consultation opportunities	Responsible party
Prior to any work commencing	A working group of community representatives shall be established in consultation with the GASG to help inform the production of the masterplan. Members of the working group shall represent a wide community demographic and include representatives from local interest groups, residents and local business owners as appropriate.		Landowner/applicant and EHDC
Drafting/production	Community Working Group	<ul style="list-style-type: none"> - Workshops 	Landowner/applicant supported by EHDC
Completion of draft (prior to formal submission)	Wider engagement will be undertaken once a draft masterplan has been produced. The extent of engagement to be agreed with the GASG in consultation with the Community Working Group.	Methods will need to be proportionate but may include; <ul style="list-style-type: none"> - Public meetings, exhibitions, Webinars - Ward Member briefings - Leaflets - Social Media - Engagement with parish/town 	Landowner/applicant supported by EHDC

		councils and other interested bodies	
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4. Post Planning submissions (Approval of Details applications)

There is no statutory requirement for Local Planning Authorities to consult the community on planning applications seeking to discharge conditions. However, if the details to be discharged relate to an issue that would benefit from the expertise of a local group/body or would directly impact the lives of local people, for example details that concern local wildlife or how construction will be managed, the LPA may use its discretion through the wording of certain conditions to establish a requirement for engagement to be undertaken as the details are worked up prior to submission.

Stage	Who from the community should be engaged (statutory and non-statutory requirements)	Engagement/consultation opportunities	Responsible party
Pre-submission	The Council and applicants will determine which community representatives should be engaged depending on the scope and nature of the details being discharged and feedback from the consultation undertaken at the outline application stage when the conditions are drafted. It may also necessary to revisit who should be engaged in consultation with the GASG, as the community and any local interest groups	Methods will need to be proportionate and depend on the specific details being worked up but may include; <ul style="list-style-type: none"> - Workshops with identified parties or groups. - Public meetings/webinars - Ward Member liaison - Engagement with parish/town councils 	Landowner/applicant

	may change and evolve over the duration of the development.		
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Appendix 2: Links to relevant supporting documents

1. East Herts District Council Statement of Community involvement

<https://www.eastherts.gov.uk/planning-building/planning-policy/statement-community-involvement-sci>

2. East Herts District Plan

<https://www.eastherts.gov.uk/planning-building/east-herts-district-plan/east-herts-district-plan-2018>

3. Gilston Area Steering Group Terms of Reference

https://cdn-eastherts.onwebcurl.com/s3fs-public/documents/20180405_Steering_Group_Terms_of_Reference_v2.1_Agreed.pdf

4. Harlow and Gilston Garden Town website

<http://www.harlowandgilstongardentown.co.uk/>

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East Herts Council Report

Executive

Date of meeting: 24 November 2020

Report by: Leader of the Council

Report title: Hertfordshire Growth Board Joint Committee Proposal

Ward(s) affected: All

Summary – To advise the Executive of proposals to establish the Hertfordshire Growth Board and Hertfordshire Growth Board Scrutiny Committee as formal joint committees under the Local Government Act 1972 and Local Government Act 2000 and to set out the actions required to do this.

RECOMMENDATIONS for EXECUTIVE:

- a)** Notes the content of this report and attached joint cover report at Appendix A: “Hertfordshire Growth Board Integrated Governance Framework”;
- b)** Agrees to recommend to Council endorsement of the establishment of the Hertfordshire Growth Board Joint Committee and Hertfordshire Growth Board Scrutiny Joint Committee as Joint Committees
- c)** Nominates the Leader as the Council’s representative on the Hertfordshire Growth Board Joint Committee, should Council endorse the establishment of the joint committee and the council’s membership, with delegated authority to appoint a substitute representative as required.

That the Executive recommends to Council:

- d)** That it endorses the establishment of the Hertfordshire Growth Board Joint Committee and Hertfordshire Growth Board Scrutiny Joint Committee (to hold their inaugural meetings in January/February 2021 and then HGB Scrutiny aligned to confirmation of securing Government funding in 2021) and that the council becomes a member of both.
- e)** That Council adopts the Growth Board Integrated Governance Framework into its own constitutional framework.
- f)** That Council nominates a member and substitute member as the council's representative on the Hertfordshire Growth Board Scrutiny Joint Committee (note that nominees must not be members of the Executive).
- g)** That Council notes that, subject to approval of Recommendation (d), the Leader is nominated as the council's representative on the Hertfordshire Growth Board Joint Committee with delegated authority to appoint a substitute representative as required.

1.0 Proposal(s)

1.1 As above

2.0 Background

2.1 Attached at Appendix A is a detailed report prepared on behalf of all the District, Borough and County Councils in Hertfordshire, together with the Local Enterprise Partnership (LEP), recommending to each authority the

setting up of a formal Joint Committee and Scrutiny Joint Committee to manage and oversee the work of the Hertfordshire Growth Board.

3.0 Reason

3.1 To provide longer term joint place leadership.

4.0 Options

4.1 To not agree to the setting up of the Hertfordshire Growth Board Joint Committee and Hertfordshire Growth Board Scrutiny Joint Committee. This option is NOT RECOMMENDED as it would place East Herts Council at odds with partners and may affect government funding to Hertfordshire for strategic schemes within its terms of reference.

5.0 Risks

5.1 No specific risk implications have been set out in the cover report, however as indicated at 4.1 above, there will be associated, albeit as yet unknown perceived risks if East Herts Council does not proceed with the proposal.

6.0 Implications/Consultations

6.1 On 11 November 2020, an all Member briefing session was provided by the Director of Hertfordshire Growth on the implications of the proposals.

Community Safety

No

Data Protection

No

Equalities

In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

See para 3.4 (page 6) of Appendix A

Environmental Sustainability

Yes – See para 3.3 (page 6) and para 1.3 (Page 7) of Appendix A

Financial

Yes - See para 3.1 (page 5) and para 7 (page 23) of Appendix A.

Funding to support the operation of the HGB and initial project work comes from a sum set aside from the 2019/20 business rate pilot. All eleven councils in Hertfordshire jointly bid to pilot plans for Councils to retain a greater share of business rate growth. As well as benefit for each individual council, it was agreed to hold a central sum from the gains to fund joint projects through the HGB

HGB will seek Growth Funding from Central Government for the benefit of the constituent Councils. In the event that HGB enters into future arrangements with HM Government and secures funding for homes and infrastructure, an assurance framework to govern the contractual and accounting arrangements for the use and management of that funding will need to be developed and agreed between government and the HGB, and HCC as the accountable body overseeing those arrangements.

Health and Safety

No

Human Resources

No – See 3.1 (page 5) of Appendix A. Secretariat , and support, accommodation, ICT and streaming support for the Joint Committee / Scrutiny Committee is to be provided by Hertfordshire County Council.

Human Rights

No

Legal

Yes – Sections 101 and 102 of the Local Government Act 1972, section 9EB of the Local Government Act 2000 and the Local Authorities (Arrangements for the Discharge of Functions) Regulations (England) Regulations 2012 enable councils to establish joint committees together with other councils to discharge certain of their functions.

In a Leader Cabinet model, the decision to approve the establishment of a Joint Committee must have the approval of both the Executive and Full Council of the authority: sections 101(5), (5A) & 101(5B) of the Local Government Act 1972 and Regulation 4 Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012/1019.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

- 7.1 Appendix A - "Hertfordshire Growth Board Integrated Governance Framework"

Contact Member

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Report Author

Same as above

Hertfordshire Growth Board Integrated Governance Framework

October 2020



Hertfordshire
Growth Board

Hertfordshire Growth Board Proposed Joint Committees Integrated Governance Framework

1. Background

- 1.1 Hertfordshire Growth Board (HGB) has been operating since late 2018 as a non-constituted partnership of the 11 Local authorities and Local Enterprise Partnership in Hertfordshire. Formed as a coalition of the willing with the purpose of taking a longer term place leadership approach to our place ambitions, growth pressures and economic performance, it has promoted effective joint working and common cause, delivering more than the sum of the parts and seeking to create additionality for all partners and the residents and businesses of Hertfordshire.
- 1.2 The Growth Board Partners have invested significant capital in the work that has been undertaken on developing the Growth Board programmes so far, charting a course of collective action through the dedication of political, officer and financial resources. The Growth Board is a unique construct for Hertfordshire and the progress that it has made in its two years of operation is important. The relationships that have been built between the partners, the set of programmes that have been developed and the outcomes that are being sought in place and economic terms are significant and will extend beyond political horizons. They represent a coherent response to the ambitions that the partners have articulated together, and the challenges that we face, including economic recovery.
- 1.3 Through the Growth Board work, including the joint signing of the collaboration Memorandum of Understanding (MOU) in 2019/20 we have signalled to HM Government unity and joint commitment to the Growth Board programmes across Hertfordshire and to pursuit of a Growth Deal for our area. Bids for the Single Housing Infrastructure Funding will need to be submitted in 2020/2021 and will need to be supported by evidence of an appropriate governance model, best provided by strengthening of the current governance of the Growth Board, to give it a legal identity and statutory weight.
- 1.4 The Growth Board has increased the openness and transparency around its activities in 2020, publishing its board papers and developing a website and greater visibility of its work and ambitions. There is recognition however, that an informal constitution and governance can only take those ambitions so far and formalising the Growth Board into a statutorily constituted Joint Committee with associated scrutiny function will bring benefits for the partnership including:
 - a) signalling the strong and ongoing local commitment to the joint Growth Board work, its pan Herts focus, delivery programmes and co-ordinating role now and in the future (going above the commitments set out in the existing MOU)
 - b) Helps maintain government and investor confidence in the visible alignment of business, political governance and civic support to delivery commitments in Hertfordshire
 - c) Would aid openness and transparency in decision making for councils whilst the bidding to and negotiations with HM Government move forward

- d) Provides a governance vehicle that can operate and take advantage of potential opportunities now, building on the progress made so far and maintaining the momentum that has been established by the partnership
- e) Has a neutral impact upon any structural change considerations in Hertfordshire, enabling focus to be maintained on the joint Growth Board work and building on the progress and investment made over the last two years.

1.5 Moving to establish a statutory joint committee will bring the work of the Growth Board within a legally prescribed process. Good governance requires an associated scrutiny function to be established alongside. Both of these are now proposed to the Growth Board partners. Subject to all partners agreeing to establish the joint committees, and the local authority partners confirming this decision and taking the legislative steps to establish the joint committees, the first Growth Board joint committee could take place in early 2021. The implementation of the Growth Board Scrutiny Committee should be aligned to confirmation of a successful bid, later in 2021.

2.0 The Integrated Governance Framework – Key components

2.1 The Hertfordshire Growth Board and Growth Board Scrutiny Committee will be joint committees of the District, Borough and County Councils, formed under provisions of Local Government legislation¹ which enable councils to come together to discharge various of their functions. The Hertfordshire Local Enterprise Partnership shall also be a member of the HGB, in accordance with the same legislative provisions.

2.2 The Integrated Governance Framework attached to this paper provides the proposed Terms of Reference (TOR) and Standing Orders (SO) for the both of the Growth Board and Scrutiny Joint Committees.

Role of the Hertfordshire Growth Board

2.3 The HGB has the primary aim of coordinating strategic development planning and delivery across Hertfordshire. The **HGB** is currently operating to provide strategic co-ordination around growth and place leadership for the eleven councils and Local Enterprise Partnership (the **LEP**) in Hertfordshire. Governance is through an agreed Terms of Reference and a collaboration Memorandum of Understanding. The HGB has developed a common purpose and a pan-Hertfordshire programme of projects supporting its vision and ambition for Hertfordshire the place.

2.4 HGB will be bidding to HM Government to secure Growth Funding through the Single Housing Infrastructure Fund or other funding streams which will require a formal governance model to provide accountability to government and good governance and transparency in the local management and use of any funds received under such an arrangement. If this is achieved, HGB will be responsible for commissioning the projects which will be funded and for the overall control of the project programme.

2.5 Going forward, within the framework of distributed leadership provided by the Growth Board, individual projects may be led by a constituent council, councils or by the HGB, and the HGB may delegate various of its functions to officers of the Councils. The constituent councils will also form a joint Scrutiny Committee to review the work of the HGB, comprising members from each of the constituent councils.

¹ Sections 101 and 102 of the Local Government Act 1972; Section 9EB of the Local Government Act 2000 and pursuant to the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012

Core Provisions regulating the HGB and the Scrutiny Committee

- 2.6 The Growth Board commissioned the preparation of the Integrated Governance Framework with support and input from the Hertfordshire Heads of Legal/Monitoring Officers Group. The Framework drew on relevant governance models and examples from elsewhere (Oxfordshire and Cambridgeshire) and has also been reviewed in a number of previous iterations through the Chief Executives group. The version attached to this paper has been endorsed by the Growth Board for consideration by constituent councils in their individual democratic processes.
- 2.7 Each of the HGB and the HGB Scrutiny Committee shall operate in accordance with respective Terms of Reference and Standing Orders. Core Provisions of these are set out in summary below and the full framework is attached at Appendix A to this paper:

<p>HGB - Terms of Reference (Summary)</p>	<p><u>Membership and Voting</u> – The HGB shall have twelve members, comprising one member from each council and one member from the LEP. The strong ambition of the HGB shall be for all decisions to be made on a unanimous basis, and issues on which consensus cannot be reached shall be deferred to the following meeting.</p> <p>Only where consensus cannot be achieved at a subsequent meeting will issues be put to a vote. In those cases, and in compliance with the law applicable to joint committees, the voting members shall be the Council members only, and votes shall be decided by majority. The Chair is entitled to a casting vote, but there will be a convention that he/she will not rely on this. Before taking any decision, the local authority members of the HGB will have due regard to the advice and opinions expressed by the LEP member.</p> <p><u>Division of functions between the HGB and constituent councils</u> – Section 4 of the Terms of Reference clarifies those functions that will be given to the HGB, and those that will be retained by the constituent councils and the LEP (where applicable).</p>
<p>HGB - Standing Orders (Summary)</p>	<p>The HGB members shall appoint a Chair and two Vice-Chairs. There shall be a two-year non-consecutive limit on the Chair’s appointment (i.e. he/she may be reappointed, but only after a different member has been Chair).²</p> <p>Meetings will have a quorum of 9 members.</p> <p>Meetings will be open to public attendance (whether physical or virtual meetings) and will accept questions and petitions from the public.</p>
<p>HGB Scrutiny</p>	<p><u>Role</u> - The Scrutiny Committee will provide pre-scrutiny of the business</p>

² For both the HGB and the HGB Scrutiny Committee, there will be an exception to the term limits for the initial appointment of the chair at the first meeting.

<p>Committee Terms Reference (Summary) - of</p>	<p>of the HGB. It will also act as a forum for discussion with a wider range of members and stakeholders across Hertfordshire. The Scrutiny Committee may review and comment on reports to the HGB, offer advice to HGB on the discharge of its functions and may review its work.</p> <p><u>Membership</u> – the Scrutiny Committee shall have 12 members including the LEP. Members must not be executive members of their appointing authority.</p>
<p>HGB Scrutiny Committee - Standing Orders (Summary)</p>	<p>Meetings of the Scrutiny Committee will normally be scheduled shortly prior to meetings of the HGB, in order to facilitate its pre-scrutiny function.</p> <p>The HGB members shall appoint a Chair and one Vice-Chair to the Scrutiny Committee. There shall be a two-year non-consecutive limit on the Chair’s appointment (i.e. he/she may be reappointed, but only after a different member has been Chair).³</p> <p>Meetings shall have a quorum of 7 members.</p> <p>Voting where required shall be by simple majority, in accordance with legislative requirements. As with the HGB, the Chair shall be entitled to a casting vote, but there will be a convention that he/she will not rely on this.</p> <p>Meetings will be open to public attendance (whether physical or virtual meetings) and will accept questions and petitions from the public.</p>

3.0 Implications

- 3.1 The financial implications of establishing joint committees for the Hertfordshire Growth Board consist primarily of time for the attendees (Members and officers), secretariat and support, accommodation (for when meetings are hybrid or in a single location) and cost of ICT/live streaming of meetings. These costs will be met from the Hertfordshire Growth Board Growth Fund. The Growth Board Growth Fund is overseen by the Growth Board and accounted for by the s.151 Officer at Hertfordshire County Council who are the accountable body for the fund.
- 3.2 The legal implications of setting up the joint committees relate primarily to governance, meeting and publications arrangements and conduct of members. The proposed

³ See footnote 2.

Integrated Governance Framework addresses the governance requirements and also to the way that meetings will operate. The publications and procedures rules that both committees will need to operate within are also addressed in the document, where not the normal statutory rules will apply including those related to Covid-19 arrangements for virtual meetings. Local Government and LEP members, alternates and substitutes are covered by the general code of conduct for their organisations.

3.3 Environmental and sustainability implications. The Growth Board partners have established separate but also joint approaches to sustainability and climate change impacts/mitigation measures for Hertfordshire. There is crossover with the Growth Board work that will ensure that environmental considerations and programmes are taken forward and implications considered.

3.4 Equalities implications. A formal EQIA has not been deemed necessary because there is nothing to suggest that the creation of these statutory joint committees will adversely affect any equalities requirements. Moving to statutory joint committees will increase transparency and openness in the work of the Hertfordshire Growth Board.

4.0 Next Steps for Constituent Councils in establishing the Joint Committees

4.1 The constituent councils are asked to put forward to their full council a motion to approve the formation of the HGB and its scrutiny committee as statutory joint committees, with functions delegated to them as set out in the attached Terms of Reference and Standing Orders of the HGB and Scrutiny committees.

4.2 Councils and the Local Enterprise Partnership are then asked to appoint a member to each of the HGB and the HGB Scrutiny Committee. If endorsed by votes of the constituent councils as above, the HGB will be constituted. It is hoped to schedule a first meeting of the HGB in January/February 2021. The HGB Scrutiny Committee work programme is largely triggered by securing infrastructure and growth-related funding from Government therefore its first meeting should be aligned to successful achievement and confirmation of funding.

5.0 Recommendations

5.1 The Constituent Councils of the Hertfordshire Growth Board are recommended to:

1. Confirm the establishment of the Growth Board and Growth Board Scrutiny Joint Committees (to hold their inaugural meetings in January/February 2021 and then HGB Scrutiny aligned to confirmation of securing Government funding in 2021)
2. Adopt the Growth Board Integrated Governance Framework into the Councils own constitutional framework
3. Agree the Council's nominated representative on the Growth Board and Scrutiny Committee

5.2. The Hertfordshire Local Enterprise Partnership is recommended to:

1. Endorse the establishment of the Growth Board and Growth Board Scrutiny Joint Committees
2. Note the requirements of the Growth Board Integrated Governance Framework
3. Agree the LEP nominated representative on the Growth Board and Growth Board Scrutiny Committee

HERTFORDSHIRE GROWTH BOARD - INTEGRATED GOVERNANCE FRAMEWORK

Hertfordshire Growth Board (**HGB**) is currently operating to provide strategic co-ordination around growth and place leadership for the eleven councils and Local Enterprise Partnership (the **LEP**) in Hertfordshire. Governance is through an agreed Terms of Reference (**TOR**) (incorporated below) and a collaboration Memorandum of Understanding (**MOU**).

HGB is also in negotiation with HM Government to secure a Growth Deal which will require a formal governance model to provide accountability to government and good governance and transparency in the local management and use of any funds received under such an arrangement.

HGB comprises twelve local partners, namely the County Council, the Hertfordshire District and Borough councils⁴ and the LEP. Its governance framework consists of the Board itself, with twelve members, supported by a Scrutiny Committee also of twelve members.

1. Hertfordshire Growth Board

Summary of Functions

- 1.1 HGB is established to ensure the effective coordination of strategic planning and delivery and to ensure that the objectives of a future Growth Deal for Hertfordshire are met.
- 1.2 HGB will also be responsible for the commissioning of projects funded by money provided through a Growth Deal, and for overall control of that programme of projects. For each individual project, HGB may act as lead, with budget responsibility; alternatively, it may appoint as lead a constituent council, who will be responsible for the delivery of that budget, under the oversight of the HGB. This shall also apply to circumstances in which funding is provided to the HGB by the member Councils or by other parties, such as the LEP.
- 1.3 HGB shall also support the development of local planning policy that promotes (1) the UK Government's stated aim of net zero carbon by 2050, and (2) constituent Councils' 2030 targets, and contributes towards biodiversity gain whilst embracing the changes needed for a low carbon world.

⁴ Hertfordshire County Council, Borough of Broxbourne Council, Dacorum Borough Council, East Hertfordshire District Council, Hertsmere Borough Council, North Hertfordshire District Council, St Albans City and District Council, Stevenage Borough Council, Three Rivers District Council, Watford Borough Council, Welwyn Hatfield Borough Council.

- 1.4 The Councils agree to delegate the exercise of their functions to the HGB to the extent necessary to enable the HGB to pursue and achieve the purposes in paragraphs 4.1 and 4.2 of the Terms of Reference, and to undertake any actions necessary, incidental or ancillary to achieving those objectives. The Councils shall make the necessary changes to their respective schemes of delegation accordingly.
- 1.5 The HGB may further delegate to officers of the Councils.
- 1.6 The HGB will consider any reports and recommendations from the HGB Scrutiny Committee as appropriate.
- 1.7 The HGB shall develop its own Forward Plan.

Terms of Reference and Standing Orders

- 1.8 The HGB's Terms of Reference and Standing Orders are set out in Appendix 1 and the accompanying Annex.

2. HGB Scrutiny Committee

Summary of Functions

- 2.1 The HGB Scrutiny Committee has delegated authority to exercise the following functions:
 - a. Advise the HGB in connection with the achievement of the functions set out at paragraph 1 above;
 - b. Prepare and submit reports and/or recommendations to the HGB; and
 - c. Carry out all other statutory scrutiny functions in relation to the HGB.

Terms of Reference and Standing Orders

- 2.2 The HGB Scrutiny Committee's Terms of Reference and Standing Orders are set out in Appendix 2 and the accompanying Annex.

Appendix 1

TERMS OF REFERENCE OF THE HERTFORDSHIRE GROWTH BOARD

1. Parties

Hertfordshire County Council
Borough of Broxbourne Council
Dacorum Borough Council
East Hertfordshire District Council
Hertsmere Borough Council
North Hertfordshire District Council
St Albans City and District Council
Stevenage Borough Council
Three Rivers District Council
Watford Borough Council
Welwyn Hatfield Borough Council
Hertfordshire Local Enterprise Partnership (**LEP**)

2. Status

- 2.1 The Hertfordshire Growth Board (**HGB**) has been established by Hertfordshire County Council and the District and Borough Councils listed above. It is a joint committee of these Councils, established by the Councils under sections 101 and 102 of the Local Government Act 1972, section 9EB of the Local Government Act 2000 and pursuant to the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012.

3. Membership

- 3.1 Twelve members, comprising one elected member from each Council (anticipated to be the Leader/Directly Elected Mayor of each Council) with full voting rights, and a member nominated by the LEP (anticipated to be the Chair of the LEP) who is a co-opted non-voting member. The elected members shall be obliged to have due regard to the representations made by the LEP member.
- 3.2 Each constituent council may appoint a substitute from time to time. The substitute member shall have the same rights of speaking and voting at the meetings as the member for whom the substitution is made.
- 3.3 The HGB, with the agreement of its members, may co-opt other non-voting members to its membership where it is considered conducive to the effective consideration of any matter.

- 3.4 The HGB may appoint representatives to other outside bodies of which the HGB has membership.

4. Functions

General Functions

- 4.1 The HGB has delegated authority to exercise the following functions:
- a. Exercising strategic direction, monitoring, delivery and co-ordination of current and future Growth Board strategy, programmes and implementation of any Growth Deal Project;
 - b. Effective place leadership, ensuring that interests relating to spatial planning, economic prosperity, infrastructure provision, health provision, sustainability and climate change mitigation are effectively taken into account, coordinated and incorporated in place-making, in order to safeguard and maintain Hertfordshire's unique quality of life and prosperity;
 - c. Securing strategic collaboration and delivery across the councils and with the LEP in accordance with the policy objectives of the partner organisations;
 - d. Acting as the place leadership body for Hertfordshire that may act as a single voice to Government (and other national and sub-national bodies) on issues relevant to its ambit;
 - e. Coordinating the prioritisation of Growth Board funding from devolved and other funding sources for infrastructure schemes, to ensure that decisions are made in one place and supported by all relevant partners and stakeholders;
 - f. Promoting and lobbying for Hertfordshire's interests and for funding;
 - g. Oversight, accountability for and prioritisation of the Growth Board Growth fund;
 - h. To bring together the work of the emerging South West Herts Joint Planning and North, East and Central Herts Joint Planning groups, ensure strategic infrastructure requirements are identified and fed into the Hertfordshire Infrastructure and Funding prospectus.
 - i. To maintain a current understanding of infrastructure needs through the Hertfordshire Infrastructure and Funding prospectus and other sources so key infrastructure priorities needed to support economic and housing growth can be determined

- j. To maintain particular focus on the successful regeneration of Hertfordshire's New Towns, the health of Town Centres and development and delivery of new Garden Towns and Communities.

Specific Functions

- 4.2 The HGB also has delegated authority to:
 - a. Approve single position statements in relation to strategic Growth Deal issues;
 - b. Approve projects, including the allocation of project funding, which fall within the ambit of a future Growth Deal agreement;
 - c. Approve the major priorities under the auspices of a future Growth Deal;
 - d. Approve plans and strategies necessary or incidental to the implementation of a Growth Deal; and
 - e. Consider recommendations from the HGB Scrutiny Committee.

- 4.3 For the avoidance of doubt, the following non-executive and executive functions of the constituent Councils (and where applicable, the LEP) are excluded from the delegations to the HGB:
 - a. Statutory planning functions;⁵
 - b. Statutory housing functions;
 - c. Statutory functions relating to economic development;
 - d. Statutory highways and transport functions;
 - e. Matters incidental to the exercise of the above functions.

5. Professional and Administrative Support

- 5.1 Hertfordshire County Council shall act as the accountable body for the HGB in respect of financial matters and its financial procedure rules will apply in this context. It will provide Section 151 and Monitoring Officer roles to the Committee in accordance with its internal procedures.

- 5.2 Hertfordshire County Council's Director of Finance (Section 151 Officer) will provide the HGB with quarterly financial reports for funding that has been allocated directly to Hertfordshire County Council as the Accountable Body. These reports will provide the HGB with an overview of the funds spent and funds committed against funds allocated.

⁵ This includes acting as Local Planning Authority on strategic planning matters, applications, approval and designation, consultations/referendums revocation (or recommend revocation of) neighbourhood plans, Article 4 Directions and orders

- 5.3 For those programmes and funding streams where another local authority is the Accountable Body, the relevant Section 151 Officer will provide the financial and performance information to the County Council's Section 151 Officer, for integration into the quarterly reporting process.
- 5.4 Committee management and administrative support to the HGB will be provided by Hertfordshire County Council.
- 5.5 The lead role on projects shall be determined by the HGB, subject to the guiding principle that the lead council should normally be the Council primarily responsible for the service in question for their area. The procurement and other rules of the lead council will apply in respect of projects.

6. Standing Orders

- 6.1 The HGB will be governed by the Standing Orders set out in Annex A attached to these Terms of Reference.

7. Advisory Sub-Groups

- 7.1 The HGB may establish Programme Boards/Advisory Sub-Groups to oversee specific work programmes or broader thematic areas as required. Programme Boards/Sub-Groups, reporting into the HGB, will be managed in accordance with separate terms of reference as agreed by the HGB.
- 7.2 The role, remit and membership of Programme Boards/Advisory Sub-Groups will be reviewed regularly to ensure they remain flexible to the demands of ongoing and new programmes of work.

8. Withdrawal

- 8.1 The firm intention is that HGB will continue until the programme is completed. Recognising the very serious implications of withdrawal from the HGB for the delivery of any Growth Deal programme, if a Council decides to withdraw from its role within HGB, it commits to sharing this with HGB members at the earliest possible opportunity, and to entering into constructive discussions to avoid this happening or to reach a way forward.
- 8.2 In all cases:
- a. A minimum of six months' prior notice shall be given before withdrawal; and
 - b. Withdrawal shall take effect from the beginning of the financial year.

9. Costs

- 9.1 The costs of running the HGB will be funded from the HGB Growth Fund in combination with officer time contributions from constituent councils.
- 9.2 Each Council makes a legally binding commitment that, should it withdraw from the HGB, it shall pay all additional costs (such as increased project costs) that fall to be met by the other partner Councils that are reasonably attributable to that withdrawal. This could include, for example, the costs that are locked into projects that have already been committed to, or the costs of dissolving integrated officer and Member arrangements and re-establishing independent arrangements.

10. Dispute Resolution

- 10.1 This section 10 governs disputes which may arise between the members and former members (including the LEP member, but not including any other co-opted member) in relation to these Terms of Reference or the Standing Orders of the HGB, or the decisions or operations of the HGB (a **Dispute**).
- 10.2 Each member as defined in paragraph 10.1 shall be entitled to refer a Dispute to the Heads of Paid Service of the member Councils and the Chief Executive of the LEP (together the **Dispute Panel**), who shall seek to agree a resolution. If the Dispute Panel is unable to resolve the matter within 1 month of it being referred to them, it shall agree any further dispute resolution procedure that it deems appropriate. This may include but is not limited to mediation via the Centre for Effective Dispute Resolution (CEDR).

Annex A to Appendix 1

HERTFORDSHIRE GROWTH BOARD STANDING ORDERS

1. Membership

- 1.1 The HGB will have a voting membership of eleven, each Council being entitled to appoint one voting member.
- 1.2 The HGB may agree to co-opt other non-voting members to its membership where it is considered conducive to the effective consideration of any matter.

2. Alternate or Substitute Members

- 2.1 Each Council will be entitled to appoint from time to time one named alternate or substitute member who may act in all aspects as a voting member of the HGB in the absence of the voting member appointed.
- 2.2 The LEP and any other co-opted members will be entitled to nominate an alternate or substitute member to act in the absence of their principal co-opted member.
- 2.3 Subject to the discretion of the Chair, the relevant member shall notify the HGB at least 5 working days in advance of the relevant meeting of the identity of their substitute.

3. Term of Office

- 3.1 The term of office of voting and alternate or substitute voting members shall end:
 - a. if rescinded by the appointing Council; or
 - b. if the member ceases to be a member of the appointing Council.
- 3.2 The LEP member and any co-opted members may at any time ask the HGB to replace their nominated co-opted member and alternate or substitute member by way of further nomination.

4. Appointment of Chair and Vice-Chair

- 4.1 The HGB shall appoint a Chair and two Vice-Chairs at its first meeting. At the time of appointing the Vice-Chairs, the HGB shall decide which of them takes priority if the Chair is absent and both of them are present.

4.2 The appointment of the Chair described in 4.1 shall be for a term up to the first meeting of the HGB that follows both the 2021 local elections and the 2021 Annual Meetings of the constituent Councils (the **Post-Election Meeting**). At the Post-Election Meeting, the Board may either re-appoint the same member as Chair or appoint a new Chair for a term of two years. Save in the above case, the Chair shall serve a single consecutive term of two years.

4.3 There shall be no term limits for Vice-Chairs.

4.4 The co-opted members of the HGB shall not act in the role of either the Chair or the Vice-Chair of the HGB.

5. Quorum

5.1 The quorum for meetings of the HGB will be 9 voting members.

5.2 If there is no quorum at the published start time for the meeting, a period of ten minutes will be allowed, or longer, at the Chair's discretion. If there remains no quorum at the expiry of this period, the meeting will be declared null and void.

5.3 If there is no quorum at any stage during a meeting, the Chair will adjourn the meeting for a period of ten minutes, or longer, at their discretion. If there remains no quorum at the expiry of this period, the meeting will be closed and the remaining items will be declared null and void.

6. Member Conduct

6.1 HGB members appointed by the eleven Councils shall be bound by the Code of Conduct of their nominating authority. The HGB member appointed by the LEP (and those nominated by other co-opted members) will be bound by the Code of Conduct of Hertfordshire County Council.

6.2 If a member persistently disregards the ruling of the Chair, or person presiding over the meeting, by behaving improperly or offensively or deliberately obstructs business, the Chair, or person presiding over the meeting, may move that the member be not heard further. If seconded, a vote will be taken without discussion.

6.3 If the member continues to behave improperly after such a motion is carried, the Chair, or person presiding over the meeting, may move that either the member leaves the meeting or that the meeting is adjourned for a specified period. If seconded, a vote will be taken without discussion.

7. Notice of and Summons to Meetings

- 7.1 Notice will be given to the public of the time and place of any meeting of the HGB in accordance with the Access to Information rules of the Council providing HGB secretariat functions.
- 7.2 At least seven clear working days before a meeting, a copy of the agenda and associated papers will be sent to every member of the HGB. The agenda will give the date, time and place of each meeting and specify the business to be transacted, and will be accompanied by such details as are available.

8. Meeting Frequency

- 8.1 The HGB will meet on at least a quarterly basis, or as determined by the HGB, with one of those meetings acting as the annual meeting.
- 8.2 Extraordinary Meetings may be summoned by (i) the Chair, or (ii) any nine councils writing to the Chair to request one. The notice from the Chair or the letter from the nine councils shall state the business of the meeting, and no other business shall be considered.

9. Virtual Meetings

- 9.1 The following provisions shall apply to meetings which are scheduled during the period that **The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority Police and Crime Panel Meetings) (England and Wales) Regulations 2020**, or such other legislation as permits meetings to take place remotely, remain in force.
- 9.2 The HGB may hold any meeting remotely using Zoom, Microsoft Teams, or any other suitable platform, and may live-stream the meeting.
- 9.3 Where it elects to do so, notice of this shall be given to the public in advance, and the platform used shall enable the public to see and hear the proceedings. A link will be made available to enable members of the public whose questions have been selected in accordance with Standing Order 12 to address the HGB. Where a public questioner is unable to access the meeting, or cannot be heard by the Members during the time allocated for his or her question, the Chair shall have discretion to move on to deal with another question, or if the question is the last to be heard, to move on to other business.
- 9.4 Voting shall be managed by the Chair, by either (i) requiring members to vote using the applicable poll function, (ii) requiring members to vote orally in turn, or (iii) any other convenient method.

9.5 Where the public and press are excluded under Standing Order 16, members will be required to confirm that there are no other persons present with them who are not entitled to hear or see the proceedings.

9.6 The Quorum provisions at paragraph 5 shall apply equally to virtual meetings.

10. Voting

10.1 Before taking any decision, the local authority members of the HGB will have due regard to the advice and opinions expressed by the LEP member and other co-opted members.

10.2 HGB members commit to seek, where possible, to operate on the basis of consensus.

10.3 Should it not be possible in a specific instance to find a consensus, the issue shall stand deferred to a later meeting of the HGB. At the next meeting, a vote will be again taken and, if a consensus is still not achievable, the decision will be made on the basis of a simple majority.

10.4 The Chair shall have a casting vote; however, the convention of the HGB is that the Chair shall not exercise this.

11. Reports from the HGB Scrutiny Committee

11.1 The HGB will receive reports and recommendations from the HGB Scrutiny Committee as appropriate and the Chair of the HGB Scrutiny Committee, or a nominated representative on his or her behalf, will be entitled to attend meetings of the HGB to present them.

12. Questions by the Public and Public Speaking

12.1 At the discretion of the Chair, members of the public may ask questions at meetings of the HGB. This standard protocol is to be observed by public speakers:

(a) There shall be a maximum of six public questions in each meeting, subject to a time limit of 30 minutes. Questions will be addressed on a first-come-first-served basis with reference to when they were submitted to the HGB, save that questions which in the opinion of the Chair are vexatious shall not be addressed;

(b) Notice of the question should be submitted to the Chief Legal Officer of Hertfordshire County Council by 10am at least five working days before the meeting, stating to whom the question is to be put;

- (c) Questions must be limited to a maximum of 300 words;
- (d) Answers will be given in writing and will be published on the HGB website by 5pm on the day preceding the relevant meeting;
- (e) With the Chair's permission, the questioner may ask a supplementary question relevant to the original question (or its answer). The questioner's supplementary question must not last longer than two minutes. The answer to the supplementary question may be: (i) an oral answer lasting no more than three minutes; or (ii) where the desired information is contained in a publication of the Council, a reference to that publication; or (iii) in writing (to be available within seven days); or (iv) a combination of the above;
- (f) Questioners will not be permitted to raise the competence or performance of a member, officer or representative of any partner on the HGB, nor any matter involving exempt information (normally considered as 'confidential');
- (g) Questioners cannot make any abusive or defamatory comments, or raise points which in the opinion of the Chair are vexatious;
- (h) If any clarification of what the questioner has said is required, the Chair will have the discretion to allow other HGB members to ask questions;
- (i) The questioning member will not be permitted to participate in any subsequent discussion and will not be entitled to vote;
- (j) In the event that one of the questions considered by the Chair is duplicated by later questions, it may be necessary for a spokesperson to be nominated to put forward the question on behalf of other questioners. If a spokesperson cannot be nominated or agreed, the questioner of the first such question received will be entitled to put forward their question; and
- (k) Questions should relate to items that are on the agenda for discussion at the meeting in question. The Chair will have the discretion to allow questions to be asked on other issues.

13. Petitions

- 13.1 At the discretion of the Chair, members of the public may submit and present petitions to the HGB. This standard protocol is to be observed by petitioners:
- (a) Petitions should include a clear statement of the petition organiser's concerns and what they would like the HGB to do;
 - (b) Petitions must relate to something which is within the responsibility of the HGB, or over which it has influence;
 - (c) Petitions must include the name and contact details of the petition organiser;
 - (d) Petitions must include at least 500 signatures of people living or working in Hertfordshire. Petitions below this threshold will not be presented to the HGB, but HGB members will be notified of them as long as they contain at least 50 signatures;

- (e) Petitions must be submitted either (i) in hard copy, or (ii) via the HGB e-petition platform, in the format prescribed on the HGB portal, at least 10 clear working days before the date of the meeting. Petitions shall be administered by the Democratic Services Team of Hertfordshire County Council;
- (f) Subject to the discretion of the Chair, a maximum of two petitions will be considered at any one meeting;
- (g) Petition organisers will be permitted to present their petitions to the meeting and will be allowed to address the meeting for a maximum of three minutes;
- (h) Where more than one petition is received in time for a particular meeting and they are considered by the Chair as supporting the same outcome or being broadly similar in intent, it may be necessary for a spokesperson to be nominated and present the petitions. If a spokesperson cannot be nominated or agreed, the petition organiser of the first petition received will be entitled to present their petition;
- (i) Petitions will be rejected if the Chair considers them to be abusive or libellous, frivolous, vague or ambiguous, rude, offensive, defamatory, scurrilous or time-wasting or require the disclosure of exempt information (normally considered as 'confidential');
- (j) Petitions on the same subject matter will not be accepted within a six-month period, unless there has been a material change of circumstances. Whether there has been a material change in circumstances will be determined by the Chief Legal Officer of Hertfordshire County Council in consultation with the Chair (or Vice-Chair).

13.2 Any matters arising from petitions considered by the HGB Scrutiny Committee can be reported to the HGB, as per Standing Order 11.

14. Participation at HGB Meetings by Other Members of Partner Councils or Other Representatives of Partner Bodies

14.1 At the discretion of the Chair, other elected members of the Councils or the LEP or co-opted members may be entitled to speak and participate at meetings of the HGB.

15. Minutes

15.1 The Chair will sign the minutes of the proceedings at the next suitable meeting. The Chair will move that the minutes of the previous meeting be signed as a correct record.

15.2 The minutes will be accompanied by a list of agreed action points, which may be discussed in considering the minutes of the previous meeting should they not be specifically listed as items on the agenda for the meeting.

16. Exclusion of the Public and Press

16.1 Members of the public and press may be excluded from meetings in accordance with the Access to Information rules of legislation as applied by the administering authority with regard to the consideration of exempt or confidential information.

17. Recording of Proceedings

17.1 The recording in any format of meetings of the HGB is permitted, except:

- a. Where the Chair, or person presiding over the meeting, rules that filming is being undertaken in such a way that is disruptive or distracting to the good order and conduct of the meeting;
- b. Where the public have been excluded from the meeting during the consideration of exempt or confidential information (see Standing Order 16).

18. Disturbance by Public

18.1 If a member of the public interrupts proceedings, the Chair, or person presiding over the meeting, will warn the person concerned. If that person continues to interrupt, the Chair will order his or her removal from the meeting room.

18.2 If there is a general disturbance in any part of the meeting room open to the public, the Chair, or person presiding over the meeting, may call for that part of the room to be cleared.

18.3 If there is a general disturbance making orderly business impossible, the Chair, or person presiding over the meeting, may adjourn the meeting for as long as he or she thinks is necessary.

19. Interpretation of Standing Orders

19.1 The ruling of the Chair of the HGB as to the application of these Standing Orders shall be final.

20. Suspension of Standing Orders

- 20.1 With the exception of Standing Orders 4, 5, 7.1, 8, 10 and 15, and as far as is lawful, any of these Standing Orders may be suspended by motion passed unanimously by those entitled to vote.

Appendix 2

HERTFORDSHIRE GROWTH BOARD SCRUTINY COMMITTEE TERMS OF REFERENCE

1. Parties

Hertfordshire County Council
Borough of Broxbourne Council
Dacorum Borough Council
East Hertfordshire District Council
Hertsmere Borough Council
North Hertfordshire District Council
St Albans City and District Council
Stevenage Borough Council
Three Rivers District Council
Watford Borough Council
Welwyn Hatfield Borough Council

2. Status

The Hertfordshire Growth Board Scrutiny Committee has been established by the Councils listed above. It is a joint advisory committee of these Councils, established under section 102(4) of the Local Government Act, 1972.

3. Membership

- 3.1 One elected member appointed by each of the member Councils and one member appointed by the LEP (total 12).

4. Functions of the HGB Scrutiny Committee

- 4.1 The HGB Scrutiny Committee is established to advise the HGB with regard to the latter's role in achieving the objectives in the HGB Terms of Reference.
- 4.2 The HGB Scrutiny Committee will act as a forum for discussion with a wider range of members and stakeholders across the Hertfordshire area, so that the HGB benefits from a wider range of expertise in making its decisions.
- 4.3 To this end, the HGB Scrutiny Committee may receive and comment on ("pre-scrutinise") reports to the HGB, may offer advice to the HGB on the discharge of its functions and may review its work.

4.4 The HGB Scrutiny Committee shall develop its own Forward Plan and may submit reports or recommendations to the HGB for consideration, as appropriate.

5. Professional and Administrative Support

5.1 Committee management and administrative support to the HGB Scrutiny Committee will be provided by Hertfordshire County Council.

5.2 Other professional support will be provided to the HGB Scrutiny Committee on an ad hoc basis as agreed between the Councils.

6. Standing Orders

The HGB Scrutiny Committee will be governed by the Standing Orders set out in Annex A attached to these Terms of Reference.

7. Costs

The costs of running the HGB Scrutiny Committee will be funded from the HGB Growth Fund.

Appendix 2 – Annex A

HERTFORDSHIRE GROWTH BOARD SCRUTINY COMMITTEE STANDING ORDERS

1. Membership

- 1.1 The HGB Scrutiny Committee will have a membership of 12, with each Council and the LEP being entitled to appoint one member. Members must not be executive members of their appointing authority.

2. Alternate or Substitute Members

- 2.1 Each Council will be entitled to appoint one named alternate or substitute member who may act in all aspects as a voting member of the HGB in the absence of the voting member appointed.
- 2.2 Subject to the discretion of the Chair, the relevant member shall notify the HGB at least 5 working days in advance of the relevant meeting of the identity of their substitute.

3. Term of Office

- 3.1 The term of office of members from the Councils shall end:
- a. if rescinded by the appointing Council; or
 - b. if the member ceases to be a member of the appointing Council.

4. Appointment of Chair and Vice-Chair

- 4.1 The HGB Scrutiny Committee will appoint a Chair and Vice-Chair at its first meeting.
- 4.2 The appointment of the Chair described in 4.1 shall be for a term up to the first meeting of the HGB Scrutiny Committee that follows both the 2021 local elections and the 2021 Annual Meetings of the constituent Councils (the **Post-Election Meeting**). At the Post-Election Meeting, the HGB Scrutiny Committee may either re-appoint the same member as Chair, or appoint a new Chair for a term of two years. Save in the above case, the Chair shall serve a single consecutive term of two years.
- 4.3 There shall be no term limits for Vice-Chairs.

4.4 Where there are three or more candidates for appointment and there is, after balloting, no candidate with a clear majority, meaning in this case the votes of more than 50% of members present and voting, the candidate with the least number of votes will withdraw and there will be a fresh ballot of remaining candidates; and so on until a candidate has that majority.

5. Quorum

5.1 The quorum for meetings of the HGB Scrutiny Committee will be 7 members.

5.2 If there is no quorum at the published start time for the meeting, a period of ten minutes will be allowed, or longer, at the Chair's discretion. If there remains no quorum at the expiry of this period, the meeting will be declared null and void.

5.3 If there is no quorum at any stage during a meeting, the person presiding over the meeting will adjourn for a period of ten minutes, or longer, at their discretion. If there remains no quorum at the expiry of this period, the meeting will be closed and the remaining items will be declared null and void.

6. Member Conduct

6.1 HGB Scrutiny Committee members appointed by the Councils shall be bound by the Code of Conduct of their nominating authority.

6.2 If a member persistently disregards the ruling of the Chair, or person presiding over the meeting, by behaving improperly or offensively or deliberately obstructs business, the Chair, or person presiding over the meeting, may move that the member be not heard further. If seconded, a vote will be taken without discussion.

6.3 If the member continues to behave improperly after such a motion is carried, the Chair, or person presiding over the meeting, may move that either the member leaves the meeting or that the meeting is adjourned for a specified period. If seconded, a vote will be taken without discussion.

7. Notice of and Summons to Meetings

7.1 Notice will be given to the public of the time and place of any meeting of the HGB Scrutiny Committee in accordance with the Access to Information rules of Hertfordshire County Council.

7.2 At least five clear working days before a meeting, a copy of the agenda and associated papers will be sent to every member of the HGB Scrutiny Committee. The agenda will give the date, time and place of each meeting; specify the business to be transacted, and will be accompanied by such details as are available.

8. Meeting Frequency

- 8.1 The HGB Scrutiny Committee may set its own timetable for meetings, normally on a date preceding meetings of the HGB in order to allow the HGB Scrutiny Committee to consider issues the HGB will be taking decisions on and advise accordingly.

9. Virtual Meetings

- 9.1 The following provisions shall apply to meetings which are scheduled during the period that **The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority Police and Crime Panel Meetings) (England and Wales) Regulations 2020**, or such other legislation as permits meetings to take place remotely, remain in force.
- 9.2 The HGB may hold any meeting remotely using Zoom, Microsoft Teams, or any other suitable platform, and may live-stream the meeting.
- 9.3 Where it elects to do so, notice of this shall be given to the public in advance, and the platform used shall enable the public to see and hear the proceedings. A link will be made available to enable members of the public whose questions have been selected in accordance with Standing Order 12 to address the HGB. Where a public questioner is unable to access the meeting, or cannot be heard by the Members during the time allocated for his or her question, the Chair shall have discretion to move on to deal with another question, or if the question is the last to be heard, to move on to other business.
- 9.4 Voting shall be managed by the Chair, by either (i) requiring members to vote using the applicable poll function, (ii) requiring members to vote orally in turn, or (iii) any other convenient method.
- 9.5 Where the public and press are excluded under Standing Order 16, members will be required to confirm that there are no other persons present with them who are not entitled to hear or see the proceedings.
- 9.6 The Quorum provisions at paragraph 5 shall apply equally to virtual meetings.

Voting

- 10.1 All HGB Scrutiny Committee members will be voting members.
- 10.2 Voting for meetings of the HGB Scrutiny Committee will be conducted on the basis of a simple majority. The Chair shall have a casting vote; the convention shall be that the Chair shall not exercise this.

11. Reports from the HGB Scrutiny Committee to the HGB

- 11.1 The Chair of the HGB Scrutiny Committee, or a nominated representative on his or her behalf, will be entitled to attend meetings of the HGB to present reports from the HGB Scrutiny Committee as appropriate.

12. Questions by the Public and Public speaking

- 12.1 At the discretion of the Chair, members of the public may ask questions at meetings of the HGB Scrutiny Committee. This standard protocol is to be observed by public speakers:

- (a) There shall be a maximum of six public questions in each meeting, subject to a time limit of 30 minutes. Questions will be addressed on a first-come-first-served basis with reference to when they were submitted to the HGB, save that questions which in the opinion of the Chair are vexatious shall not be addressed;
- (b) Notice of the question should be submitted the Chief Legal Officer of Hertfordshire County Council at the latest by 10am three working days before the meeting;
- (c) Questions must be limited to a maximum of 300 words;
- (d) Answers will be given in writing and will be circulated at the meeting;
- (e) With the Chair's permission, the questioner may ask a supplementary question relevant to the original question (or its answer). The questioner's supplementary question must not last longer than two minutes. The answer to the supplementary question may be: (i) an oral answer lasting no more than three minutes; or (ii) where the desired information is contained in a publication of the Council, a reference to that publication; or (iii) in writing (to be available within seven days); or (iv) a combination of the above;
- (f) Questioners will not be permitted to raise the competence or performance of a member of the HGB Scrutiny Committee or the HGB, nor any matter involving exempt information (normally considered as 'confidential');
- (g) Questioners cannot make any abusive or defamatory comments, or raise points which in the opinion of the Chair are vexatious;
- (h) If any clarification of what the questioner has said is required, the Chair will have the discretion to allow other HGB Scrutiny Committee members to ask questions;
- (i) The questioning member will not be permitted to participate in any subsequent discussion and will not be entitled to vote;
- (j) In the event that one of the questions considered by the Chair is duplicated by later questions, it may be necessary for a spokesperson to be nominated to put forward the question on behalf of other questioners. If a

spokesperson cannot be nominated or agreed, the questioner of the first such question received will be entitled to put forward their question; and

(k) Questions should relate to items that are on the agenda for discussion at the meeting in question. However, the Chair will have discretion to allow questions to be asked on other issues.

13. Petitions

13.1 At the discretion of the Chair, members of the public may submit and present petitions to the HGB Scrutiny Committee. This standard protocol is to be observed by petitioners:

(a) Petitions should include a clear statement of the petition organiser's concerns and what they would like the HGB Scrutiny Committee to do;

(b) Petitions must relate to something which is within the responsibility of the HGB Scrutiny Committee, or over which it has influence;

(c) Petitions must include the name and contact details of the petition organiser;

(d) Petitions must include at least 500 signatures of people living or working in Hertfordshire. Petitions below this threshold will not be presented to the HGB Scrutiny Committee, but HGB Scrutiny Committee members will be notified of them as long as they contain at least 50 signatures;

(e) Petitions must be submitted either (i) in hard copy, or (ii) via the HGB e-petition platform, in the format prescribed on the HGB portal, at least 10 clear working days before the date of the meeting. Petitions shall be administered by the Democratic Services Team of Hertfordshire County Council;

(f) Subject to the discretion of the Chair, a maximum of two petitions will be considered at any one meeting;

(g) Petition organisers will be permitted to present their petitions to the meeting and will be allowed to address the meeting for a maximum of three minutes;

(h) Where more than one petition is received in time for a particular meeting and they are considered by the Chair as supporting the same outcome or being broadly similar in intent, it may be necessary for a spokesperson to be nominated and present the petitions. If a spokesperson cannot be nominated or agreed, the petition organiser of the first petition received will be entitled to present their petition;

(i) Petitions will be rejected if the Chair considers them to be abusive or libellous, frivolous, vague or ambiguous, rude, offensive, defamatory, scurrilous or time-wasting or require the disclosure of exempt information (normally considered as 'confidential');

(j) Petitions on the same subject matter will not be accepted within a six-month period, unless there has been a material change of circumstances.

Whether there has been a material change in circumstances will be determined by the Chief Legal Officer of Hertfordshire County Council in consultation with the Chair (or Vice-Chair).

13.2 Any matters arising from petitions considered by the HGB Scrutiny Committee can be reported to the HGB as per Standing Order 10.

14. Participation at HGB Scrutiny Committee Meetings by Other Members of Partner Councils or Other Representatives of Partner Bodies

14.1 At the discretion of the Chair, other elected members of the Councils, or representatives from the LEP or other co-opted members, may be entitled to speak and participate at meetings of the HGB Scrutiny Committee.

15. Minutes

15.1 The Chair will sign the minutes of the proceedings at the next suitable meeting. The Chair will move that the minutes of the previous meeting be signed as a correct record. The only part of the minutes that can be discussed is their accuracy.

15.2 The minutes will be accompanied by a list of agreed action points, which may be discussed in considering the minutes of the previous meeting should they not be specifically listed as items on the agenda for the meeting.

16. Exclusion of the Public and Press

16.1 Members of the public and press may be excluded from meetings in accordance with the Access to Information legislation as applied by the administering authority with regard to the consideration of exempt or confidential information.

17. Recording of Proceedings

17.1 The recording in any format of meetings of the HGB Scrutiny Committee is permitted, except:

- a. Where the Chair, or person presiding over the meeting, rules that filming is being undertaken in such a way that is disruptive or distracting to the good order and conduct of the meeting; and/or
- b. Where the public have been excluded from the meeting during the consideration of exempt or confidential information (see standing order 16).

18. Disturbance by the Public

- 18.1 If a member of the public interrupts proceedings, the Chair, or person presiding over the meeting, will warn the person concerned. If the individual continues to interrupt, the Chair will order his or her removal from the meeting room.
- 18.2 If there is a general disturbance in any part of the meeting room open to the public, the Chair, or person presiding over the meeting, may call for that part of the room to be cleared.
- 18.3 If there is a general disturbance making orderly business impossible, the Chair, or person presiding over the meeting, may adjourn the meeting for as long as he or she thinks is necessary.

19. Interpretation of Standing Orders

- 19.1 The ruling of the Chair as to the application of these Standing Orders shall be final.

20. Suspension of Standing Orders

- 20.1 With the exception of Standing Orders 5, 7.1, 10 and 15, and as far as is lawful, any of these Standing Orders may, as far as is lawful, be suspended by motion passed unanimously by those entitled to vote.



Hertfordshire
Growth Board



www.HertfordshireGrowthBoard.com



[@hertsgoodgrowth](https://twitter.com/hertsgoodgrowth)



Room 204, Hertfordshire County Council, County Hall, Pegs Lane, Hertford SG13 8DE

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East Herts Council Report

Executive

Date of meeting: 24 November 2020

Report by: Councillor Jan Goodeve, Executive Member for Planning and Growth

Report title: European Regional Development Fund – Launchpad 2 project

Ward(s) affected: All

Summary – Executive approved submitting a bid for ERDF funds in February 2019 we are now seeking approval to move ahead with the project following its success.

RECOMMENDATION for EXECUTIVE:

- a) That, subject to the outcome of a procurement process for awarding a contract for business support, the ERDF-supported Launchpad 2 project proceeds.

1.0 Proposal(s)

- 1.1 That Executive agree to begin the Launchpad 2 project following agreement in February 2019 to make a bid for ERDF funds.

2.0 Background

- 2.1 On 12th February 2019 Executive approved making a bid to the European Regional Development Fund (ERDF) for the Launchpad 2 Project. This entails:

- A three year project worth £1.2m revenue, with 50% of this coming from ERDF match funding
- Upscaling the Launchpad to create a 'hub' of business support in Bishop's Stortford (servicing business needs in and around the London Stansted Cambridge Corridor) with a satellite facility in Ware (servicing business needs in the South and West of the district).
- A package of revenue support for businesses primarily aimed at the post start-up phase which will take the form of either a match funded grant (£3 - £5k) or 12 hours of essential support to entrepreneurs in the form of mentoring, workshops and networking opportunities
- Generic support for businesses in early growth phase (eg. moving from the home/ spare room to premises)
- Targeted support for the bio-science sector and its associated value chain
- Targeted support for the Airport Maintenance, Repair and Operation (MRO) sector and its associated value chain
- Targeted support for social enterprise from start up through to growth phases
- Providing a legacy for East Herts: at the close of the 3 year project to have ensured more businesses are successful in the district, have a pipeline of businesses ready to move to facilities in new developments (eg. Old River Lane/ Northgate End, Goods Yard) and to build foundations of a sector strengths in bio science, MRO and social enterprise

2.2 The full paper to Executive can be found here:

<http://democracy.eastherts.gov.uk/documents/s47749/Bid%20to%20the%20European%20Regional%20Development%20Fund%20for%20Launchpad%202%20Project.pdf>

2.3 The bid was submitted to the ERDF via the Ministry of Housing, Communities and Local Government in March 2019 with the

anticipation of starting the project in late 2019. The approval process took much longer than anticipated however the grant funding agreement was eventually signed in July of this year. The project will now run until late 2023 if approved. Hilary Marsh was appointed as the Contract and Project Manager on a three year fixed term contract in July.

2.4 In the meantime we have continued to develop the Launchpad by utilising empty space in Charrington's House and working with Ware Town Council to open the satellite facility in the Priory (opened August 2019).

2.5 Delivery of the project is essentially a mixed approach. We will be utilising existing costs and resources where possible as part of our match contribution. In terms of providing targeted, sector-based support to businesses this is not something we have the expertise to do and will be inviting a third party to deliver this service through an OJEU tender as the total value is £300,000. This will be made up of a cash contribution of £150,000 over three years and a matched contribution of the same amount.

2.6 The council has begun the process of procuring this support in line with OJEU regulations. The advert was placed on 19th October and the deadline for submissions is 23rd November. We hope to have completed the evaluation process and identified the successful bidder by 7th December. The contract can then be awarded 18th December with commencement from 1 January 2021. The award can be made by the Head of Communications, Strategy and Policy under existing delegations within the Council's constitution.

2.7 The full specification can be found at Appendix A. Outputs include the following:

- 55 businesses receiving support (including 30 businesses awarded grants ranging from £3,000 to £5,000 and a

minimum of 25 businesses supported with non-financial support). Support can include 1:1 support, development of peer support, arranging and facilitating networking events and seminars

- £135k private investment matching public support to businesses
- 17 new staff members employed by supported businesses
- 2 businesses bringing a new product to the market
- 2 businesses bringing a new product to their firm
- A minimum of 115 Businesses receiving information, diagnostic and brokerage support

2.8 There have clearly been significant challenges to the macro economy since the bid was made. However we intend to proceed as planned and hope that the appetite for business support in these particular sectors will still exist. This project will also be an important part of our overall economic development and business support service.

2.9 Once the award has been made and subject to Executive views, the project can begin in earnest with a virtual launch to raise its profile and begin supporting local businesses.

2.10 The financial details underpinning the project can be found in the original report to Executive in February 2019. However a summary over the three years – specifically picking up the cash contribution as outlined in (2.5) can be found below:

Item	ERDF Contribution	EH cash match	EH “in kind” match	Match from businesses	Total
Contractor costs	£150,000	£150,000			£300,000
Grants	£135,000			£135,000	£270,000
EH existing costs	£318,167		£318,169		£636,336
Total	£603,167	£150,000	£318,169	£135,000	£1,206,336

2.11 EH Costs of £318,169 includes existing costs which we can include within the project and therefore leverage match funding for. This includes 50% of the salary for the Contract and Project Manager, 50% of the salary for the Launchpad Co-ordinator, 20% of the salary for the Economic Development Manager and 50% of the eligible fixed costs for running the Launchpad. In total this equates to £106k per year.

2.12 Unfortunately there is still a shortfall of some £150,000 required from East Herts to make up our total match contribution (£50,000 per annum over 3 years). This was approved by Executive in February 2019 however we anticipate that no reserves will be required. Instead income generated from the Launchpad will be used as our cash contribution essentially meaning that the project overall does not require additional financing from East Herts Council. However we are required to make £50,000 of income from the Launchpad per year and where this cannot be achieved funding will need to be found from within existing economic development budgets.

2.13 In 2019/20 income exceeded £50,000 however the venue was forced to close in late March due to Covid-19 restrictions and only opened in July with social distancing measures in place. Since re-opening, income has quickly recovered to pre-Covid levels at around £5k per month. Provided no further restrictions are imposed we are confident our cash contribution to the project can be met. In addition we are currently looking at contingency arrangements for another venue subject to any development at the Old River Lane site.

3.0 Reason(s)

3.1 Executive approved submitting a bid for ERDF funds in 2019 but have received no further update on progress since that time. As the bid was approved and the project governance

arrangements are now in place we are in a position to launch the project.

4.0 Options

4.1 Executive could decide to not support the project.

5.0 Risks

5.1 Not supporting the project would mean some £600k of match funding is not leveraged into the district and a number of businesses who could receive support miss out.

6.0 Implications/Consultations

6.1 None

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

Yes – all funding implications outlined in February 2019 report

Health and Safety

No

Human Resources

Yes

Human Rights

No

Legal

Yes – delegated authority of up to £500,000 contract award within existing budgets is granted for heads of service in the constitution

Specific Wards

No

7.0 Background papers, appendices and other relevant material

Appendix A – Contract specification

Contact Member

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European Union

European Regional
Development Fund



**SCHEDULE 1
THE SPECIFICATION**

Introduction: The District of East Hertfordshire has a population of approximately 144,000 and covers about 480 square miles on the eastern side of Hertfordshire. The District has Broxbourne to the south, Welwyn and Hatfield and Stevenage to the west and North Hertfordshire as its northern boundary. To the east, the district borders on the county of Essex. The main centres of population are Hertford, Ware, Bishops Stortford, Sawbridgeworth and Buntingford. Between these main centres much of the area is open countryside, with rural communities of various sizes. The council employs around 360 staff, with a combination of staff working from designated council offices in like Hertford or from home. Increased levels of home working are likely to continue in future.

Services delivered by East Herts Council include council tax and business rates, housing and council tax benefits, refuse and recycling collection (shared waste with and lead by) North Herts council with East Herts Council responsible for the depot site – the refuse collection is outsourced, street cleaning, parks and open spaces (ground maintenance is outsourced), electoral registration, land charges, theatre (one at present but a second is to be constructed in the next few years), parking, environment health, housing services (housing stock has been sold), licensing, planning (building control outsourced), emergency planning, leisure (day to day management of leisure centres is outsourced but the council remains responsible for the structures), economic development and grants.

Services that are not the responsibility of East Herts Council include highways, (however some highways verges are cut through the grounds maintenance contract, education, social services, police, fire & rescue, courts, libraries and trading standards.

East Herts Council has recently been awarded ERDF funding to provide small businesses with a mixture of financial support through small capital grants and non-financial support through mentoring, networking events and seminars focused on themes useful to small businesses. The Council is inviting Suppliers to fulfil the delivery obligations of this project. The Supplier must engage with a minimum of 115 enterprises that leads on to providing financial support via small grants to 30 enterprises; and non-financial support through a range of mentoring, network events and business seminars to 25 additional enterprises. East Herts based businesses targeted must be engaged in either the sectors of bio science, social enterprise or maintenance, repairs & operations (MRO) at Stansted Airport

Scope: The contract runs from 1st June 2020 to 30th June 2023. The engagement and support given to enterprises is eligible only between these two dates. There is however an extended period to the project of 30 September 2023 for businesses to provide evidence of all defrayed expenditure relating to their grant.

Requirement Specification: Target and deliver financial and non-financial support to businesses within the East Herts area. Eligible businesses must be financially secure and have a focus on either the bio science sector, social enterprise sector or maintenance, repairs and operations (MROs) linked to Stansted airport. The businesses must be at a stage of moving into early growth. A minimum of 115 enterprises must be targeted to achieve the goal of 30 businesses receiving a grant and 25 businesses receiving non-financial support. All delivery including administrative duties must be compliant with ERDF regulations during the project and for a reasonable time afterwards. Grant payments will be paid in arrears by the Council. Payment will be made from the Council to the Contractor and passed on to the grantee from the Contractor

Performance Monitoring: The outcomes of this contract are outlined in Schedule 2. The contract will be managed by the ERDF Contract Manager at East Herts Council and delivery monitored through monthly informal updates and formal quarterly steering group meetings. The ERDF Contract Manager will support the Contractor by checking and processing eligible evidence received from the Contractor for inclusion in claims submitted to the funder; and will authorise payments to the Contractor based on the evidence being satisfactory to the funder. It will be the responsibility of the Contractor to make grant payments to the businesses supported. The ERDF Contract Manager will also

coordinate and participate in quarterly grant panels for the review and approval of business grants. It will be the responsibility of the Supplier to submit grant applications on behalf of the enterprises in a timely manner and set format for review at panel

Throughout the life span of the project and its funding round the Contractor must adhere to ERDF funding regulations. A link can be found below:

<https://www.gov.uk/guidance/england-2014-to-2020-european-structural-and-investment-funds>

All deliverable figures below relate to businesses in the following sectors: bio science, social enterprise or maintenance, repairs & operations (MRO) services of Stansted airport. Further information on outputs can be found using the following link:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/908098/ESIF-GN-1-002_ERDF_Output_Indicators_Definition_Guidance_v8.pdf

C1 Target	Method	Measurement	Evidence
55 businesses receiving support	<ul style="list-style-type: none"> The type of support includes consultancy, information, diagnostic advice and guidance to individual businesses, as well as financial assistance for investment that results in the production of goods and/or services. This output indicator covers all size of business - sole trader, micro business, small and medium-sized enterprise, large business. It includes social enterprises where these engage in economic activity. For this project eligible sectors include: bio science and social enterprises and associated logistics such as maintenance, repair and operations (MRO) businesses that support Stansted airport. Furthermore, eligibility rules and in particular state aid rules may limit the type of businesses that may be supported. Assistance counted can include initial diagnostic and assessments, as well as any defined subsequent support. The method for delivering assistance can be face-to-face, telephone or web-based dialogue, through conferences, seminars, meetings, and workshops dependent on the needs of individual businesses. Assistance can include 1:1 or in groups. Activities should support the project's objectives and be directed towards ultimately improving the performance of the business. Support can be provided across a range of activity including: <ul style="list-style-type: none"> Management/leadership support Corporate and social responsibility Access to new supply chains and markets including new international markets Marketing Innovation and commercialisation of R&D Process improvement, quality assurance Access to Finance Support 	<p>To count one instance of this indicator you must provide evidence to demonstrate the ERDF project has provided one of the following:</p> <p>For non-financial support:</p> <ul style="list-style-type: none"> 2 days (12 hours) active consultancy support. <p>For financial support (grant) investment:</p> <ul style="list-style-type: none"> Grant of at least £1,000. <p>Each individual support claimed should have a unique indicator.</p> <p>Exclusions</p> <p>The 12-hour support excludes travelling and preparation time; it is only the actual time delivering the support to the business that can be counted.</p> <p>Distribution of generic guidance, mail-shots and brochures (electronic or hard copy) are excluded.</p> <p>Activity already counted toward achieving indicators for ERDF outlined in this note cannot be double counted.</p> <ul style="list-style-type: none"> Any businesses ineligible for ERDF support under national 	<p>Record of business - Name, address including post code, contact details, company registration number (CRNs) if applicable. <i>Each business should have a unique identifier at operational level during the course of the project.</i></p> <p>Support claimed through hours supported – record, electronic or paper, of support meeting the minimum threshold verified and signed by a senior member of staff in the business assisted, including time period claimed.</p> <p>Support claimed for direct financial support - documentation demonstrating that value meeting the minimum threshold has been provided to the business, with a unique identifier.</p> <p>Evidence of match funding for the grants and receipts to demonstrate how the grant and match was spent</p> <p>Types of additional data which will need to be provided:</p> <ul style="list-style-type: none"> For businesses: details of the size of the business, sole trader, small and medium-sized business, large company. A small and medium-sized business covers enterprises which employ fewer than 250 persons and which have an annual turnover not

	<ul style="list-style-type: none"> Resource efficiency The list of activity above is not exclusive. Any support can be counted if this is consistent with national eligibility rules and the operational programme and addresses a genuine business need established through a diagnostic or other assessment. 	eligibility rules are excluded. N.B that costs incurred in supporting businesses that are ineligible for ERDF support will also be considered ineligible.	exceeding 50 million Euro, and/or an annual balance sheet total not exceeding 43 million Euro (in accordance with the definition laid down in EU Regulation No 1303/2013 within the meaning of Commission Recommendation 2003/361/EC4).
C2 Target	Method	Measurement	Evidence
30 businesses awarded grants ranging from £3,000 to £5,000	<ul style="list-style-type: none"> This is a subset of the target C1 - 'Businesses receiving support' - therefore the criteria of C1 must be fulfilled. To register support as grant, the business must be provided with a cash payment by the project, which is not repaid. 	This is a subset of target C1 - Count Threshold is as C1.	<p>In addition to evidence required for C1:</p> <ul style="list-style-type: none"> Evidence of the grant received meeting the minimum threshold. A unique identifier allocated Evidence of match funding for the grant and receipts to demonstrate how the grant and match was spent Evidence of a three quote process for any single item purchased using the grant and costing more than £2,500 <p>Please note: This is a subset of target C1 - 'Business supported'. Businesses reported under C1 may also be reported under C2 where they meet the relevant definition, criteria and count threshold. Businesses reported under C2 may also be reported under the following where they meet the relevant definition, criteria and count threshold:</p> <ul style="list-style-type: none"> C28 – Businesses bringing a new product to the market C29 – Businesses bringing a new product to the firm
C4 Target	Method	Measurement	Evidence
A minimum of 25 businesses supported with non-financial support	<ul style="list-style-type: none"> This is a subset of target C1 – therefore criteria under C1 must be fulfilled. To register as non-financial support, the business must be provided with a service or services by the project with no direct 	<p>This is a subset of target C1 – Count Threshold is as C1.</p> <p>This is a subset of target C1 - Count Exclusion is as C1.</p>	<p>In addition to the evidence required for target C1:</p> <p>Support claimed through hours supported – record, electronic or paper,</p>

payment of monies.

of support meeting the minimum threshold (12 hours) verified by a senior member of staff in the business assisted, including time period claimed.

This is a subset of target C1 - 'Businesses supported'.

Businesses reported under C1 may also be reported under C4 where they meet the relevant definition, criteria and count threshold.

C6 Target	Method	Measurement	Evidence
<p>£135k private investment matching public support to businesses</p>	<ul style="list-style-type: none"> The ERDF support to the business is provided in the form of a grant. The gross amount of direct tangible investment from the private sector, charitable and not-for-profit organisations induced through ERDF assistance or financial support. Eligible non-monetary contributions made by individuals or organisations that add value to a project and can be given a monetary value e.g. land or loans, donated to the operation. To be eligible for inclusion of contributions in kind, these must be auditable and consistent with National Eligibility Rules. The investment must have been induced through ERDF assistance or financial support. Private Sector: Includes businesses, registered charities, not for profit organisations, private individuals and further education or higher education institutions, and social enterprises (where the funding cannot be traced to a public source). 	<ul style="list-style-type: none"> The sum of the private contribution to the supported project (£) where the project includes support that constitutes state aid, including support to parts of the project not eligible for ERDF. The levered private investment is counted when it is received by businesses from the ERDF project, or from a third party private investor resulting from ERDF investment. Should be counted up to the financial completion date of the ERDF project. State aid includes projects deemed exempt from specific approval, including de Minimis aid and investment covered by General Block Exemption Regulations. Private contributions can include monetised in-kind contributions where they are in line with National Eligibility Rules <p>Exclusions:</p>	<p>Private sector organisations</p> <ul style="list-style-type: none"> For each funder: name, address, contact details, status of organisation or individual and the organisation/business they represent. <p>Gross Funds Received: Private – copy of receipts for each contributor's financial contribution.</p> <p>Gross Funds Spent In-kind contributions - Recipient statement (signed by finance director) on what was provided, when it was spent (receipts/ invoices) and how it was used. In-kind contributions must comply with National Eligibility Rules. Validate through the recipient accounts and primary records e.g. invoices/receipts.</p>

		<ul style="list-style-type: none"> • The ERDF support to the enterprise provided through financial instruments (for example a loan or guarantee) • Any expenditure on the project by any public or private sector funder prior to the start date specified in the funding agreement is excluded. • Investment subsequent to the project ending (as specified in the funding agreement) by other public sector and/or the private sector is excluded. • Funds awarded from the National Lottery are excluded 	
C8 Target	Method	Measurement	Evidence
17 new staff members employed by supported businesses	<ul style="list-style-type: none"> • Those jobs created following an intervention with a business that results in an increase in the overall number of FTE staff employed within that business. To determine the employment increase a baseline of the number of jobs in place in the business immediately prior to the start of the support should be taken and compared to the number of jobs in place at the end of the support. The difference between the two is the employment increase. It should be noted that the employment increase due to the support might not always equal the number of jobs created that are directly attributable to the support – e.g. where organisations have restructured during the period and posts been removed. • The benchmarking must take account of the characteristics of employees in respect of gender • A new, permanent, paid, full-time equivalent (FTE) job created as a result of activity supported by project. • New means it should not have existed with that employer in the England programme area before the intervention. Permanent means it should have an intended life expectancy of at least 12 months from the point at which it is created. A full-time equivalent (FTE) job created can be counted even if it does not last for 12 months provided there is contractual evidence that the intended life expectancy of the job was 12 months. • The indicator applies to all sizes of business, but eligibility rules or project selection criteria may restrict the scope of activity. 	<p>This indicator can be counted if:</p> <ul style="list-style-type: none"> • A job with an intended life expectancy of at least 12 months is created. Date of creation is the day the new employee starts work in the enterprise. • The 36 hours per week threshold is reached. Part-time jobs should be treated on a pro-rata basis. • A job results in an overall increase in the employment levels of the supported enterprise. <p>Seasonal jobs may be counted where this is normal practice for an industry. The job must exist for a minimum of 4 weeks per annum and is counted on a pro-rata basis.</p> <p>Exclusions:</p> <ul style="list-style-type: none"> • Jobs which are created to directly set up the project's activities, including construction jobs, do not count as an 	<p>Job Created: Employment Increase: written confirmation from senior member of staff in the supported business confirming the overall increase in employment levels within the business as a result of the support provided. This should include confirmation of the baseline and end figures and specific details of the jobs created resulting in the increase. To include details of the job as advertised and started, duration, and the number of hours per week.</p> <p>A sole trader will need to provide a self-declaration to confirm details of post started, salary, duration and number of hours per week.</p> <p>In both of the above instances the written confirmation should include the following text:</p> <p><i>“The enterprise had X employees prior to the commencement of support, which has now risen to Y. The new post(s) has (have) resulted in an increase in employment within the enterprise and is</i></p>

		<p>increase in employment in supported enterprises, as these are inputs to rather than outputs of the operation.</p> <ul style="list-style-type: none"> Jobs which have been created as a result of realignment of posts across the business. Jobs which have been safeguarded. 	<p><i>(are) neither (i) a result of a realignment of posts across the organisation; nor (ii) a post(s) which has (have) been safeguarded."</i></p> <p>Projects need to provide basic information about the individual they support relating to:</p> <ul style="list-style-type: none"> Gender: Male/Female/ Prefer not to say Age: The following age categories should be used: 16-24/25-29/30-34/35-39/40-44/45-49/50-54/55-59/60-64/65+/Prefer not to say Disability: "Do you consider yourself to have a disability?" Yes/No/Prefer not to say Ethnicity: White/Mixed / Multiple ethnic groups/Asian / Asian British/Black / African / Caribbean / Black British/Other ethnic group/Prefer not to say <p>Relationship to other targets: This indicator will result from some form of support to a business. For the avoidance of doubt, providing all other evidentiary requirements associated with this output (C8) are met C8 outputs may be claimed in cases where the support/assistance provided by the project to the business in which the employment is increased does not reach the threshold required to trigger a C1 output. The support can create a multiple of employment outputs.</p>
C28 Target	Method	Measurement	Evidence
<p>2 businesses bringing a new product to the market</p>	<ul style="list-style-type: none"> This is a subset of the target C1 - therefore Count Criteria under C1 must be fulfilled. Support must be for a business to introduce one of the following: <ul style="list-style-type: none"> Product - when it is either at pre-launch or launched to the market Process - when it has been introduced into the business 	<p>This is a subset of target C1 – Count Threshold is as C1.</p> <p>Exclusions: This is a subset of target C1 - Count Exclusion is as C1.</p>	<p>In addition to the evidence required for target C1:</p> <p>Products, processes, services:</p> <ul style="list-style-type: none"> A self-declaration from the business to confirm the product, process or

	<ul style="list-style-type: none"> ➤ Service - when it has been introduced to the market. • The target measures if a business receives support to develop a 'new to the market' product in any of its markets. It includes process innovation as long as the process contributes to the development of the product. • A product is new to the market if there is no other product available on a market that offers the same functionality, or the design or technology that the new product uses is fundamentally different from the design or technology of already existing products. Products can be tangible or intangible (incl. services and processes). • Supported operations that aimed to introduce new to the market products but did not succeed are still counted. If a product is new both to the market and to the firm, the enterprise should be counted as supported to introduce new to the market products as well as supported to introduce new to the firm products. • Businesses included in this indicator should also be recorded as receiving one of grants or financial or non-financial support. • The indicator applies to all sizes of enterprise, but eligibility rules or operation selection criteria may restrict the scope of activity. 	<p>Operations without the aim of actually developing a product are excluded. If a business introduces several products or receives support for several operations, it is still counted as one business. In case of cooperation operations, the target measures all participating businesses.</p>	<p>service is new to the market.</p> <ul style="list-style-type: none"> • The business should also confirm the date the new product/process/service was launched and should provide further documentation to confirm details of product/process/service, which could include marketing information or literature. If product has not progressed to market, the business should provide information on the status of the product. <p>Relationship with other targets: This is a subset of target C1 - 'Businesses receiving support', and either C2, C3 or C4.</p> <p>Businesses reported under this target may also be reported under target C29 where they meet the definition</p>
C29 Target	Method	Measurement	Evidence
<p>2 businesses bringing a new product to the firm</p>	<ul style="list-style-type: none"> • This is a subset of the target C1 - therefore Count Criteria under C1 must be fulfilled. • The target measures if a business is supported to develop a "new to the firm" product. It includes process innovation as long as the process contributes to the development of the product. Projects without the aim of actually developing a product are excluded. If a business introduces several products or receives support for several operations, it is still counted as one business. In case of cooperation operations, the indicator measures all participating businesses to which the product is new. • A product is new to the firm if the business did not produce a product with the same functionality or the production technology is fundamentally different from the technology of already produced products. Products can be tangible or intangible (including services). • Supported projects that aimed to introduce new to the firm products but did not succeed are still counted. • If a product is new both to the market and to the firm, the business should be counted in both indicators. • Businesses included in this indicator should also be recorded as receiving one of grants or financial or non-financial support. • The indicator applies to all sizes of enterprise, but National 	<p>This is a subset of target C1 – Count Threshold is as C1.</p> <p>Count Exclusions: This is a subset of target C1 - Count Exclusion is as C1.</p>	<p>In addition to the evidence required for target C1:</p> <p>Products, processes, services:</p> <ul style="list-style-type: none"> • Evidence might include the date a new or improved process became operational or the date the new product or service was launched from market information or marketing literature. If product has not progressed to market, the business should provide information on the status of the product. • A self-declaration from the business to confirm the product, process or service is new to the firm. <p>This is a subset of target C1 - 'Businesses receiving support' and either C2, C3 or C4. Businesses reported under this target may also be reported under target C28</p>

Page	Eligibility rules or project selection criteria may restrict the scope of activity.		where they meet the definition.
ERP13 Target	Method	Measurement	Evidence
<p>A minimum of 05 Businesses receiving information, diagnostic and brokerage support</p>	<p>The type of support includes information, diagnostic advice/guidance and signposting to individual businesses. It is required that all 3 elements – information, diagnostic and brokerage – be included for activity to be eligible.</p> <ul style="list-style-type: none"> • Support must signpost to relevant ERDF funded provision and/or other provision relevant to the needs of the business. • This output indicator covers the following size of businesses – sole trader, micro business, small and medium-sized enterprises. It includes social enterprises where these engage in economic activity. • Specific calls for proposals or specific conditions may require those running operations to work with particular types of businesses. Furthermore, eligibility rules and in particular state aid rules may limit the type of businesses that may be supported. • Assistance counted must include a structured review lasting a minimum of 3 hours incorporating information, diagnostic assessment and advice and guidance. The method for delivering assistance can include face-to-face, telephone or web-based dialogue, through conferences, seminars and/or workshops dependent on the needs of business. • Assistance can include 1:1 or in groups. • Activities should support the project objectives and be directed towards ultimately improving the performance of the business or supporting the creation of a new business. • Support can be provided across a range of activity including: <ul style="list-style-type: none"> ➢ Management/leadership support ➢ Corporate and social responsibility ➢ Access to new supply chains and markets including new international markets ➢ Marketing ➢ Innovation and commercialisation of R&D ➢ Process Improvement, quality assurance ➢ Access to finance support ➢ Direct loans and financial instruments ➢ Resource efficiency and environment management. • The list above is not exclusive. Any support can be counted if this is consistent with national eligibility rules and the operational programme and addresses a genuine business need established through a diagnostic or other assessment. 	<p>To count one instance of this indicator you must provide evidence to demonstrate you have provided the following:</p> <ul style="list-style-type: none"> • Businesses supported with information, diagnostic and brokerage support only (a minimum of 3 hours) <p>Multiple Counting: A specific business can only be counted once by a project. Multiple instances of support within a project cannot be counted multiple times.</p> <p>Count Exclusions:</p> <ul style="list-style-type: none"> • The 3-hour information, diagnostic and brokerage provision excludes travelling and preparation time; it is only the actual time delivering the support to the business that can be counted. • Distribution of generic guidance, mail-shots and brochures (electronic or hard copy) are excluded. • Activity already counted toward achieving indicators for ERDF outlined in this document cannot be double counted. • Any businesses ineligible for ERDF support under National Eligibility Rules are excluded. 	<p>Record of Business - Name, address including post code, contact details, company number (CRN) if applicable. Each enterprise supported should be given a unique identifier at operational level during the course of the project.</p> <p>Support claimed through hours supported – record, electronic or paper, of support meeting the minimum threshold verified by a senior member of staff in the enterprise assisted, including time period claimed.</p> <p>Types of additional data which may need to be provided:</p> <ul style="list-style-type: none"> • For businesses: details of the size of the business, sole trader, small and medium-sized enterprise. <p>It is anticipated that this output will reflect stand-alone information, diagnostic and brokerage support only. It may complement, but will not be a prerequisite requirement for achievement of outputs linked to C1 'Businesses Supported' and/or C5 'New business supported'.</p> <p>Where businesses receive a sufficient level of information, diagnostic and brokerage support to meet the count threshold for C1, they may also be reported as such as well as any subsets of C1. The 3 hours of support under P13 can be counted towards the 12 hours needed for an output under C1.</p>
Other activities	Method	Measurement	Evidence

Salary costs	Payment for salary costs will be claimed and released on a quarterly basis	Provide either a timesheet for staff working on the project or a copy of their contract if spending 100% of their time on the project. Provide financial evidence to support salary costs incurred as well as the defrayal of these costs	Timely submission of financial information in accordance with the table in Section 3
Audits	The project will be subject to audits before, after and during its lifespan Ensure adherence to ERDF regulations regarding document retention https://www.gov.uk/government/publications/european-regional-development-fund-document-retention	Make available any relevant staff and provide any additional supporting evidence requested in a timely manner	
Claims, Progress reports and summative assessments	All outputs information must be submitted on time in accordance with the claims schedule	Supply all project related paperwork, progress report and supporting evidence by deadlines included in Section 3 below	Timely submission of financial and narrative claims information
Grants panel meetings	All grant applications must be submitted up to three working days before the scheduled grants panel meetings.	Relevant paperwork for the grants applications must be submitted in a timely manner and incorporate the correct ERDF logo in line with the ERDF branding requirements	Timely submission of grant applications and supporting evidence
Attendance at network events	Staff to be available for attending network events to promote the project	Attendance at annual events to promote the project	
Branding	Ensure the correct ERDF branding is used in the correct format on all literature relevant to the project as set out in the ESIF Branding and Publicity Requirements https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/836956/ESIF-GN-1-005_ESIF_Branding_and_Publicity_Requirements_v8_updated.pdf	Relevant paperwork for grant applications, timesheets, events literature should all include the ERDF logo	

Section 3

Claim period	Forecast due date	Claim submission date	Payment made to Contractor
July to Sept 20	05 Oct 20	22 Oct 20	22 Nov 20
Oct to Dec 20	07 Jan 21	22 Jan 21	22 Feb 21
Jan to Mar 21	01 Apr 21	21 Apr 21	21 May 21
Apr to Jun 21	05 Jul 21	22 Jul 21	22 Aug 21
July to Sept 21	04 Oct 21	21 Oct 21	21 Nov 21
Oct to Dec 21	07 Jan 22	25 Jan 22	25 Feb 22
Jan to Mar 22	05 Apr 22	26 Apr 22	26 May 22
Apr to Jun 22	05 Jul 22	22 Jul 22	22 Aug 22
July to Sept 22	05 Oct 22	21 Oct 22	21 Nov 22

Oct to Dec 22	06 Jan 23	23 Jan 23	23 Feb 23
Jan to Mar 23	05 Apr 23	25 Apr 23	25 May 23
Apr to June 23	04 Oct 23	18 Oct 23	18 Dec 23

Please note 10% of the funding awarded will be retained until the end of the project and payment made in December 2023, as set out in the table above. Final payment will be made after any funder queries relating to the final claim, audit or summative assessment are fully addressed.

East Herts Council Report

Executive

Date of meeting: 24 November 2020

Report by: Councillor Geoffrey Williamson, Executive Member for Financial Sustainability

Report title: Budget 2021/22 and Medium Term Financial Plan 2021 – 2024 Proposals

Ward(s) affected: All

Summary – All Members received a presentation at the Members' Information Session on 13 August 2020 that set out the financial challenges the Council faces to set a balanced budget over the medium term. The Council needs to identify reductions in net cost of £1 million in 2021/22, £1 million in 2022/23 and a further £2 million in 2023/24. The total reduction in net expenditure of £4 million to be achieved by 2022/23 represents a 26% reduction of the 2020/21 net budget of £15.5 million.

The Executive tasked officers to prepare a range of options to reduce net expenditure for early Member consideration and these form part of this report. The Executive have considered these options and given an indication of which they think should be taken forward and those that should not. All the options will continue to be considered and further refined over the next two months in light of the emerging situation with the COVID-19 pandemic. The Leadership Team have also set out a further programme of work to be undertaken to deliver a financially sustainable council by 2024.

RECOMMENDATIONS FOR EXECUTIVE:

- a) Confirm the savings proposals, after consideration of the comments from Audit and Governance Committee, to be**

taken forward, subject to detailed impact assessments and accepting that some may need to be reconsidered in the light of the current pandemic;

- b) Agree, as guidance to officers, that the budget proposals should be based on a Council Tax increase of £5, general inflation assumption of up to 1% and that the provision for the national pay award will be up to 2%;**
- c) Endorse the production of a phased capital programme over 5 years to better reflect actual phasing of delivery and more realistic revenue impacts of capital financing; and**
- d) Endorse the additional programme of work to transform the Council and place it on a financially sustainable footing as set out in paragraph 4.7.**

1.0 Proposal(s)

- 1.1 in line with current financial projections, the Council needs to achieve a reduction in net cost of £1 million in 2021/22, another £1 million in 2022/23 and a further £2 million in 2023/24 in the Revenue Account.
- 1.2 To understand the likely effects of meeting these net reductions the Executive tasked the Leadership Team with producing initial proposals to meet these targets. In addition, the Leadership Team have set out a further work programme to arrive at the savings target by 2023/24 which will also involve Members consideration of the evidence and in the shaping of the end proposals.
- 1.3 The substantial capital receipt achieved from the large scale voluntary transfer of the Council's housing stock on 18 March 2002 has been used to finance the capital programme and the last part of that receipt will be used up on financing the current substantial investment in leisure centres. Going forward, the capital programme will need to be financed by borrowing with resulting revenue costs in terms of interest and Minimum Revenue Provision (MRP). MRP is a statutory requirement to ensure that the Council sets aside revenue to repay the loan

and Council will be requested to approve a MRP Policy as part of the Treasury Management policies early next year. It is proposed that MRP will be on a straight-line basis over the expected life of the asset.

- 1.4 With the move to financing by loan, the Council will be further constrained by the affordability of total debt as measured by Prudential Indicators with the maximum amount of debt outstanding estimated to be in the region of £35 to £40 million.
- 1.5 The Council has traditionally budgeted for capital projects as a project total all in one year and then rolled forward budget provision to reflect actual phasing. This approach does not fit well with financing by loan and the resulting revenue impacts so the capital programme will now be presented as a rolling 5 year programme reflecting phasing over those 5 years and the resulting financing costs being reflected in the revenue account.
- 1.6 The current major capital projects have been subject to a business case refresh. Leisure Centres and the Hertford Theatre business case refreshes passed the test to proceed. Due to the restricted information contained in these documents Members were briefed at an All Members Information Session on these documents with a further opportunity to ask detailed questions. The Old River Lane Regeneration Scheme business case refresh will be reported formally as it is likely to require a Council decision as a result of the pandemic and the delays caused by the judicial reviews of the multi-storey car park provision.

2.0 Background

- 2.1 East Herts Council has undergone significant change over recent years, facing financial pressures linked to the UK economic and wider global downturns and more recently Brexit uncertainty and Covid19.
- 2.2 In addition to our financial challenges, we have already high but ever rising customer expectations for service provision and quality.

- 2.3 Action needs to be taken to ensure that the Council is not placed in an unsustainable position where budgets and services will not be sufficient to meet demand in the medium or longer term.
- 2.4 During the current Covid19 emergency, budgets continue to be extremely volatile and our finance team are currently predicting a target to reduce net cost of circa £4 million for the period 2020/21 – 2023/24 which has to be met either through income, changes in the way we deliver services or changes to the service offer itself.
- 2.5 There is also an identified need for the Council to address matters linked to the delivery of the new corporate plan, such as tackling climate change, enhancing community engagement, increasing partnership development, realising the potential from digital and evolving technologies, improving employee effectiveness and performance and last, but by no means least, responding to the requirement for new ways of working post Covid19.
- 2.6 The proposition to address these challenges is to establish a more agile, customer orientated and commercial operating model for the Council which ensures we deliver the right services, to the right standards, at the right time for our residents and businesses and in turn helps deliver Members' political ambitions both now and in the future.
- 2.7 There is no criticism of past performance, but a recognition that the world is changing, and we must change with it to ensure that we continue to deliver valued and appropriate services to our communities.
- 2.8 This is particularly true as we move as a Council from the planning to the delivery phases of our major capital projects, mostly at the same time and using the same resources.

3.0 Reason(s)

- 3.1 The Council is required to set a balanced budget each year. The Local Government Finance Act 1992 requires the Council to estimate revenue expenditure and income for the forthcoming year from all sources, together with contributions from

reserves, in order to determine a net budget requirement to be met by government grant, Business Rates and Council Tax.

4.0 Options

- 4.1 The Executive tasked the Leadership Team with producing, at pace, proposals to reduce net cost to meet the reduction targets. This has been produced, at Cost Centre level, aligning with the Budget Book for every Service except for a consideration of operational efficiencies within the Strategic Finance and Property teams. As the Head of Service came into post on the 14 September 2020, it is appropriate to allow the Head of Service time to get to know the service area and then consider additional proposals in six months' time.
- 4.2 A summary of the Leadership Team proposals are shown in the table below:

East Herts DC MTFs 2022 - 2025

Leadership Team Proposals for reductions in net cost

Row Labels	Sum of 2020/21 £000	Sum of 2021/22 £000	Sum of 2022/23 £000	Sum of 2023/24 £000
Chief Executive		(35)	(75)	(75)
Communications, Strategy & Policy	(10)	(215)	(243)	(243)
Housing & Health		(205)	(234)	(236)
Human Resources	(50)	(77)	(107)	(110)
Legal & Democratic	(29)	(65)	(76)	(112)
Operations	(6)	(668)	(1,198)	(2,262)
Planning	(40)	(88)	(98)	(98)
Revenues and Benefits	(94)	(142)	(142)	(142)
Strategic Finance & Property		(144)	(183)	(183)
Shared ICT Service		(126)	(126)	(126)
Grand Total	(229)	(1,765)	(2,482)	(3,587)
Target		1,000	2,000	4,000
(Surplus)/Deficit		(765)	(482)	413

- 4.3 A breakdown of each service areas' proposals and the detailed sheets to support each proposal are attached at Appendix A.

Please note that these proposals require further consideration of their appropriateness as a result of the on-going pandemic and the practical implications of implementation and the potential costs which will be funded from reserves.

- 4.4 When Council approved the budget and Medium-Term Financial Strategy on 29 January 2020 they approved the option to introduce garden waste collection charges in 2021/22 with a target cost reduction of £0.4 million. The Head of Operations and the Head of Strategic Finance and Property have examined this reduction target and now believe that a reduction in the net cost of the waste and recycling service of £0.75 million can be achieved with the introduction of charging and changes to collection core costs as a result. This item is the single biggest contributor to the net cost reduction target and is in line with the MTFs already approved by Council.
- 4.5 The Executive has provided initial views on what to take forward with officers and this is detailed in Appendix B.
- 4.6 The views of Audit and Governance Committee will be reported at the Executive Meeting.

Programme of further work

- 4.7 The Leadership Team propose to carry out further work in the relation to the Medium-Term Financial Strategy (MTFS) to further inform Members and to assist with further targeting of reductions in net cost. The proposed programme is as follows:
- Commission a cost comparison report from the Chartered Institute of Public Finance and Accountancy comparing the Council's cost across standard service classifications e.g. Environmental Health. This comparison will be with our statistical nearest neighbours, i.e. a group of district councils having similar demographics and rural and urban areas. Secondly the report will compare East Herts with all other District Councils. This will identify where services comparatively cost more. Of course, this can be as a result of policy decisions by Members to prioritise

resources to these services, but it will provide vital context and challenge to costs. To be completed by 30/10/2020.

- The Head of Strategic Finance and Property will undertake a 5-year analytical review of budgets against actuals in order to identify any budgets which are consistently under or over spent in order to identify any further efficiencies. To be completed by 30/10/2020.
- A quick review of the Council's procurement strategy and practices will be commissioned. This will help understand if our routes to market are the most appropriate (should we be using more frameworks than traditional tendering), potential cost savings opportunities based on actual recent procurement exercises and a suggested best practice procurement strategy. This will also include analysing one year's supplier spending against the contracts register to identify off contract spending so that compliance with contracts can be reinforced. This will be followed up by the Shared Internal Audit Service in future years until such time as the financial system monitors this automatically. Subject to discussion with external reviewer target completion by 30/10/2020.
 - Over the next 6 months, it is also recommended that East Herts undertakes a further operational review which will consider the following:
 - Ensuring our staff teams are resourced appropriately, allowing us to focus on our corporate plan priorities.
 - Accelerating a number of operational projects to improve efficiency such as bringing together administrative and business support functions.
 - Recognising the need to drive and realise a more commercial approach to how the council

operates.

- Ensuring flexibility and collaboration – working across council services and with partners to share expertise, capacity and space.
- Consulting with our residents to understand what services they find most useful and why
- Undertaking an agile working review to:
 - transform existing working practices to ones that are more effective and efficient and ensure that previous investment in technology is being fully utilised to support agile working, starting with the finance system.
 - Create a culture which acknowledges that it is about the work you do not where you do it
 - Maximise customer self-service and digital engagement.
 - Identify and then deliver new ways of working smarter through IT and technology solutions that will underpin how we collaborate and communicate; and
 - Review our future office and space needs and ensure that we have the right space of the right size in the right place.
- The operational review will allow changes to the way services are delivered to be properly evaluated, costed and delivered over the next three years ensuring that, combined with the income generation proposals, the council's resources are focussed on delivering the new Corporate Plan. Without this review and a transformation programme to deliver these significant changes there is a highly probable risk that in future Members will have to make

significant reductions in services or risk intervention from central government.

- 4.8 Members can also take comfort from the experience of the many local authorities that have used this approach to successfully survive “austerity”. The dangers inherent in not adopting the systematic approach suggested are perhaps best illustrated by Northamptonshire County Council which failed to take a measured, evidence based approach, allowed widely optimistic assumptions to underpin their budget and failed to deliver the change programme and had many incidents of “savings to be identified” in their plans.
- 4.9 Very recently Croydon Council has been subject to a Report in the Public Interest issued by the external auditor for failing to tackle their financial issues and putting all their effort into lobbying government for more money.

Capital Programme

- 4.10 The Council has traditionally budgeted for capital projects as a project total all in one year and then rolled forward budget provision to reflect actual phasing. This approach does not fit well with financing by loan and the resulting revenue impacts so the capital programme will now be presented as a rolling 5 year programme reflecting phasing over those 5 years and the resulting financing costs being reflected in the revenue account.
- 4.11 The current major capital projects have been subject to a business case refresh. Leisure Centres and the Hertford Theatre business case refreshes passed the test to proceed. Due to the restricted information contained in these documents Members were briefed at an All Members Information Session on these documents with a further opportunity to ask detailed questions. The Old River Lane Regeneration Scheme business case refresh will be reported formally as it is likely to require a Council decision as a result of the pandemic and the delays caused by the judicial reviews of the multi-storey car park provision.

5.0 Risks

- 5.1 The budget, MTFP and Transformation Projects will each have a separate risk register created as the budget proposals are developed.
- 5.2 In terms of risks to the Council's financial position there is currently fundamental uncertainty due to the impact of COVID-19 with new national restrictions just coming into force at the date of writing this report. The main concern is about "the tail" as, combined with a potential no deal Brexit, we may have considerable in year volatility on the Council Tax Base in 2021/22. Should house building slow or stop this will affect growth projections in the tax base and also the reductions in the tax base flowing from potentially increased local council tax support claims could result in an overall negative growth tax base. There is also potentially loss of business rates through voids and bad debts if businesses cease trading. There is the potential affect on fees and charges and potential upwards pressure on pricing from potential border delays causing supply shortages to also factor into the risk assessment. Certainty on the Brexit trade deal position will emerge in December but the impact of COVID-19 will continue well into 2020/21 and probably beyond. The adequacy of the General Fund balance to meet unexpected expenditure will be considered by the Head of Strategic Finance and Property and be reported to Council as part of his report under Section 25 Local Government Act 2003 on the robustness of the estimates made in drawing up the budget and the adequacy of the proposed level of reserves.

6.0 Implications/Consultations

- 6.1 The council is required to consult with Business Ratepayers under s.34 Local Government Finance Act 1988.
- 6.2 Consultation with the public will involve asking about perceptions of value for money and the importance of services to them but not specifics of the budget proposals due to the technical nature of the budget papers and the resource pressures as a result of COVID-19.

Community Safety

The budget underpins delivery of the Council's policies and priorities in relation to community safety.

Data Protection

No

Equalities

The Council has a statutory duty under the Equalities Act 2010, in particular s149. This includes the requirements on the Council to have due regard to the need to eliminate discrimination and harassment, to advance equality of opportunity, to foster good relations and to remove or minimise disadvantages suffered by persons who share protected characteristics.

Compliance with these duties in the Equalities Act does permit the Council to treat some persons more favourably than others, but only to the extent that such conduct is not otherwise prohibited.

In setting the budget, decisions on some matters may be particularly relevant to the discharge of this duty and an equalities impact assessment will be undertaken to assess and ensure compliance with this duty.

Environmental Sustainability

The budget underpins policies and priorities in relation to the environmental and sustainability areas.

Financial

These are contained in the main body of the report.

Health and Safety

No

Human Resources

The budget will provide a provision for a pay award of up to 1.5% but the actual award is subject to national NJC negotiations. This provision is set in the light of forward inflation estimates consensus contained in the Bank of England Monetary Policy Report November 2020

Human Rights

No

Legal

The Council is required to set a balanced budget each year. The Local Government Finance Act 1992 (as amended by the Localism Act 2011) requires the Council to estimate revenue expenditure and income for the forthcoming year from all sources, together with government grant and contributions from reserves, in order to determine a basic Council Tax Requirement.

Section 25 of the Local Government Act 2003 requires the Chief Finance Officer to report on the robustness of the estimates and adequacy of reserves to the Council when it is considering the budget.

Section 114 of the Local Government Finance Act 1988 requires the Chief Finance Officer to report to the Full Council if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the authority will not have the resources to meet its expenditure in a particular financial year. The issuing of a Section 114 report requires the Full Council to meet within 21 days to consider the report and during that period the Council is prohibited from entering into new agreements involving the incurring of expenditure.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

Appendix A – Detailed Leadership Team proposals

Appendix B - Executive initial view on the proposals

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Appendix A Detailed Proposals

Head of Service	Service	Cost Centre	Description	2020/21	2021/22	2022/23	2023/24	Proposal
Richard Cassidy	Chief Executive	CED1	Senior Management restructure		-30	-65	-65	Management restructure
Richard Cassidy	Chief Executive	CED2	Corporate Support Team		-5	-10	-10	Review of Corporate Support team

Head of Service	Service	Cost Centre	Description	2020/21	2021/22	2022/23	2023/24	Proposal
Ben Wood	Communications, Strategy & Policy	CM001	Policy		-25	-25	-25	Cease Corporate Policy work
Ben Wood	Communications, Strategy & Policy	CM002	Communications	-10	-10	-10	-10	Cease printing Link and make digital only.
Ben Wood	Communications, Strategy & Policy	CM002	Communications					Option 1 reduce communications activity will save £30k per annum
Ben Wood	Communications, Strategy & Policy	CM002	Communications		-90	-90	-90	Option 2 cease communications activity other than reactive to press or crisis Plus increased online payments and diverting cash and cheques to Post
Ben Wood	Communications, Strategy & Policy	CS001	Digital Receptions		-50	-63	-63	Office/Paypoint
Ben Wood	Communications, Strategy & Policy	ED001	Economic Development		-35	-35	-35	Repurpose function to concentrate on Launchpad
Ben Wood	Communications, Strategy & Policy	ED101	Ec Dev Subscriptions		-5	-20	-20	Cease payments at end of agreed funding term for external partnerships
Ben Wood	Communications, Strategy & Policy	ED102	Launchpad		0	0	0	No proposals
Ben Wood	Communications, Strategy & Policy	IN001	Major Projects Team		0	0	0	No proposals as no major projects proposed to be halted
Ben Wood	Communications, Strategy & Policy	RD101	Rural Development Programme		0	0	0	Project ceased and no expenditure on this cost centre
Ben Wood	Communications, Strategy & Policy	RED001	Economic Development		0	0	0	Only expenditure is payment towards Visit Herts

Head of Service	Service	Cost Centre	Description	2020/21	2021/22	2022/23	2023/24	Proposal
Jonathan Geall	Housing & Health	BU101	Public Health Burials		0	0	0	
Jonathan Geall	Housing & Health	CW001	Community Wellbeing Team		-25	-50	-50	Restructure service
Jonathan Geall	Housing & Health	CW101	Resilience Partnership		-26	-26	-26	End partnership and absorb within Health & Housing
Jonathan Geall	Housing & Health	CW102	Community Safety		0	0	0	PCSO saving of £44k previously approved
Jonathan Geall	Housing & Health	CW103	Community Grants		-84	-84	-84	Option 3 Cease Community Transport grant
Jonathan Geall	Housing & Health	CW103	Community Grants					Option 2 Community Transport grant reduction of 50% saving £42k per annum
Jonathan Geall	Housing & Health	CW103	Community Grants					Option 1 Community Transport grant reduction saving £6k per annum
Jonathan Geall	Housing & Health	CW103	Community Grants		-16	-16	-16	End all sports grants
Jonathan Geall	Housing & Health	CW103	Community Grants		-11	-11	-11	Reduce general grants
Jonathan Geall	Housing & Health	CW103	Community Grants		0	0	0	£10k reduction approved in last budget. Community Grants to be consolidated together and further consideration given to SLAa to organisations that deliver corporate priorities. Grants to parish councils to cease as they can raise finance via the precept.
Jonathan Geall	Housing & Health	CW103	Community Grants		0	0	0	Stop providing courses and leave to the market.
Jonathan Geall	Housing & Health	EH001	Environmental Health		-10	-12	-12	End van leases and use electric pool cars
Jonathan Geall	Housing & Health	EH101	EH Sampling		0	0	0	Budget reduced in 2017
Jonathan Geall	Housing & Health	EH104	Air Quality		-2	-4	-6	Reduce air monitoring
Jonathan Geall	Housing & Health	EH106	Housing		-31	-31	-31	Delete housing survey and delete income target incorrectly in revenue
Jonathan Geall	Housing & Health	HG001	Housing		0	0	0	Largely Funded by Government grants - any reduction in service on homelessness risks Government clawing money back
Jonathan Geall	Housing & Health	HG103	Homelessness		0	0	0	
Jonathan Geall	Housing & Health	HG104	Hillcrest Hostel		0	0	0	
Jonathan Geall	Housing & Health	LN001	Licensing		0	0	0	
Jonathan Geall	Housing & Health	LN101	Premises and Gambling Licences		0	0	0	Fees and Charges review to be undertaken
Jonathan Geall	Housing & Health	RLN101	Taxi Licensing		0	0	0	Statutory requirement to break even

2017

Head of Service	Service	Cost Centre	Description	2020/21	2021/22	2022/23	2023/24	Proposal
Simon O'Hear	Human Resources	HR1	HR&OD	-10	-24	-34	-37	Various changes
Simon O'Hear	Human Resources	HR2	Apprentices	-40	-53	-73	-73	Delete posts

Head of Service	Service	Cost Centre	Description	2020/21	2021/22	2022/23	2023/24	Proposal
James Ellis	Legal & Democratic	LDS1	Legal Services	31	-7	-27	-63	Staffing restructure
James Ellis	Legal & Democratic	LDS2	Civic Regalia		-6			Sell spare chain
James Ellis	Legal & Democratic	LDS2	Cease webcasting		-15	-15	-15	As a challenge, how many meetings could we reduce by and thus produce a saving in less officers servicing committees?
James Ellis	Legal & Democratic	LDS2	Civic Regalia		-6	0	0	Sell spare chain
James Ellis	Legal & Democratic	LDS2	Democratic Services		0	-3	-3	IRP to be convened once every 4 years only
James Ellis	Legal & Democratic	LDS3	Land Charges	-60	0	0	0	Bulk order of searches by Housing Association in 2020/21 Service required to breakeven. Service will transfer to Land registry over MTFS period.
James Ellis	Legal & Democratic	LDS4	Electoral Registration		-2	-2	-2	Invitation to Register reminders
James Ellis	Legal & Democratic	LDS4	Electoral Registration		-25	-25	-25	Annual Canvas reform
James Ellis	Legal & Democratic	LDS4	Electoral Registration		-4	-4	-4	Postage
James Ellis	Legal & Democratic	LDS5	Street Naming and Numbering		0	0	0	Electronic application with card payment or BACS? Go Digital only?

Head of Service	Service	Cost Centre	Description	2020/21	2021/22	2022/23	2023/24	Proposal
Jess Khanom-Metaman	Operations	EN001	Environmental Inspection			31	0	0 Necessary cost pressure
Jess Khanom-Metaman	Operations	OP30	Markets			0	0	0 Nil expenditure
Jess Khanom-Metaman	Operations	OPS1	Business Support			-3	-3	-3 Postage
Jess Khanom-Metaman	Operations	OPS1	Business Support		-6	-6	-6	-6 Training
Jess Khanom-Metaman	Operations	OPS11	Leisure			100	100	-404
Jess Khanom-Metaman	Operations	OPS12	Garden Waste charging			-703	-735	-735 Core budget approved January 2020 assumes £400k saving already in budget
Jess Khanom-Metaman	Operations	OPS13	Public conveniences			-18	-18	-18 Close Buntingford and end Community Toilet Scheme
Jess Khanom-Metaman	Operations	OPS20-26	Car Parking				-484	-551 Comprehensive changes to car parking service offer
Jess Khanom-Metaman	Operations	OPS27-29	Hertford Theatre			34	88	-400 Pressure from closure then reopening operating at surplus
Jess Khanom-Metaman	Operations	OPS6	Remove litter and dog waste bins			-70	-95	-95 Remove litter and dog waste bins
Jess Khanom-Metaman	Operations	OPS6	Litter and dog waste bins			-19	-19	-19 Combine litter and dog waste bins
Jess Khanom-Metaman	Operations	OPS6	Parks and Open Spaces			-8	-15	-20 Catering Concessions
Jess Khanom-Metaman	Operations	OPS7	Allotments			-1	-1	-1 Fees and charges
Jess Khanom-Metaman	Operations	OPS8	Playgrounds			-5	-10	-10 Close 6 playgrounds

Head of Service	Service	Cost Centre	Description	2020/21	2021/22	2022/23	2023/24	Proposal
Sara Saunders	Planning	PBC2	Building Control		23	23	23	Cost pressure due to incorrect budget set after dividend for Dacorum joining the company
Sara Saunders	Planning	PBC3	Pre-App Planning Advice		0	0	0	Pre-App Planning Advice fees review
Sara Saunders	Planning	PBC4	Planning Policy	-40	0	0	0	Grant funding for Neighbourhood Plan referenda
Sara Saunders	Planning	PL001	Planning Services		-41	-41	-41	Archive digitisation
Sara Saunders	Planning	PL001	Planning Services		-30	-30	-30	Online adverts except for some major applications
Sara Saunders	Planning	PL001	Planning Services		-30	-30	-30	Staffing restructure
Sara Saunders	Planning		Historic Building Grants		-10	-20	-20	Phased cessation. Assist with signposting to other historic building grants available?

Head of Service	Service	Cost Centre	Description	2020/21	2021/22	2022/23	2023/24	Proposal
Su Tarran	Revenues and Benefits	RB001	Revenues and Benefits Shared Se	-11	-59	-59	-59	Staffing changes
Su Tarran	Revenues and Benefits	RB002	Revenues and Benefits retained c	-83	-83	-83	-83	Various budget adjustments

Head of Service	Service	Cost Centre	Description	2020/21	2021/22	2022/23	2023/24	Proposal
Steven Linnett	Strategic Finance & Property	SF001	Strategic Finance		-6	-6	-6	Reduction in Shared Internal Audit Service Days
Steven Linnett	Strategic Finance & Property	SF001 - 6	Finance					To be reviewed by the new Head of Strategic Finance & Property after 6 months.
Steven Linnett	Strategic Finance & Property	SF003	Procurement		-5	-5	-5	Delete post
								Bank charges - we will retender the banking, merchant acquiring for card
Steven Linnett	Strategic Finance & Property	SF101	Other Expenses		0	0	0	payments and reduce the number of bank accounts down to 1.
Steven Linnett	Strategic Finance & Property	SP001	Property & Asset Management		0	0	0	
Steven Linnett	Strategic Finance & Property	SP002	Facilities Management		-33	-33	-33	Post Room and Courier service changes
Steven Linnett	Strategic Finance & Property	SP003	Wallfields		0	0	0	
Steven Linnett	Strategic Finance & Property	SP004	Charringtons		-100	-139	-139	Office transferred to City Heart from june 2021
Steven Linnett	Strategic Finance & Property	SP005	Buntingford		0	0	0	To examine potential for a different site or seek to reduce the lease costs.
Steven Linnett	Strategic Finance & Property	SP006	Rent and Misc		0	0	0	
Steven Linnett	Strategic Finance & Property	SP007	Street Lighting		0	0	0	
Steven Linnett	Strategic Finance & Property	SP008	Land Drainage		0	0	0	Explore Community Payback to do some of this work as a cost avoidance measure?

Head of Service	Service	Cost Centre	Description	2020/21	2021/22	2022/23	2023/24	Proposal
Helen Standen	Shared ICT Service	SS001	Shared ICT Service		-6	-6	-6	Subject to lease clawback.
Helen Standen	Shared ICT Service	SS001	Shared ICT Service		-20	-20	-20	End Print service
Helen Standen	Shared ICT Service	SS001	Shared ICT Service		-20	-20	-20	End design service

1 Chief Executive and Directors

Corporate Priority: Enabling our communities
Portfolio Holder: Linda Haysey
LT Lead: Richard Cassidy

CED1

Description of Service:

This budget code represents the central costs of the Chief Executive and Deputy Chief Executive posts.

The cost of these posts are recharged across service budgets based on proportions of overall time allocated. These time allocations are reviewed annually.

Description of Transformation/Efficiency Proposal:

A chief officer review was undertaken in 2017/18 which resulted in a restructure, deleting a vacant Corporate Director post and developing the other Director post in the Deputy CE and providing an ongoing saving of circa £90k per annum.

A further review of the Councils senior management team will be undertaken in 2020/21 as part of a wider organisational review.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

These posts are high profile within the community and with stakeholders as they represent the Council at local, regional and national levels.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£30*	£65*	£65*
Capital				

*Savings as part of a wider senior management review.

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£296,480	£0	£296,480

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed?

No

(Page 210 to be added)

What are the key issues raised in the EQIA?	
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KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Reduced salary costs	Impact on services due to reduction in management capacity.

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
May impact on performance	May impact on performance	May impact on performance	May impact on performance

LEGAL IMPLICATIONS

Potential Redundancy costs unless the reduction is achieved by not replacing a post

1 Corporate Support Team

Corporate Priority: Enabling our communities
 Portfolio Holder: Linda Haysey
 LT Lead: Richard Cassidy

CED2

Description of Service:

This budget code represents the costs of the of the personal assistant support to the Leader of the Council, Chairman of the Council, Chief Executive & Deputy Chief Executive.

Description of Transformation/Efficiency Proposal:

As part of a review undertaken in 2019/20 the team was restructured, providing an ongoing saving of £40,000 per annum.

A further review of the team will be undertaken in the next six months to identify additional efficiencies.

What do the public say?:
 Add in any relevant information about how the service performs or is received by the community.

These are not public facing roles.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£5	£10	£10
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£86,320	£0	£86,320

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)

Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

1 Remove policy function

Description of Service: Policy support to Leadership Team and Executive

Description of Transformation/Efficiency Proposal:

We currently have a 0.6 WTE role at Grade 8 which supports Leadership Team and Executive with corporate policy work. This includes:

- Corporate planning (co-ordination of corporate plan, annual report, performance monitoring analysis and trends)
- Regular briefings and updates to Executive and Leadership Team on national and regional policy matters
- Support to Leader and Chief Executive on research and preparation for presentations at national/ regional events
- Registering assets of community value

Deleting the post would result in a revenue saving but there would be redundancy costs involved.

What do the public say?:

No data from the public.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£25	£25	£25
Capital	0	0	0	0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£139	£0	£139

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
Revenue savings	Less capacity to respond to policy changes (eg. Around Unitary government) Registering assets of community value no longer supported

CORPORATE PRIORITIES ASSESSMENT

Sustainability	Economic Growth	Enabling Communities	Digital by Design
Limited impact although less capacity for research around sustainable policy development	Limited impact although less support for regional events (eg. LSCC)	No process to register assets of community value	Limited impact

LEGAL IMPLICATIONS

Possible risks to not fulfilling obligations set out in Localism Act regarding Assets of Community Value (although as new legislation this has not been tested)

1 Remove Link Magazine

Description of Service: Link Magazine (production of content, printing of 60,000 copies then distribution to all households in District)

Description of Transformation/Efficiency Proposal:

Link magazine was reduced from 4 copies per year to 2 (a spring and summer edition), reducing original budget of £24,000 to £16,000. Agreement was subsequently to reduce this to a further one per year (over the summer) which would result in additional savings. Income (generated through selling advertising space) is budgeted at around £1k per edition.

We have the option of ceasing the physical production and printing of Link magazine entirely. This would create a full saving of £14,000 however it is suggested that a budget of £4,000 is retained in order to supplement our other channels of communication. This would involve boosting facebook posts, target google ads and further SEO as well as unlocking more functionality through our email marketing provider. This will provide much better value for money. In addition these channels provide stronger customer insight data in terms of views, interactions and customer behaviour.

There is the option to only produce a limited number of printed copies and distribute these directly to the residents who are not digitally engaged. However we do not have such a database and collecting/ maintaining this would negate most of the savings that can be derived.

What do the public say?:

We have no metrics or feedback from members of the public which indicate whether Link Magazine is read and how much value it adds. Our only insight comes from Members who suggest residents who are not digitally engaged appreciate the hard copy. As well as not being able to understand readership, we are unable to seek content on the feedback and understand what people want to hear more/ less of.

In 2015 we included a promotion on the Link magazine that every reader could claim a free Hertford Theatre ticket to test readership. Only person claimed a free ticket out of a population of 144,000.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	£10	£10	£10	£10
Capital	0	0	0	0

Expenditure:	Income:	Net Budget:
£16	£2	£14

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	Initial assessment complete
What are the key issues raised in the EQIA?	Issue is that we have a lack of insight on who the digitally excluded are. In addition Link magazine is a promotional publication to share good news stories (it isn't about updating on specific services) so not receiving the information has a limited impact upon excluding individuals or communities with protected characteristics.

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Revenue savings Reduced environmental impact (printing and distribution)	Potential exclusion of those not digitally enabled

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Less waste from printed production of material	N/A	Potential that not having it means some people cannot access the data however this cannot be quantified.	Supports move towards digital delivery

LEGAL IMPLICATIONS
None (no statutory notices are published in the magazine and there is no legal requirement to produce it)

1 Reactive communications

Description of Service: Reduce size and scope of communications

Description of Transformation/Efficiency Proposal:

Currently the communications service has a pro-active (promoting campaigns) and reactive (responding to crises/ issues) function. The service also manages the website and intranet. Responsibilities are spread across the team (1x G11 manager, 2x G7 comms officers, 1x G8 digital content manager). As one of the comms officers has handed in their notice we have an opportunity to review the overall purpose and function of communications.

Not replacing the 0.8 WTE Grade 7 officer would result in around £30,000 revenue savings however the service would be impacted as follows:

- Reduction in most internal communications (eg. team update and internal comms exercises linked to East Herts Together)
- Reduction of comms support for some major campaigns (prioritizing 2/3 major pieces of work per year and ceasing support for other smaller promotions)
- Reduced response times for content publishing and copywriting on w/site
- Fewer press releases

This is option 1.

There is further scope to move to a completely reactive service which in practice means the communications will provide:

- Basic updates on the w/site and some limited development of functionality
- Capacity for producing and publishing content in reactive/ crisis response capacity (done through monitoring of social media, response to press enquiries and complaints)
- No campaign/ promotional support for projects or initiatives (including signposting to campaigns led by others)
- No regular customer communications (email marketing and multi-channel updates)
- No internal communications
- No communications support for wider regional or countywide work (Eg. Community Resilience Forum)

Although extreme Three Rivers DC have a model akin to this whereby 1 comms officer responds to issues and when they arrive. We could delete the communications manager role leaving just one comms officer and the digital content manager realizing savings of around £60,000 on top of the £30,000 above. This model would rely on individuals at senior levels (Member and officer) to be more directly responsible for communications and promotion themselves. There would be redundancy costs involved. This is option 2.

What do the public say?:

Little customer insight to council communications as a service.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue				
Option 1	£0	£30	£30	£30
Option 2	£0	£90	£90	£90
Capital	0	0	0	0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£180	£0	£180

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No – but any restructure would require an EQIA to be undertaken
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
Revenue savings	Risk that if council doesn't promote itself and the brand then reputation will be damaged due to residents filling in any voids/ gaps about the council themselves.

CORPORATE PRIORITIES ASSESSMENT

Sustainability	Economic Growth	Enabling Communities	Digital by Design
Residents aren't aware of council work in this area	Residents aren't aware of council work in this area	Less direct dialogue and engagement with residents	Residents aren't aware of council work in this area

LEGAL IMPLICATIONS

None

Corporate Priority: Digital by Design
Portfolio Holder: George Cutting
LT Lead: Ben Wood

1 **Digital Receptions**

Description of Service: Digital receptions

Description of Transformation/Efficiency Proposal:

The digital reception consists of moving away from the traditional 9-5 staffed reception desks in Wallfields and Charringtons to a front of house presence where:

- Customers can “walk-in” to access a desktop/ phone in a secure booth to make enquiries/ payments/ applications/ book an appointment with an officer about housing/ benefits/ healthy hub/ licensing/ view registers
- Customers can check-in when they arrive for an appointment and be directed to interview room where they can speak to an officer on video conferencing equipment
- Self-scanning stations available for customers to submit copies of relevant documents
- 1x customer service advisor present as a floor walker to direct customers to booths/ interview rooms after check in
- Where possible, co-located with other services (TBC but may include citizens advice, CVS, DWP etc)

This will be supported by additional measures which will increase efficiency including:

- Proof of concept for webchat (beginning October 2020 and set to conclude with recommendations March 2021). Given telephony is the contact channel of choice for East Herts customers this may provide a cheaper contact channel
- Increasing range of payment options online and over the phone focused on services where there is no online or telephony payment facility including all types of licence, pre-application planning advice, land searches, street naming and numbering. A business case has been agreed for this work however no timescale has yet been agreed with IT for implementation
- Stopping acceptance of cheque and cash payments (in line with the above project to ensure other payment channels are available)
- Decommissioning payment kiosks (lease due to expire 2022 and they will not be renewed)
- Forced migration to self-service on the website by removing downloadable pdf forms and only offering webforms

Please note design work had taken place on Wallfields reception in terms of changing the layout to facilitate self-service for customers. This work has been put on hold pending. No further investment is planned in Charrington’s for the same reason. Co-location will be explored as part of the wider agile working policy.

The current customer service establishment is 13.00 WTE. Since Covid-19 restrictions were imposed we have had 11.00 WTE in place and kept two posts vacant. Call handling performance has increased as both receptions are no longer fully staffed.

We are partially re-opening receptions on an appointment basis only from early October however it is suggested that for 20/21 the 2 vacant posts can be deleted on the basis that we will not be going back to the 9-5 staffed model.

Additional savings may be possible thereafter as part of wider and continuing review of customer services including consolidation of first points of contact for planning and housing

and health in customer services. There are also direct savings from decommissioning use of the kiosks.

What do the public say?:

Govmetric feedback for Face to Face services is our most highly rated channel. East Herts is often in the top 10 of authorities in the country who use face to face with 90% of customers often rating their experience as good. Removing F2F will not be popular with some customers however we have not had large numbers of complaints since we shut the offices in late March.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£50 (deletion of 2 vacant advisor posts)	£63 (additional £13k from stopping kiosk lease from KPRS and G4S security services for cash handling)	£63
Capital	0	0	0	0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£532	£0	£532

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	Complete for reopening of receptions late October however further work will be required on full digital model
What are the key issues raised in the EQIA?	On average we have around 20,000 visits to the receptions per year. Some of these will be customers with immediate or time critical needs (eg. benefits or housing related). The booking system means seeing an office immediately may not be possible however once launched (October 2020) we will explore the effectiveness of being able to do this.

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
Revenue savings Increased performance on telephony contact (which is the main contact channel for East Herts residents) Reduced capital overheads if reception floor space needs are reduced	Potential for services to not be able to respond as well to customers in crisis who present

CORPORATE PRIORITIES ASSESSMENT

Sustainability	Economic Growth	Enabling Communities	Digital by Design
Reduced floor space and associated needs Scanned documents instead of printing reducing environmental impact	More modern payment channels for customers and clients	Potential for lower scores on govmetric and customers not being able to access face to face support	Supports move towards digital delivery

LEGAL IMPLICATIONS

None (there will still be provision for customers to view documents in person such as the enforcement and electoral register)

1 Economic Development re-purpose

Description of Service: Economic development reduced in size and scope to just focus on delivering income generating services (ie. The Launchpad)

Description of Transformation/Efficiency Proposal:

Currently the economic development service is responsible for various activities as follows:

- Commissioning support and contract management for Visit Herts, Better Business for All
- Liaison with planning policy on key site development and economic impacts of major applications (this ranges from larger projects such as HGGT and ORL to smaller developments such as Caxton Hill/ Tamworth Road)
- Liaising with new businesses (finding premises, signposting to support and grant schemes)
- Inputting into wider partnership meetings, studies and work programmes (LSCC, DIZ, HEDOG)
- Liaison with town councils and town centres on high street challenges, issues and events (eg. This year it includes project managing the spend of RHSS funds)
- Running the Bishop's Stortford and Ware Launchpad
- Additional ad hoc projects as required (eg. The JobSmart scheme)

We could reduce the size and scope of the service to just focus just on the Launchpad which provides direct support to businesses as well as income. This would mean:

- Changing JD for Economic Development manager to be Launchpad Manager (possible saving if scale is reduced – Grade 10 to Grade 8 - £13,000). If existing post holder remains then there would be pay protection for a period of time meaning full saving would not be realized until 2022/23.
- Deletion of Economic Development officer post (role is shared with North Herts so saving is 0.5 WTE at Grade 8 – around £22,000. Redundancy costs would be involved.

All the activity above – other than the Launchpad – would cease. We have recently signed an agreement to deliver an ERDF funded business support programme on expanding the Launchpad (income for which is used to off-set our cash contribution to the project). Day to day running of the Launchpad as well as project management for this new work would be the sole function of economic development.

What do the public say?:

These services are not directly visible to members of the public however businesses that receive direct or indirect support may see an impact.

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£22	£35	£35
Capital	0	0	0	0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£105	(£40)	£65,000

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No – although any restructure would require an EQIA to be undertaken
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Revenue savings Focus just on revenue generating activity	Likely that partners will feel district council is not concerned about economic wellbeing – particularly on town centres Risk that some commercial elements of new developments are overlooked Council will essentially have no capacity to undertake any economic development work other than running the Launchpad Joint working with North Herts would cease

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Limited impact	Removal of a large part of the activities and actions within the economic theme	Limited impact	Limited impact

LEGAL IMPLICATIONS
None

1 Review of membership fees

Description of Service: Membership fees for economic development

Description of Transformation/Efficiency Proposal:

We currently pay into the following organisations as follows:

- London Stansted Cambridge Corridor: £10,000 per annum (no timescales for review). Regional economic partnership (private and public sector) which lobbies for additional investment for government and undertakes marketing for inward investment for businesses
- Digital Innovation Zone (DIZ): £10,000 per annum (initially for 2 years – 2019/20 and 2020/21). East Herts and West Essex partnership (public and private) which shares best practice on digital collaboration and lobbies/ bids for digital infrastructure investment
- Central Zone Alliance (CZA): £15,000 per annum (Initially for 2 years – 2020/21 and 2021/22 sub-group of 5 districts in the in the LSCC who want to raise their profile. Currently this is not budgeted for and is paid supported through underspends elsewhere in the service
- Better business for All (BBfA): £5000 per annum (Initially for 2 years – 2018/19 and 2019/20. Nb paid 50% from economic development and 50% from housing and health) Partnership of herts local authority regulators (rates, trading standards, licensing etc) who collaborate to make regulatory support for businesses more streamlined
- Visit Herts: £5000 per annum (aligned to LEP contract with VH which expires 2021/22) contracted to deliver destination management and tourism services for Hertfordshire on behalf of LEP and 8 districts.

On the basis that for every organization except the LSCC we have entered temporary/ fixed term arrangements we can honour our agreements and then cease funding thereafter.

The LSCC and DIZ Boards have Executive Member presence on their Boards.

Generally speaking withdrawing from the CZA and BBfA would be the least controversial options.

What do the public say?:

None of these organisations - with the possible exception of Visit Herts who have a website to promote business and attractions – are widely known to the public.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

2020/21

2021/22

2022/23

2023/24
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Revenue	£0	£5 (BBfA)	£20 (BBfA, DIZ and VH)*	£20
Capital	0	0	0	0

*doesn't include £15,000 saving from the CZA as it isn't budgeted for

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£38	£0	£38

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Revenue savings	<p>Potential loss of profile and reputation amongst other organisations who are members (especially with regards to LSCC and DIZ)</p> <p>In the case of Visit Herts some businesses may feel we are not supporting the tourism sector.</p>

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Limited impact	Withdrawing from the LSCC and Visit Herts would be seen as being less supportive of businesses	Limited impact	The DIZ is a large part of our partnership working within this theme

LEGAL IMPLICATIONS
None

1 Launchpad

Corporate Priority:	Economic Growth
Portfolio Holder:	Jan Goodeve
LT Lead:	Ben Wood

Description of Service: See proposal to reduce economic development to just Launchpad service only

Description of Transformation/Efficiency Proposal:

We have signed up to an ERDF project (£1.2m over 3 years) to support business expansion. The project is match funded so £600k (£200k per year) comes from the ERDF and the same from East Herts. We are using existing costs to make up around £150k of this and the additional cash will come from Launchpad income.

We therefore have to make £50k per income for the project to be sustainable and that is the target we will be working to. Any income has to go towards the project so can't be added to general income.

No savings or income proposals attached.

What do the public say?:

No data from the public.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	0	0	0	0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£0	£0	£0

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
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CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS
None

1 Remove Capital Project Support

Description of Service: The Major Projects Team supports delivery of Old River Lane, Hertford Theatre and Leisure Services (Hartham and Grange Paddocks).

Description of Transformation/Efficiency Proposal:

There is a separate review of capital projects in place. As the posts are linked to the projects should any projects cease we can delete the posts. The revenue saving would be £210k plus £70k capital per year.

What do the public say?:

No data from the public.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	0	0	0	0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£280	£0	£280

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
Revenue savings	No capacity to support projects

CORPORATE PRIORITIES ASSESSMENT

Sustainability	Economic Growth	Enabling Communities	Digital by Design
Limited impact	ORL not delivered	Leisure Services and	Limited impact

LEGAL IMPLICATIONS

None

1 Rural Development Programme

Corporate Priority:	Economic Growth
Portfolio Holder:	Jan Goodeve
LT Lead:	Ben Wood

Description of Service: Project has now ceased. No expenditure in this budget.

1 Tourism

Corporate Priority:	Economic Growth
Portfolio Holder:	Jan Goodeve
LT Lead:	Ben Wood

Description of Service: No expenditure in this budget. Tourism budget reduced from £20k in 15/16 to £5k which pays for Visit Herts and comes out of another budget.

1 **Town Centres**

Corporate Priority:	Economic Growth
Portfolio Holder:	Jan Goodeve
LT Lead:	Ben Wood

Description of Service: No expenditure in this budget.

H&H17 (CW001)

Corporate Priority: Enabling communities
Portfolio Holder: Cllr Peter Boylan, Cllr Eric Buckmaster, Cllr Suzanne Rutland-Barsby
LT Lead: Jonathan Geall

Description of Service:

Salaries and associated staffing costs to carry out non-statutory health and well-being work and oversight /work on community safety and safeguarding matters which have a statutory component.

Description of Transformation/Efficiency Proposal:

The Community Wellbeing and Partnerships team in Housing and Health has five project / programme officers:

- ASB & Community Safety Manager (grade 9)
- Projects & New Business Manager (0.81 FTE grade 8)
- Housing and Health Projects Officer (0.81 FTE grade 7)
- Healthy Lifestyles Programme Officer (grade 9)
- Community Wellbeing Programme Officer (grade 9).

This equates to 4.6 FTE.

These officers all have different JDs and are all occupied on a number of high profile projects and programmes.

Reduce the headcount from 4.6 FTE to 3.6 FTE. This is most likely to be achieved by deletion of one full-time post. The exact details of this have not yet been determined pending LT's in principle support.

If this proposal progressed:

- it should be noted that if member of staff could not be redeployed redundancy costs are likely.
- there presumptions have been made about the grade of the 1 FTE reduction. The modelling below is based on a grade 9 post
- there could be knock-on job re-evaluations to accommodate a reduction in posts. The costs of this have not been included in the modelling below
- this restructure could accommodate the withdrawal from the Hertfordshire Resilience Partnership (see separate efficiencies template). It is assumed that taking on a HCC officers via TUPE can be avoided (as they are less than 50% at EHC)
- to accommodate staff consultation and notice, the efficiency is assumed to commence half way through 2021/22 in the modelling below.

What do the public say?:

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

Page 234	2020/21	2021/22	2022/23	2023/24
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Revenue	£0	£25	£50	£50
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£469	£13	£456

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No – would need to form part of the restructure consultation documentation
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
<ul style="list-style-type: none"> Opportunity to rationalise roles 	<ul style="list-style-type: none"> Potentially demotivated staff Increased workload for remaining staff may reduce capacity to focus on other aspects of work. Potential for this change to be felt by the public engaging with these services Savings may only be realised over the longer term when the potential for redundancy payments in the short term is factored in

CORPORATE PRIORITIES ASSESSMENT

Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

Usual legal and HR aspects of a restructure where officers are put at risk would need to be observed

H&H19 (CW101)

Corporate Priority: Enabling Communities
Portfolio Holder: Cllr Peter Boylan
LT Lead: Jonathan Geall

Description of Service:

Emergency planning-related contracts – Hertfordshire Resilience Partnership contract and Lone Worker call-handing by Stevenage CCTV.

Description of Transformation/Efficiency Proposal:

End subscription to the Hertfordshire Emergency Planning / Resilience Partnership and incorporate the functions within the job description of an existing/revised role within East Herts. The notice period to withdraw from the Partnership would be confirmed should LT give 'in principle' support to explore this further. For modelling purposes, the efficiency is here represented in full from 2021/22. This would need to be refined based on the notice period.

It is assumed that there is no increase in East Herts staffing costs (even from a job re-evaluation if this change was incorporated into a restructure of the Community Wellbeing and Partnerships team in Housing and Health).

We do not believe there are any TUPE implications.

What do the public say?:

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£26	£26	£26
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£32	£0	£32

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
<ul style="list-style-type: none">No significant reduction to public services as it believed duties can be absorbed into existing East Herts staff base	<ul style="list-style-type: none">Increased pressures on existing EHC officers

CORPORATE PRIORITIES ASSESSMENT

Sustainability	Economic Growth	Enabling Communities	Digital by Design
Orange	Green	Orange	Green

LEGAL IMPLICATIONS

None

H&H19 (CW101)

Corporate Priority: Enabling Communities
Portfolio Holder: Cllr Peter Boylan
LT Lead: Jonathan Geall

Description of Service:

Community safety activities – net cost (excluding planned PCSOs contribution deletion in 2021/22, see below) represents small amount of CCTV costs.

Description of Transformation/Efficiency Proposal:

The income noted below relates to (a) grant income from the PCC for community safety work to cover costs in the expenditure half of this budget; this is simply in-out – income/costs pound for pound. and (b) income from town councils for CCTV, the expenditure for which is noted elsewhere in the budget; this is simply in-out – income/costs pound for pound.

No efficiencies proposed.

The £50k net costs in 2020/21 will reduce by £44k in 2021/22 with the removal of the remaining PCSO contribution. This was approved by Council on 29th January 2020.

What do the public say?:

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£160	£109	£50 NOTE: £44 reduction in 2021/22 already approved by Council

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

Page 238	POSITIVE	NEGATIVE
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CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

H&H21 (CW103) Community Projects

Corporate Priority:	Enabling communities
Portfolio Holder:	Cllr Suzanne Rutland-Barsby
LT Lead:	Jonathan Geall

Description of Service: Community revenue grants, SLA payment to CVS and sports grants.

Description of Transformation/Efficiency Proposal:

- Reduction of £6k in Sports Development budget to bring in line with current SLA to Active In the Community of £10k.
ADDITIONAL
- Reduction of a further £10k to remove all Sports Development grant funding.
ADDITIONAL
- Reduction of 25% of community revenue grants budget, that is, £11k.
ADDITIONAL
- Reduction of a further 25% of community revenue grants budget (50% in total), £11k.

NOTE: CVS's grant was reduced in 2020/21 and 2021/22 (approved by Council on 29th January 2020). It was rolled together into one year (2020/21) and is represented in the CAB budget rather than here. No further reduction is proposed here.

What do the public say?:

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	a) £6 b) £10 c) £11 d) £11 TOTAL = £38	a) £6 b) £10 c) £11 d) £11 TOTAL = £38	a) £6 b) £10 c) £11 d) £11 TOTAL = £38
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£79	£0	£79

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
<ul style="list-style-type: none"> • Budget efficiency • Potential for sports development to be directly accessed from other bodies such as Sport England • Increased drive to self-sufficiency among community groups 	<ul style="list-style-type: none"> • Council retraction from sports development (groups would have to find alternative funding sources) • Reduced community revenue grants pot (group would have to find alternative sources, including via crowd funding and the East Herts Lottery)

CORPORATE PRIORITIES ASSESSMENT

Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

H&H4,5 (EH001, EH101)

Corporate Priority:	Economic Growth
Portfolio Holder:	Cllr Eric Buckmaster
LT Lead:	Jonathan Geall

Description of Service:

EH001 = Environmental Health staffing budget and associated costs

EH101 = Direct costs of food sampling, water sampling, food inspection, vets, publicity

Description of Transformation/Efficiency Proposal:

A change in the way the team works and the introduction of the pooled electric cars mean that the need for dedicated vans for Environmental Health has reduced. We will therefore not renew the contracts for the three vans at the end of their current contract. This represents a financial efficiency.

Environmental Health is a statutory service. Work has commenced on comparing the East Herts structure with that of other authorities. This work is ongoing, however findings to date indicate that on a like-for-like basis, we've found that the commercial and environmental pollution elements of Environmental Health are staffed as follows:

- East Herts – 10.41 FTE
- East Devon – 13 FTE
- Tunbridge Wells – 13.5 FTE
- Maidstone – 12.08 FTE
- Swale – 9 FTE

The team continues to restructure to deliver efficiencies:

- currently we are trialling sharing our Environmental Sustainability Co-ordinator with Stevenage BC for six months. Possibly this could become permanent. We are currently using the freed up revenue to employ a fixed term assistant to the Co-ordinator
- we have converted Environmental Health Practitioner posts to Technical Officer posts to reduce and stretch resources
- 18 months ago we deleted the engineering function and delivered an efficiency.

We are not proposing any further staffing efficiencies at this stage.

What do the public say?:

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£10	£12	£12
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£985	£35	£950

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
1. Reduction in financial costs 2. Potential reduction in damage to the environment if electric vehicles used instead	

CORPORATE PRIORITIES ASSESSMENT

Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

H&H6 (EH104)

Corporate Priority:	Sustainability
Portfolio Holder:	Cllr Graham McAndrew
LT Lead:	Jonathan Geall

Description of Service:

Monitoring of air pollution/quality and land contamination and noise monitoring.

Description of Transformation/Efficiency Proposal:

Reduce the air quality budget (£16,850) and thus monitoring and some interventions
Reduction of £6,000 achieved over three years

No proposed reduction in land contamination budget or noise monitoring

What do the public say?:

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£2	£4	£6
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£29	£0	£29

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No, but one should be before this is considered.
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
1. Revenue efficiency	1. Some reduction in extent of air quality monitoring (but considered manageable)

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Negative			

H&H12 (EH106)

Corporate Priority: Enabling communities
Portfolio Holder: Cllr Peter Boylan
LT Lead: Jonathan Geall

Description of Service:

Payment to reserve for future house condition surveys, fee income from HMO licences and allowance for repayment of capital grants

Description of Transformation/Efficiency Proposal:

The budget includes an annualised £50,000 payment towards future house condition surveys. It is felt that such survey either cease, are funded from reserves already accumulated and/or a funded on an if/when basis (perhaps jointly with other authorities to achieve economies of scale). This would remove a £50,000 from the budget.

This cost centre includes an 'odd' income target for repayment of (part) of previous capital grants to individual householders if they subsequently sell their property within a certain period, typically 10 years (on a sliding scale). It is 'odd' as this would appear to be a capital repayment. It is proposed to remove this income target as (a) there is no way of telling whether any repayments will become due within a year, (b) with fewer grants being made and DFGs now handled by the Hertfordshire Home Improvement Agency (HHIA) there is less scope for repayment and (c) as part of the efficiency (taking three years ago) to join the HHIA to post which led on chasing up these payments was deleted.

What do the public say?:

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue – ceasing house condition survey payments	£0	£50	£50	£50
Revenue – removing grant repayment income target	£0	-£19	-£19	-£19
NET	£0	£31	£31	£31
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£51	£29	£21

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed?
(If yes, date to be added)

No

What are the key issues raised in the EQIA?

N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE

3. Revenue efficiency

NEGATIVE

1. Need to consider scaled back approach to private house condition survey

CORPORATE PRIORITIES ASSESSMENT

Sustainability

Economic Growth

Enabling Communities

Digital by Design

LEGAL IMPLICATIONS

Description of Service:

Housing staffing providing statutory homelessness and allocating of affordable housing functions and non-strategy development function

Description of Transformation/Efficiency Proposal:

No efficiency is proposed.

The demand on the Housing team is growing due to (a) the difficult economic situation, exacerbated by Covid-19, (b) continued housing price and housing rent inflation from a high starting point and (c) the Homelessness Reduction Act 2017 adding to the duties to temporarily house and assist homeless people.

By way of example of the growth in the workload, 2018/19 an average of just five households were temporarily housed in b&b at any one time; the figure is now 21 *excluding additional need resulting from coronavirus*.

The two officers carrying out housing development, strategy and research activities fulfil non-statutory functions. That said, these officers provide essential advice to Planning re: affordable housing requirements on s106 sites, Harlow Gilston Garden Town and other strategic sites. They manage the council's relationship with the 16 registered providers currently operating in the district.

The Housing service funds a considerable number of officers and services from government grants for homelessness prevention so as to relieve pressure on the base budget.

What do the public say?:

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£661	£0	£661

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed?

No

(Page 248 to be added)

What are the key issues raised in the EQIA?	N/A
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KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
4.	2.

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

H&H14 (HG102)

Corporate Priority: Enabling communities
Portfolio Holder: Cllr Peter Boylan
LT Lead: Jonathan Geall

Description of Service:

Internal recharge only

Description of Transformation/Efficiency Proposal:

No efficiency is proposed

What do the public say?:

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£18	£0	£18

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
5.	3.

CORPORATE PRIORITIES ASSESSMENT

Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

Corporate Priority: Enabling communities
Portfolio Holder: Cllr Peter Boylan
LT Lead: Jonathan Geall

Description of Service: Budget covering expenditure of Homelessness Grant monies on various activities to reduce/handle homelessness including rent deposits, housing options interventions in pursuit of the council's statutory homelessness duties. Grant income and some temporary accommodation income included in this budget.

Description of Transformation/Efficiency Proposal:

No efficiency is proposed. *Note: much of the net budget shown is covered by government grant specifically provided for these purposes.*

The demand on the Housing team is growing due to (a) the difficult economic situation, exacerbated by Covid-19, (b) continued housing price and housing rent inflation from a high starting point and (c) the Homelessness Reduction Act 2017 adding to the duties to temporarily house and assist homeless people.

By way of example of the growth in the workload, 2018/19 an average of just five households were temporarily housed in b&b at any one time; the figure is now 21 *excluding additional need resulting from coronavirus.*

What do the public say?:

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£251	£80	£171

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
6.	4.

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

H&H16 (HG104)

Corporate Priority: Enabling communities
Portfolio Holder: Cllr Peter Boylan
LT Lead: Jonathan Geall

Description of Service: Salary, running costs and income relating to Hillcrest Hostel. This budget represents a net income (excluding provision for bad debt which is accounted for outside of Housing and Health cost centres).

Description of Transformation/Efficiency Proposal:

No efficiency is proposed.

What do the public say?:

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£81	£121	-£40

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
7.	5.

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

H&H 1,2,3 (LN001, RLN101, LN101)

Corporate Priority:	Economic Growth
Portfolio Holder:	Cllr Peter Boylan
LT Lead:	Jonathan Geall

Description of Service:

LN001 = Staffing and associated costs associated with processing applications for, issuing and enforcing taxi licences, premises licences, gambling licences and scrap metal licences

RLN101, LN101 = Income to covers eligible costs

Description of Transformation/Efficiency Proposal:

None proposed. Relatively small net budget for team and function.

Fees for taxi licences by law should be levied on a cost recovery basis only. Other licences are set by statute and/or local benchmarking and are increased by inflation each year

What do the public say?:

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£352	£311	£41

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
8.	6.

CORPORATE PRIORITIES ASSESSMENT

Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

1 HR&OD (HR1)

Description of Service:

Provision of HR, OD, Payroll and H&S services to the council and also to Hertford Town Council and some income re training courses and work supporting Datchworth Parish Council in terms of HR.

The service includes processing new starters and leavers (as well internal moves/secondments), running payroll, advising on OD, H&S and HR matters, developing employment policies and procedures, supporting recruitment, developing and delivering/commissioning training. HR supporting managers with people management etc.

Description of Transformation/Efficiency Proposal:

Staffing/Staffing Costs of Service – No reduction proposed – income from staffing resource and training to be increased:

The staffing budget has been reduced in terms of HR Officer FTEs in recent times as well as in HR admin regarding a 1 day reduction following previous rounds. Some investment has however been made in the Trainee HR Officer full-time post developed from the previous HR Apprentice role. Revenue budgets were also reduced in terms of staff training pots held by HR, in previous reduction rounds as well as investment in staff benefits for MyRewards.

Increase in Income based on providing more HR, OD and H&S support Externally and selling e-learning and face to face training places to our partners or customers.

Currently HR have an income value of £1,000, this was exceeded last year by almost double with an out-turn of £1,730 compared to £850 the year before. We will be revising our prices for HTC who have very low terms from 2016, we have increased charges for new customers' Datchworth Parish Council although this work will not amount to that much and have begun working with Ware Town Council and Hertfordshire Building Control. We are confident that without increase our staffing capacity or costs we can deliver an income of £10,000 in 21-22 and in this year we could achieve £4,000 without increasing our staffing further.

Potential increase in income = £3,000 (20-21) and £9,000 (21-22)

Potential savings:

4401 Misc Hired & Contracted Services 14,000

This budget is used up fully on the annual cost of **MyRewards** – which has been renewed at this price for one year until October 2021. This could be cut and therefore save 5 months cost in 21-22 which would equate to **£5,800**. It is worth noting that this potential saving would not be supported by the feedback from staff forum that this benefit is really useful to staff who when they use MyRewards effectively are saving around £1,000 per annum – if we do move away from MyRewards we would be able to replace the cycle to work scheme from another provider (which is included in MyRewards) and if take up remains reasonable it would not cost anything further than the cost already incurred by lending staff the purchase

price up front due to savings on NI.

0684 Occupational Health 5,500

This budget has been increased this year but the increase is shown in the 10k labelled as Special items, a new provider from the county framework has been sourced but it involved an annual upfront cost and higher (P.A.Y.G) doctor assessment costs. The Head of HR was trying to negotiate the cost down from approximately £9,000 with the additional 3.5k being funded from the 10k special items. The cost could potentially be reduced by removing pre-employment questionnaires for all new starters which can instead be pre-filtered and used where required and therefore reduce the number required. HR are confident we could negotiate a better deal but are keen to move away from the current provider due to concerns re the quality of the medical/occupational advice received and the need to support staff back to work in reasonable timescales.

Based on a combined budget of £9,000, HR believe this could be reduced to £7,500 which would mean a budget reduction of **£1,500 from the special items** this could be implemented this year and next.

8100 Special Items 10,000

In addition to the suggested reduction of £1,500 above, this pot could be reduced further by **£5,000** as this was added as part of the special items for professional training which was expected to exceed the 20k budget by at least 5k clearly this would mean we would be limited to the previous 20k and the number of staff supported through this fund which can easily be spent on 4-5 staff being developed each year especially if we are funding 100% due it being hard to recruit. The remaining 1.5k left would be used to fund flu vaccinations (approximately £700 but this may increase based on demand) and to support other costs e.g. additional professional training or in-house training not covered by existing pots or where medical needs have proved more costly.

0651 Long Service Awards 2,450

There is a potential custom and practice on this and it also a potential concern re age discrimination re the practice continuing (normally no more than 4-5 years should be recognised). EHC also now pay a nominal £25 per month staff recognition award so you can argue we are recognising performance rather than length of service. HR believe this could be cut and it would save £2,450, it could be from this year or next and would involve staff consultation potentially as well as discussion/negotiation with Unison. - – **Potential £2,450 saving**

Other Potential Small Savings

3572 Postages 800

Postage Costs – reduce from £800 to £400 in line with decreasing post and also more online payslips for members and casual staff – this should be achieved by 21-22 it has been delayed by lockdown re casuals. – **Potential £400 saving**

Other considerations – Local Training Budgets

Although not a direct HR budget, we suggest the local training pots in 20-21 are reduced back by the 12k increase from 19-20 which we have been told was increased due to overspends. However in line with the need for saving it is not proposed for HR's central training pots to be increased but the 12k could be saved across local service training pots, also a decision to increase training budgets and how/where should be discussed with HR and LT rather than such changes not being considered beyond Finance as we are One Page 258 there needs to be shared ownership.

- Potential 12k reduction to Local training pots

A related consideration may be to centralise the local training pots and create a short-course external training pot for short courses and conferences. The administration of this budget and the booking of courses etc. would need to be resourced. HR do not have the capacity to administer this in terms of booking/processing but if shared admin team was created this could be administered by this team with the OD&HR Co-ordinator co-ordinating this work. Currently staff in bigger teams have more training budget meaning it is very difficult to support short-course professional courses or updates in small services e.g. HR where the local annual budget is £880 and can be easily spent on 2-3 courses. A shared approval process would need to be developed and priorities agreed with LT.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

N/A

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2020/21	2021/22	2022/23	2023/24
Revenue	£12,000 across services re local training £6,500 (Special xxx (LTS) £400 (postage) Total HR = £6,900	£12,000 across services £5,800 (Myrewards) £6,500 (Special) £2,450 (LTS) £400 (postage) Total HR = £15,150	£12,000 across services £14,000 (Myrewards) £6,500 (Special) £2,450 (LTS) £400 (postage) Total HR = £23,350	£12,000 across services £14,000(Myrewards) £6,500 (Special) £2,450 (LTS) £400 (postage) Total HR = £23,350
Capital				
Income	+3k	+9k	+11k	+14k

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£468,570	£1,000	

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	Not undertaken
What are the key issues raised in the EQIA?	TBD

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Savings to budget,	Reduced staff benefits – impact on morale
Better value from training should be	Reduced funds for OHA

achieved by centralizing – will need admin support to continue	Reduced funds for training
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CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

HR Supports all

LEGAL IMPLICATIONS

N/A – other than we will still need provision for employment legal support from Legal e.g. through B&D as we are ending Expert HR as previously discussed

1 Apprentices (HR2)

Description of Service:

The Apprentice Budget is a staffing budget used to fund Apprentices in terms of their salaries, originally the budget supported 6 apprentices but increases in Apprenticeship rates especially in relation to year 2 costs onwards means the employment of suitable apprentices is limited to 5 or 4 based on the current budget, (it is reduced further when apprentices move into year 2, at this stage the 73k budget can only fund 4 and may still over spend dependent on ages of the apprentices).

By employing and developing apprentices it allows EHC to access our Levy Pot (Approximately 37k) to fund their development as well as funding permanent staff where applicable to develop professionally and achieve suitable qualifications, EHC have to allow 20% off the job development (which is paid time) i.e. attendance at college to undertake their development, complete course work and take exams etc.

The apprenticeship salary budget does need to be recognised as an investment budget in terms of growing our own or at least growing suitable skills for our sector in terms having people with the required skills. It should be noted that outside of planning or specialist apprentices (HR and Finance) we have tended to have 2-3 Admin apprentices these are great opportunities for our community in terms of supporting young people or less experienced people into work but these are not normally hard to recruit roles.

Description of Transformation/Efficiency Proposal:

The Apprentice budget has been looked at by LT on the 1st of September 2020 where it was agreed to recruit up to 3 more apprentices on top of the existing 2, this is possible in 20-21 because up to October (over half of the year) the budget is only supporting 2 apprentices but next year as was reported to LT the budget would need to increase as Apprentices would increase in salary half way through the financial year. It may also be that NLW rates will increase from April 2021 and based on previous rises this could be an increase of around 50p per hour.

Below is a forecast of costs for this year and then a forecast for next year which demonstrates the issues. Please details below which have been moved on landscape so they can be read:

APPRENTICES - 17006

Job Type	Hourly Rate	FTE	APRIL	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEB	MARCH	TOTAL
PLANNING APPRENTICE/TRAINEE	£8.20	1.00	1,689.00	1,689.00	1,689.00	1,689.00	1,689.00	1,689.00	1,689.00	1,689.00	1,689.00	1,689.00	1,689.00	1,689.00	20,268.00
PLANNING APPRENTICE	£4.70/£8.20	1.00	880.00	880.00	880.00	880.00	880.00	880.00	880.00	880.00	880.00	880.00	1,689.00	1,689.00	12,178.00
ENVIRONMENTAL ENFORCEMENT	£4.70	1.00	0.00	0.00	0.00	0.00	0.00	0.00	880.00	880.00	880.00	880.00	880.00	880.00	5,280.00
FACILITIES MANAGEMENT	£4.70	1.00	0.00	0.00	0.00	0.00	0.00	0.00	880.00	880.00	880.00	880.00	880.00	880.00	5,280.00
HOUSING AND HEALTH	£4.70	1.00	0.00	0.00	0.00	0.00	0.00	0.00	880.00	880.00	880.00	880.00	880.00	880.00	5,280.00
			2,569.00	2,569.00	2,569.00	2,569.00	2,569.00	2,569.00	5,209.00	5,209.00	5,209.00	5,209.00	6,018.00	6,018.00	48,286.00
															48,286.00
															48,286.00
															73,000.00
															(24,714.00)

The budget can therefore be reduced by 25k this year to 48K if we do not try to recruit a Paralegal Apprentice or if this post is funded directly by Legal although this appears to be more important than an admin apprentice in terms of hard to fill areas of which legal is significant.

Current rates

These rates are for the National Living Wage and the National Minimum Wage. The rates change every April.

Year	25 and over	21 to 24	18 to 20	Under 18	Apprentice
April 2020 (current rate)	£8.72	£8.20	£6.45	£4.55	£4.15
April 2019 to March 2020	£8.21	£7.70	£6.15	£4.35	£3.90

Options

Current recruitment has been put on hold to allow all options.

OPTION 1

- **No further recruitment – retain current 2 only, Planning Trainee funded fully by planning from 21/22 – Central Budget reduced the deleted as apprentices complete**

20-21 (Savings)	£40,000
21-22	£53,000
22-23	£73,000
23-34	£73,000

If the central pot is cut, it would then be for Services to identify apprenticeship roles in their own staffing budgets as we do with Trainee posts.

OPTION 2

- **Recruitment Limited to 3 more with Planning Trainee funded fully by Planning from 21/22**

20-21 (Savings)	£0
21-22	£0 - £8,000 depends on age of those employed
22-23	Would depend if more recruited by central
23-34	If no more recruited = £73,000

OPTION 3

- **Recruitment Limited to 2 more with Planning Trainee funded fully by Planning from 21/22**

20-21 (Savings)	£25,000
21-22	£17,000
22-23	Would depend if more recruited by central
23-34	If no more recruited = £73,000

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

The public and central government will expect the council to have Apprentices but clearly it is a difficult economic climate and if service incorporate locally to staffing budgets they can continue.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
	See above re options			

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
73050	If 2 apprentices taken on 3-4k in grants will be realised	73050 plus 3-4k

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	Not undertaken It could be argued a reduction will effect younger people disproportionately and therefore indirect discrimination but we do not limit ages applying in line with Age discrimination rules. Also not cutting the central will mean saving need to be found elsewhere which could lead to redundancies increasing.
What are the key issues raised in the EQIA?	TBD

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
<p>Saving could be as high as 73k Max Savings to budget = Option 1 – by making this cut it can contribute to reduce redundancies By limiting to 2 we will stay in budget and make savings this year Savings are significant without redundancy costs being incurred By limiting to 4 in total funded from the budget we can save a further 16k</p>	<p>If services seek to self-fund from their staff budgets the negative impacts will be removed or reduced: EHC will not be supporting a key government agenda to provide apprenticeships at the levels EHC set out to, we have already had to reduce to a maximum of 5. A reduction in this investment is also not supportive of the both Es in corporate SEED priorities. Apprenticeships are a measure to support growth and hard to fill career areas Levy funds may go unspent</p>

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)

Sustainability	Economic Growth	Enabling Communities	Digital by Design

The apprenticeship budget can support all of SEED as stated above the most likely to be affected and both Economic growth and Enabling Communities as the cut may reduce potential growth and may not have the same level of opportunities for our community.

LEGAL IMPLICATIONS

N/A – other than points about not recruiting a paralegal as hard to recruit area

1 Legal Services Restructure

Corporate Priority:	All
Portfolio Holder:	Geoff Williamson
LT Lead:	James Ellis

Description of Service: Legal Services

The core business of a local authority legal department is to provide corporate and operational legal advice, assistance and support to its employing authority for the benefit of the community the authority have been set up to serve.

It is there to provide the legal, corporate and constitutional support the authority regularly and routinely needs.

Description of Transformation/Efficiency Proposal:

Ending the use of locum solicitors and reducing the use of external legal provision by employing full time solicitors on permanent contracts.

This gap in service delivery has been filled with a variety of expensive external legal solutions which have never been entirely satisfactory.

LT have agreed a 4 solicitor option with all four posts being graded 10 to 11; up from 2 solicitors at grade 10 only. The cost of Agency staff has previously been offset by the underspend generated by having two vacant solicitor's posts, meaning that the overspend in 2019/20 was **£29,668.78**.

Doubling the number of posts from 2 to 4, and increasing the top grade at which they will be recruited to, will initially show an additional spend in the first year, however it is envisaged that as the solicitors become established in the roles, there will be less reliance on the need to go externally for legal advice, as well as an increased capacity to offer legal services to neighbouring authorities, thus generating an income.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

Whilst not a front facing service as such, there is some exposure to the public in the form of residents affected by breach of planning, for example, and the expectation on the council to "do something" about it.

Injunctions and the prosecution of individuals for various offences, such as fly-tipping, breaches of premises licences and other areas also require legal to come into contact with the public and affect things that the public care about.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue	+£31 (additional cost – no saving in 20/21)	£6	£26	£63
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£260	0	£260

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> Higher fees are payable to locum solicitors and external legal providers, whereas internal permanent staff cost a significant amount less. Increasing the number of staff and having expertise in-house will eventually allow EHDC to offer services to other Local Authorities and generate an income. 	<ul style="list-style-type: none"> Unknown what level of solicitor/lawyer is available in the current market, may not be able to attract the right sort of candidate to the role. Currently able to tap into Partner level advice, which would be improbable from likely new recruits.

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Providing a quality service to areas such as planning and operations.	Internal facing income	N/A	N/A

LEGAL IMPLICATIONS

This gap in service delivery has been filled with a variety of expensive external legal solutions which have never been entirely satisfactory.

It is hoped that were the proposed changes agreed, the legal team at East Herts can begin to offer a much needed service to the council at a significantly reduced cost.

Corporate Priority:	Enter text here
Portfolio Holder:	Cllr George Cutting
LT Lead:	James Ellis

1 **Webcasting cessation**

Description of Service:

Cessation of non-statutory provision of webcasting of public meetings.

Description of Transformation/Efficiency Proposal:

The proposal is for a saving from the cessation of webcasting at public meetings.

There is a legal requirement that public meetings must be open to the public to attend. For physical meetings, this requirement is fulfilled by the fact that any member of the public who wishes to attend a public meeting in person may do so. The legal requirement was amended under coronavirus legislation for online meetings. Now, public participation in meetings which are held remotely is accomplished by livestreaming of meetings. The platforms being used are Zoom and the Council's YouTube channel.

Therefore, webcasting is currently not necessary for livestreaming. Webcasting is currently only being used to upload archive recordings. Archive recordings are not a statutory requirement but are regarded as useful, particularly for regulatory meetings in case of appeal. However, the Zoom recordings are also available as archive recordings on YouTube.

If an internal solution to livestreaming physical meetings can be identified for when meetings are held physically, there would be no reliance on the webcasting provider for this service.

There is therefore a business case for no longer using webcasting for livestreaming or archive recording. The current contract ends on 30 April 2021.

Questions which IT are being asked to advise on are whether new cameras would need to be purchased, as these are leased from the webcasting provider; whether the suggested solution of an iPad camera would be able to connect to the microphones; and whether if there are hybrid meetings with some people connecting from Zoom, such meetings can be livestreamed from the Council Chamber.

What do the public say?: Add in any relevant information about how the service performs or is received by the community.

East Herts Council has webcast certain meetings for over 10 years. Viewing meetings online is standard practice, and enhances transparency of decision-making. Moving to an alternative platform for livestreaming should not be viewed as a problematic departure from webcasting and has now been operational for a number of months over the Coronavirus period.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue	0	£14,879	0	0
Capital	0	0	0	0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£14,879	£0	£14,879

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<p>Cost saving of ceasing payment to external provider of webcasting service</p> <p>Potential staff overtime costs if equipment can be run independently of Democratic Services Officer at meeting</p> <p>Saving of administrative time in uploading recorded files to webcasting site and adding timing tags</p> <p>Stream all meetings not just Council, Executive and DMC meetings</p>	<p>Purchase of equipment for streaming from Council Chamber, approximately £1,600, and stand approximately £35 plus any re-provision of audio equipment.</p> <p>Loss of “gold plated” service of focusing on each speaker.</p>

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Potentially would enable hybrid meetings which could reduce carbon emissions from all Members traveling to meetings	None	Public access to livestreamed meetings would be available for all meetings, not just Council, Executive and DMC, as is the case under the webcasting contract	All meetings held in the Council Chamber could be livestreamed (and if the equipment was mobile, possibly from other venues too)

LEGAL IMPLICATIONS

During Covid restrictions, it is necessary to livestream meetings to meet public participation requirement. Post-Covid restrictions this may not be the case, in which case provision of a webcasting service would effectively be an “add on” for meetings held physically.

2 Convene Independent Remuneration Panel only once every four years

Description of Service:

Convene Independent Remuneration Panel (IRP) only once every four years

Description of Transformation/Efficiency Proposal:

The IRP usually meets every year to review the Members' Scheme of Allowances. The recommendations of the Panel are submitted to Council, which decides whether to accept the proposals. The legislation (The Local Authorities (Members' Allowances) (England) Regulations 2003) allows for indexation for a maximum of 4 years before the panel must be reconvened. The Council must have an IRP, and must have regard to its recommendations. In order to decide to use indexation, either the panel could be invited to recommend that indexation be adopted; or in the unlikely event that the Panel were to disregard the request to consider indexation, the Council could nevertheless decide to adopt a scheme based on indexation, as the requirement is to have regard to the recommendations of the Panel, but not necessarily to accept their recommendations.

Savings would come from paying the IRP once every four years, although a higher payment might be necessary, so research into what other authorities who review only once every 4 years pay their panels is needed.

East Herts has an IRP of five Panel Members. Four Panel Members are paid at £500 per review, whilst the Chairman is paid at £1,000. There is a vacancy on the Panel, but on the assumption the vacancy would be filled, the costs of conducting a review are therefore £3,000 p.a at the present, plus travel expenses and the administration time of Officers.

A reduction in the frequency of reviews to once every four years could reduce this amount by £9,000 over four years, subject to deduction of any higher payment to the IRP Members.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

No consultation has taken place.

The public would likely prefer that the costs of administering reviews should follow a streamlined approach in the interests of minimising cost if there is no need to review a scheme of allowances in its entirety on an annual basis.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue	0	£3	£6	£6
Capital	0	0	0	0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£3		£3

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	Reviews include allowances paid to carers of dependants. The needs of those Members with dependants could change during the 4 years, but the current scheme does already permit an allowance to be paid to meet the costs of care in these circumstances.

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<p>Would bring the Council into line with other authorities' practice</p> <p>Would reduce administration time, as supporting the IRP is a time consuming exercise for Democratic Services</p> <p>Simplicity and certainty of indexed scheme of allowances</p>	<p>Fine-tuning of scheme of allowances would not take place in the interval between 4 yearly reviews, so any new arrangements such as new posts which might attract special responsibility allowances would require an interim arrangement to apply. This would for example be a decision by the Head of Finance and Property to determine such SRA.</p> <p>Fewer opportunities for Members and the public to consider and scrutinize the scheme of allowances and comment</p>

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)

Sustainability	Economic Growth	Enabling Communities	Digital by Design
Fewer meetings with IRP would reduce travel emissions.	None	Not applicable	Not applicable

LEGAL IMPLICATIONS

There is a duty to have an IRP and there is a duty to have regard to the recommendations of the IRP.

3 Civic regalia

Description of Service:

Review civic regalia

Civic regalia comprise the following items and values:

Civic Regalia

Chairman's Chain and Pendant	£6,000
Spare Chairman's Chain and Pendant	£6,000
Vice-Chairman's Chain and Pendant	£4,400
Chairman's Consort Pendant	£630
Vice-Chairman's Consort Pendant	£630
Chairman Lady Pendant (Bow Brooch Bar)	£750

Description of Transformation/Efficiency Proposal:

There is a spare Chairman's badge and chain worth £6,000 (due to the fact that in 2014 the Chairman's chain was believed to have been stolen, but was then found; in the intervening period, a new replica chain was purchased). The spare one could be sold.

A view could also be taken on whether there is a need for the entire list of the above items to be retained. If this is not necessary, some items could also be sold.

The convention of giving presentation items for "long service" awards to Members could be reviewed, and possibly substituted with less expensive tokens of appreciation. An illustration of the cost of such awards is the badge or pin given to Cllr Ruffles in 2016 which cost £1,228 plus VAT and carriage.

There is a cost in providing a badge to the outgoing Chairman of the Council of approximately £358 plus VAT and carriage. Not all councils give this type of gift. A lower cost gift could be given, or giving a gift could be dispensed with entirely.

There are costs in engraving the new Chairman's name onto the Chairman's chain links each civic year. The engraving costs approximately £50, and the courier costs approximately £150. The engraving is done by a specialist company, the nearest one (according to research by the Chairman's PA in 2019) being based in Birmingham. However, further research into whether a local provider could engrave the name could be carried out, saving

the courier fee.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

No consultation has taken place, but providing symbols of office is a well-known tradition, supports identification of the office holder at events, and is expected by the community where an office is performed.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2020/21	2021/22	2022/23	2023/24
Revenue	0	0	0	0
Capital	£6	0	0	0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£2		£2

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	None

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<p>Recovering capital cost of redundant items</p> <p>Reducing repair costs if there are fewer items of civic regalia in circulation</p> <p>Achieving value for money on the civic regalia which is in use</p> <p>Reducing courier costs if a nearer provider can be located</p>	<p>Insured value of spare chain and pendant may not be recovered on the market</p> <p>Keeping a spare chain and pendant may mitigate cost of a future loss of the chain and pendant</p> <p>Ceasing to provide items of civic regalia to consorts could detract from their prominence at events, and reduce their sense of feeling recognised</p> <p>Cessation of past Chairman’s badge would deprive the Council of a means of expressing appreciation and deprive the outgoing Chairman of the gratification of</p>

having received a token of appreciation.

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)

Sustainability	Economic Growth	Enabling Communities	Digital by Design
Re-purposing the spare chain and pendant could save another purchaser buying a new item unnecessarily; costs of reduced couriating would potentially reduce carbon emissions from sending items a long distance by vehicle for repair	None	Not applicable.	Not applicable.

LEGAL IMPLICATIONS

Provision of civic regalia is not a requirement in law.

Corporate Priority:	Economic Growth
Portfolio Holder:	Jan Goodeve
LT Lead:	James Ellis

1 Land Charges and LLPG

Description of Service:

Land Charges – to provide local authority searches as part of the conveyancing process, and to update and maintain the Land Charges Register.

LLPG – this is the main addressing database used by the majority of council services, and is the address database used by the Emergency Services.

Description of Transformation/Efficiency Proposal:

This is limited in terms of savings/income generation due to the following: -

- Land Charges fees are not allowed by law to be profit making, the council is therefore capped on a cost recovery basis.
- LLPG – no budget for this so N/A

Prior to COVID-19/lockdown the Land Charges service was heavily paper based but since working remotely the team have changed processes and practices which has reduced paper use dramatically, as the entire search process is now undertaken electronically from start to finish and the results emailed back to solicitors. The process itself takes longer to perform electronically, but there is a small saving in stationery costs.

Payment for searches prior to Covid-19 was split fairly evenly between cheques and electronic BACS payments. Since lockdown, payment by cheque has been replaced by card payments over the ICON portal, so there is a small potential saving in banking admin costs.

Additional work/income for 2020/21

An unexpected 'bulk' order of searches by a Housing Association was received in July which has generated an additional **£60,000 – please see Revenue box below for 20/21.**

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

Land Charges - customers are solicitors undertaking official (paid for) local authority searches, and personal search agents who inspect the Land Charges Register free of charge.

The service has to ensure that it abides by the Government's maximum 10 day turnaround time for official searches, and the monthly results are published on the council's website. The

service strives to achieve a turnaround time of within 5 working days whenever possible.

Access to the Land Charges Register for personal search agents must be allowed within a reasonable timeframe, which is generally considered to be similar to the official search turnaround time for each LA.

LLPG – the service is currently operating at Gold standard for its property database which it hopes to sustain. The LLPG is the corporate address database used by Land Charges, Street Naming and Numbering, Planning, Environmental Health, Electoral Services, Customer Services, and the shared Waste Services. It forms part of the UK’s National Land & Property Gazetteer (NLPG) which is used by the Emergency Services and is currently being rolled out to the NHS.

*see below - one off Land Charges bulk order which we can’t guarantee will occur again in the following years.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue	£60*			
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£266	£268	(£2)

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	NA
What are the key issues raised in the EQIA?	NA

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
N/A	

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
N/A			

LEGAL IMPLICATIONS

Run within statutory constraints without much scope for savings generation.

1 Electoral Services: Canvass reform

Description of Service: Electoral Services

The Electoral Registration Officer (EROs) is required by legislation to undertake an annual 'canvass' of all residential properties in the district, with a view to ensuring the accuracy and completeness of the electoral register in time for the publication of the revised register on 1 December each year.

Description of Transformation/Efficiency Proposal:

The Representation of the People (Annual Canvass) (Amendment) Regulations 2019 introduced a number of changes designed to streamline the annual canvass process, reduced the administrative burden on EROs and provide them with greater discretion to run a tailored canvass to suit their local area.

These changes include a national data matching process following which EROs may apply a light-touch canvass process to properties where all existing registered electors successfully match with DWP data ('Route 1'); discretion to use e-communications at certain stages of the canvass rather than printed and mailed forms; and the introduction of telephone canvassing for some properties as an alternative to the traditional door-knocking personal canvass.

Approximately 80% of East Herts residential addresses qualify as Route 1 properties. The Route 1 process requires the occupant to respond to the canvass communication only if there are changes to be made to the register information and no reminders are required.

It is proposed that the ERO will exercise his discretion to take advantage of the increased flexibility provided by the new canvass process and in particular to apply Route 1 to all qualifying properties and to utilise email communications/telephone canvassing as an alternative to printed forms/personal visits where permitted and where the necessary contact details are held.

The total cost to the authority of the Annual Canvass in 2019 was approximately £91,000. It is estimated that the proposed changes will result in savings in printing costs, postage (outward and reply-paid returns) and canvasser pay totalling £25,000.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

The service currently meets all statutory requirements. At least one communication is sent to every household in the district annually in addition to correspondence with individual applicants, and numbers of complaints are very low.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue	-	£25	£25	£25
Capital	-	-	-	-

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£122	Ad hoc (misc. register sales)	£122

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Lower cost whilst still meeting statutory requirements	The streamlined canvass process available for Route 1 properties does not provide for reminders to be sent to non-responding properties. However thorough monitoring on a national level throughout the testing process found that this should not have a significant detrimental effect on the accuracy or completeness of the electoral register.

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
The proposal will decrease the number of paper forms printed and distributed.	N/A	N/A.	The revised process makes increased use of e-communications and seeks to direct electors to the online response and registration channels as the preferred option.

LEGAL IMPLICATIONS

All requirements of the Representation of the People Act 1983 and associated legislation will continue to be met.

1 Electoral Services: Postage

Description of Service: Electoral Services

Communications with electors via the postal service.

Description of Transformation/Efficiency Proposal:

Currently electoral services communications that are required to be sent to electors/residents by post, for example annual canvass forms and related communications, are mailed via Royal Mail 2nd class post. The service currently spends approximately £40,000 per year on postage.

Use of a lower cost provider (such as Whistl) instead of Royal Mail offers the potential for savings of up to 10% on this service, albeit at the cost of a slower service (colleagues at other local authorities report that delivery time can be extended from 2-3 days to up to one week).

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

The service currently meets all statutory requirements. At least one communication is sent to every household in the district annually in addition to correspondence with individual applicants, and numbers of complaints are very low.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	-	£4	£4	£4
Capital	-	-	-	-

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£122	Ad hoc (misc. register sales)	£122

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	

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KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Lower cost whilst still meeting statutory requirements	<p>Longer delivery times may impact on customer satisfaction especially at key periods e.g. elections where forms must be returned by statutory deadlines.</p> <p>Longer delivery times may increase the likelihood of reminder forms needing to be issued, which would reduce the saving achieved.</p>

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
N/A	N/A	If longer delivery times reduce return rate of forms, some potential electors may not be registered or may miss statutory deadlines e.g. for a postal or proxy vote for an election.	N/A

LEGAL IMPLICATIONS

All requirements of the Representation of the People Act 1983 and associated legislation will continue to be met.

1 Electoral Services: Reminder invitations

Corporate Priority: Enter text here

Portfolio Holder:

LT Lead: James Ellis

Description of Service: Electoral Services

When the Electoral Registration Officer (ERO) becomes aware (e.g. as a result of an entry on a canvass form or a personal contact) of a person who is resident in the district and may be eligible to register to vote but is not currently registered, the ERO must issue that person with an 'invitation to register' (ITR) and application form. If the person does not respond, either by returning the form or by registering online, up to two reminders must be sent and a personal visit made to encourage him/her to do so.

Description of Transformation/Efficiency Proposal:

E-mail communications are used wherever possible but over 50% of ITRs still require a paper form to be printed and posted.

At East Herts currently, the initial ITR form and (where required) the 1st and 2nd reminders are sent by post/email. If no response is received, a personal visit is then made by a canvasser and a further form (effectively a 3rd reminder) printed for this purpose.

In 2019/20, 2,171 2nd reminder ITRs were issued. There are currently 1,214 3rd reminder forms awaiting canvassers to undertake personal calls as part of the ongoing annual canvass.

With effect from 1st April 2021 it is proposed to discontinue generating 3rd reminder ITR forms and to undertake the required 'door knock' at the 2nd reminder stage. This will reduce both printing costs (of 3rd reminders) and postage costs (of 2nd reminders now being delivered by canvasser) totalling an estimated £2,000.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

The service currently meets all statutory requirements. At least one communication is sent to every household in the district annually in addition to correspondence with individual applicants, and numbers of complaints are very low.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	-	£2,000	£2,000 continuing	£2,000 continuing
Capital	-	-	-	-

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£122,000	Ad hoc (misc. register sales)	£122,000

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Lower cost whilst still meeting statutory requirements	<p>Reducing the number of reminder invitations issued to the legal minimum may result in certain residents who are entitled to register to vote not doing so.</p> <p>Outside of the annual canvass, door-knocking of reminder ITRs is undertaken by core Electoral Services staff. Increasing the number of properties to be visited may impact on those staff's other duties.</p>

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
The proposal will decrease the number of paper forms printed and distributed.	N/A	Reducing reminders may result in some potential electors not being registered.	N/A

LEGAL IMPLICATIONS

All requirements of the Representation of the People Act 1983 and associated legislation will continue to be met.

1 Street Naming and Numbering

Corporate Priority:	Enabling Communities
Portfolio Holder:	Jan Goodeve
LT Lead:	James Ellis

Description of Service:

Street Naming and Numbering – provides services primarily to developers and house builders in relation to construction of new roads/commercial development, construction of new buildings (commercial/residential), change of property name, and renaming existing streets.

Street signs – responsible for replacement of broken or damaged street nameplates.

Description of Transformation/Efficiency Proposal:

This is limited in terms of savings/income generation due to the following: -

- SNN – fees were revised on 1st April 2018 as part of a benchmarking exercise across Hertfordshire and were increased by approximately 50% at that time. Fees are now increased each financial year using the council's agreed overall fee increase.
- Street signs – the service has only recently taken this over in January 2020 from Property. There is an annual budget (budget code LC101/1080/RZZ999) which the service will review next financial year to see what was spent in the previous financial year and whether there are any savings to be made. However, please note that 2020/21 is not a comparable year due to lockdown/COVID-19, and less traffic would naturally lead to fewer damaged street signs.

Prior to lockdown, fees for Street Naming and Numbering applications were mostly paid by cheque, however this has now been changed to a mix of card payments over the phone using the ICON portal along with a few BACS payments. Neither of these options are popular with the larger developers, who would all prefer us to resume taking payments by cheque once we are back in the office.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

Timescales for SNN applications can vary hugely between around 2-4 weeks for a simple request such as a house name change, to 3-6 months for large applications containing multiple new streets and hundreds of new properties, as these require consultation with several different parties.

We have just been through the Tender process this year for our Street Nameplate contractor, and are confident that we have the best value for money for this service.

Damaged street signs are usually replaced in batches of 10-15 for economy reasons, and are normally erected within 3 months of being reported to us.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue	0	0	0	0
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£266	£268	(£2)

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	N/A
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
N/A	

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
N/A			

LEGAL IMPLICATIONS

1 **Operations Business Support:
Training/Postage**

Corporate Priority:	N/A
Portfolio Holder:	N/A
LT Lead:	Jess Khanom-Metaman

Description of Service:

OPS001 3620 Training Budget – budget £6600
OPS001 3572 Postage – budget £3000

Training: Officer training for Operations not including Parking but includes Hertford Theatre

Postage: Use of Royal Mail service for items not covered by DocMail

Description of Transformation/Efficiency Proposal:

Training – Reduce budget by 10% = £660, transfer remaining budget to corporate training budget - business case to be used from service areas for future training
Training is usually required for any new enforcement inspection or aboriculture related roles which require accreditations and specialist training i.e., enforcement, animal warden

Postage – The current budget covers the following items that DocMail does not provide as a service.

Unavailability of a budget would affect the following items:-

Frequency: WEEKLY

Parking Enforcement - Scratch Card Vouchers
- Paper Permits for residents without Internet
- Postal Penalty Charge Notice challenges (forwarded to Parking Contractor (APCOA in Uxbridge)
- Cheques received through post – forwarded to Parking Contractor as above

Frequency: AS AND WHEN REQUIRED (In 2019/20 approx 12 new TPOs served)

Aboriculture - New TPO's served (sent Recorded Delivery) – legal requirement
TPO's confirmation (sent Recorded Delivery) – legal requirement

Frequency: AS AND WHEN REQUIRED

Abandoned Vehicles Owner's Declaration Forms (form & cover letter generated by back office system (Mayrise) & DVLA Machine are sent by post. DVLA machine only notifies addresses (not emails) and owners have 7 days to remove vehicle. Letters have to go first class to allow for owners opportunity to move vehicles within the timeframe.

Therefore no savings are offered in this budget line.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

N/A

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2020/21	2021/22	2022/23	2023/24
Revenue	6	6	6	6
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
Training - 6	-	Training - 6*
Postage – 3	-	Postage - 3

*Training will reduce to 5940 and transfer to central fund

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	N/A
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Saving in training budget without negatively impacting service provision.	

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

N/A

1 Env Inspections

Corporate Priority:	Enabling Communities
Portfolio Holder:	Eric Buckmaster & Cllr McAndrew
LT Lead:	Jess Khanom-Metaman

Description of Service:
EN001 - Environmental Inspection

The budget comprises the salary cost of four enforcement and inspection officers who carry out contract compliance monitoring the leisure and grounds maintenance contract, fly-tipping enforcement and dog/animal control.

Description of Transformation/Efficiency Proposal:

We currently have an Enforcement and Inspections Officer on a fixed term contract until the end of March 2021. Due to pressures on for the service as a result of COVID, there has been a delay in restricting this team further. It will be necessary to continue with this post until at least March 2022 as it is key in the contract management of some high value contracts and to ensure that our high visibility front line services such as dealing with fly-tipping, grass cutting and play areas do not suffer.

From April 2022 we will look at absorbing the role of Service Development Officer – Parking into the Leisure & Environmental Enforcement Team offering a possible saving.

During 2022/23 we will look at amalgamating Planning Enforcement into this team to see if this could realise further saving.

What do the public say?:

The service is well received by the community and gains some really positive feedback from its work around enviro-crime. Much of the teams work involves auditing the work of our large contracts and whilst the public may not see this they receive the benefit from having well maintained parks and open spaces, play equipment and leisure facilities. This work is essential in ensuring that we offer our customers best value

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£31*	£0	£0
Capital	£0	£0	£0	£0

*This is an additional pressure in 2021 which will be reduced in the following years.

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£129*	£0	£129

*salary cost for staff

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	Not as yet
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
The proposal to streamline contract compliance across parking, grounds maintenance and leisure will allow greater flexibility and resilience in the service.	

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
		A resilient resource in this area will support the contract performance monitoring on front faces series such as leisure and parks and open spaces.	

LEGAL IMPLICATIONS

n/a

1 Parks & Open Space Rental

Corporate Priority:	Economic Growth
Portfolio Holder:	Cllr Eric Buckmaster
LT Lead:	Jess Khanom- Metaman

Description of Service:
PK001 – Parks and Open Spaces

The maintenance of parks and open spaces to a standard that attracts potential income opportunities from hire or rental.

Description of Transformation/Efficiency Proposal:

Generate income from resources

The proposal is to tender a district wide contract to rent pitches to catering vendors on selected open spaces.

Colleagues in Asset Management have recently negotiated a contract with an ice cream vendor in Hartham Common. This resulted in a seasonal monthly license fee of £1,200 (April to October – 7 months), achieving an annual income of £8,400. This will also mean we can manage vendors and ensure they remove rubbish as part of contract.

It should be possible to tender a contract for a number of other open spaces. We might tender individual sites and perhaps offer a deal for exclusivity to one company on all sites.

It is estimated that an annual income of £15,000 is achievable across four key sites.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

The public are generally supportive of food vending in parks in neighbouring authorities. Our own limited experience of burger vans has not resulted in any concerns from the public.

The vendors are required to ensure any waste generated from their product does not result in littering.

This would be a joint exercise between Operations and Corporate Property combining expertise in licensing, contract tendering and open space management.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2020/21	2021/22	2022/23	2023/24
Revenue	0	-£8	-£15	-£20
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
N/A		

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No, this will be completed once the details of a contract tender have been explored.
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<p>We have x4 destination parks that may be viable; Hartham Common, Grange Paddocks, Pishiobury Park, Southern Country Park and then also perhaps Presdales.</p> <p>Some of these sites are less busy than Hartham and so may achieve lower fees.</p> <p>There may be less administrative costs involved in a single contract with one vendor but this could attract a lower overall rate.</p> <p>Vendors would need to ensure that all vans are Covid 19 compliant. For example; signage to ensure customers are aware of how to queue and which way they should exit once they have paid and received their ice creams /food, card machines to encourage cashless transactions, hot water and sinks for employees to wash hands throughout the day.</p>	<p>From a public health perspective, there may be some concerns about supporting the sale of unhealthy products on Council owned land.</p> <p>Some modest revenue investment is required to create hard surface pads and electric points to avoid the necessity for vendors to run their diesel generators on site. It may be possible to transfer these costs to the successful vendor.</p>

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Vendors would run on electric whilst on site, not on diesel	Income to support costs of park maintenance. Supporting local business		

LEGAL IMPLICATIONS

The licence relating to the hire charge is just consent for use of the land. The vendor must also apply for a street trading licence, link attached. A trading licence must be in place before the Council would allow use of the Council's land.

<https://www.gov.uk/street-trading-licence/east-hertfordshire/apply>

Corporate Priority:	Enter text here
Portfolio Holder:	Cllrs Graham McAndrew & Eric Buckmaster
LT Lead:	Jess Khanom- Metaman

1 Litter and Dog Waste Bin (Removal)

Description of Service:

PK101 – Grounds Maintenance

Non statutory provision of dog waste and litter bins in parks and open spaces

Description of Transformation/Efficiency Proposal:

The proposal is to remove all dog waste and litter bins from open spaces combined with a heightened campaign to encourage residents to take their rubbish home.

Some park's trusts, woodlands and heritage sites adopt this strategy.

If all bins were removed and the Council relied upon visitors taking their rubbish away with them, the current cost of emptying, £95,000 could potentially be saved.

The initial cost of removal and disposal would be in the region of £25,000.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

Parks where this has been adopted are largely heritage/countryside sites where visitors either pay to visit or have travelled some distance. The clientele are already invested in the wellbeing of the asset and less likely to drop litter.

Some large forest sites encourage visitors to "flick" dog waste away from the path rather than install dog waste bins but this is not feasible in the open parkland settings that our open spaces offer.

Customers request new dog bins where they feel there needs to be more in a park and usage of these bins is high with a good proportion of bins being near full when emptied.

A public consultation would be undertaken, however the removal of bins from parks and open spaces, based on the level of complaints when litter or dog fouling is perceived as a problem, is not likely to be popular.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue	0	-£70,*	-£95*	-£95*
Capital				

*this is a saving not income

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£95		£95

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No, this will be completed once public consultation feedback has been received.
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
<p>A heightened campaign to persuade residents to take their rubbish and dog waste home with them could help to engender “ownership” in their parks as valuable public assets.</p> <p>Dog waste bins can, during warm weather, emit unpleasant aromas. This issue would be removed.</p> <p>The government encourages the public to take more responsibility. Under the Clean Neighbourhoods and Environment Act 2005, enforcement powers have been extended and widened to help tackle problems such as the leaving of litter, dog fouling and a range of environmental crimes such as fly-tipping and graffiti.</p>	<p>Municipal/publicly owned sites would struggle to convert users to this way of thinking. Litter picking would thus need increasing dramatically. The current Covid situation where littering has greatly increased as new customers visit our parks has exemplified this.</p> <p>Current litter picking costs are £80,000 without accounting for the increased service provided to tackle this problem. It would not be unreasonable to expect this cost to increase by at least 50% if all bins were removed resulting in additional costs in excess of £40,000.</p> <p>Dog fouling whilst still problematic in East Herts, has been under a degree of control following campaigns over the last few years. The removal of dog waste bins would likely have a considerable impact on this. Our current contract does not include the removal of dog faeces other than near dog bins during waste collection and in play areas. The cost of introducing a new service to pick up dog waste would need to be assessed and costed.</p> <p>Greater resources may need to be invested in enforcement activity to issue Fixed Penalty Notices where visitors are not complying with the law on littering. Experience shows that extensive and focused resource is required to tackle littering problems effectively.</p>

	Removal of this level of value from the grounds maintenance contract would attract challenge by the contractor for their loss of income. This would be negotiable under the terms of the contract and not necessarily result in compensation. However, it would have an impact on the contractor's ability to maintain a flexible and proactive service.
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CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Reduced vehicle use	Reduced costs	Public consultation will allow resident feedback to be considered	Use of digital media through campaign

LEGAL IMPLICATIONS

There may be some impact of loss of income to the Grounds Maintenance contractor. This has not been accounted and would require significant negotiation.

Guidance is provided in the Code of Practice on Litter and Refuse Department for Environment Food and Rural Affairs (DEFRA)

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/834331/pb11577b-cop-litter1.pdf

1.1 The Environmental Protection Act 1990 imposes duties under section 89(1) and (2) on certain landowners and occupiers (referred to throughout as 'duty bodies' and described in detail at section

3.2) to keep specified land clear of litter and refuse, and on local authorities and the Secretary of State to keep clean public highways for which they are responsible.

The Code of Practice seeks to encourage duty bodies to maintain their land within acceptable cleanliness standards. The emphasis is on the consistent and appropriate management of an area to keep it clean, not on how often it is cleaned.

11.6 Public open spaces

11.6.1 This land use type includes a wide range of open spaces to which the public has access. Sites include parks, picnic sites, and municipal cemeteries.

11.6.2 Public open spaces experience varying levels of patronage, often determined by their location or national/regional reputation. As an example, public open spaces located in intensely used zones should be managed closely as they will be subject to the same fluctuations in pedestrian, and in some cases, vehicular, flows, as the surrounding area. The same rule should be used for the other zones. Some hotspots in the less intensely used open spaces, such as car parks or information points, should be zoned as higher intensity zones in order to manage the likely fluctuations in littering appropriately.

1 Litter & Dog Waste Bins (Combine)

Corporate Priority:	Enter text here
Portfolio Holder:	Cllrs Graham McAndrew & Eric Buckmaster
LT Lead:	Jess Khanom- Metaman

Description of Service:

PK101 – Grounds Maintenance

Non statutory provision of dog waste and litter bins in parks and open spaces

Description of Transformation/Efficiency Proposal:

The proposal is to rationalise the provision of bins in order to reduce the number of bins and frequency of emptying by replacing some or all litter and dog bins with dual waste bins allowing the contractor to collect and dispose of the waste in one operation.

We currently provide 725 dog waste and litter bins across the district. It may be feasible to remove 20% of our dog bins through rationalisation and upgrading nearby litter bins to larger capacity bins into which residents would be encouraged to deposit dog waste. The cost saving of such a reduction would be £19,000.

Further savings might be achieved by combining litter and dog waste collections into one activity, no longer separating dog waste and litter. The contract would likely offer a reduced rate. If costs could be reduced by 10% through this, the saving would be in the region of £10,000.

Assuming 20% of dog bins can be removed there would be a need to replace a number of litter bins with large capacity, dual purpose models. Ideally this would be all bins but given that revenue budgets will cover the replacement of some bins as they wear out and some will need to remain as dog waste bins, it would be reasonable to do this in a phased manner over a number of years. It is proposed that a maximum of £10,000 it allocated to a bin replacement programme per annum.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

Consultation will need to be undertaken to establish whether customers would still be happy to use dual waste bins and whether there is any scope for removing all bins. There is opportunity to consult as part of the proposed Waste & Recycling consultation.

Dog fouling whilst still problematic in East Herts, has been under a degree of control following campaigns over the last few years. The removal of dog waste bins may have a negative impact on this but it is expected that residents can be convinced of the cost saving benefits of putting dog waste into dual waste receptacles. Our current contract does not include the removal of dog faeces other than near dog bins during waste collection and in play areas.

Other local authorities have introduced some dual dog waste and litter bins without significant adverse reaction.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue	0	-£29	-£29	-£29
Capital		£10	£10	£10

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£95	0	£95

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No, this will be completed once public consultation feedback has been received.
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Some auditing already undertaken, this needs to be further surveyed and analysed to assess the potential for reducing the number of bins based upon current data (full, ½ full, ¼ empty) from collections, changing bin sizes, introducing dual use (dog waste and litter). The disposal stream needs to be explored in more detail to establish whether it may cost more to dispose of dog waste with litter but indications are that this is not the case.	Need to recognise that each park has different characteristic, eg. Pishiobury Park is predominantly visited by dog walkers and less so by groups picnicking or drinking in the evenings, it therefore has not needed many litter bins but has more dog bins. Hartham litter problems currently very bad, bins probably need to be more numerous and/or larger, Southern Country Park may have more litter bins than needed or for them to be located nearer to the main activity areas.

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Reduced vehicle use by combining dog and waste emptying	Reduced costs	Public consultation will allow resident feedback to be considered	

LEGAL IMPLICATIONS

Guidance is provided in the Code of Practice on Litter and Refuse
Department for Environment Food and Rural Affairs (DEFRA)

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/834331/pb11577b-cop-litter1.pdf

1.1 The Environmental Protection Act 1990 imposes duties under section 89(1) and (2) on certain landowners and occupiers (referred to throughout as 'duty bodies' and described in detail at section

3.2) to keep specified land clear of litter and refuse, and on local authorities and the Secretary of State to keep clean public highways for which they are responsible.

The Code of Practice seeks to encourage duty bodies to maintain their land within acceptable cleanliness standards. The emphasis is on the consistent and appropriate management of an area to keep it clean, not on how often it is cleaned.

11.6 Public open spaces

11.6.1 This land use type includes a wide range of open spaces to which the public has access. Sites include parks, picnic sites, and municipal cemeteries.

11.6.2 Public open spaces experience varying levels of patronage, often determined by their location or national/regional reputation. As an example, public open spaces located in intensely used zones should be managed closely as they will be subject to the same fluctuations in pedestrian, and in some cases, vehicular, flows, as the surrounding area. The same rule should be used for the other zones. Some hotspots in the less intensely used open spaces, such as car parks or information points, should be zoned as higher intensity zones in order to manage the likely fluctuations in littering appropriately.

1 Allotment Fee Charges

Corporate Priority:	Enabling Communities
Portfolio Holder:	Cllrs Graham McAndrew & Eric Buckmaster
LT Lead:	Jess Khanom-Metaman

Description of Service:
OPS 7 – Allotments

Allotment Rental on EHC owned land

Description of Transformation/Efficiency Proposal:

The proposal is to consider an increase of rental for allotment plots owned by the council. The council owns two allotment sites.

Norwood Close (8 plots) has recently had a new water trough installed and currently awaits connection by Affinity Water.

West Street (35 plots) has a water trough in the middle of the site.

Proposals for West Street & Norwood Close considers breaking up larger plots into 25m2 as and when they become available.

East Herts have one of the lowest charges for an allotment plot @ £4.00 per 25m2 (pole).

Authority	Cost per 25m2		Concessions
East Herts	£4.00 (with water)	Per year	None
Welwyn Hatfield	£7.06 (without water) £11.60 (with water)	Per year	Yes
North Herts	£14.50 (not specified)	Per year	Yes
Broxbourne	£5.00 (not specified)	Per year	Yes
Bishop's Stortford Town Council	£5.90 (not specified)	Per year	Yes
Hertford Town Council	£5.10 (not specified)	Per year	Not known

Some LA charges are likely to include access to onsite facilities such as toilets, water points, and communal shed for key deposits etc.

Norwood Close If the charge per m2 were increased to £8.00 per 25m2 this could potentially double the yearly income on both sites which both now have access to water.

West Street If plots were broken into 25m2 areas - this could increase the number of plots from the current 43 to 215 plots generating additional income in future years

Splitting larger sites up would increase admin (invoicing) but would negate against the need for issuing warning letters. An administration charge could be considered where some authorities charge £25 for a new application set up fee.

3 large plots which have become available at the moment could be split into 12 plots each of 25m2 and let at a 'new' rate.

The two sites are monitored by officers 4 times per year. Officers consider that West Street, in particular, is not being kept to an acceptable standard and not meeting its full potential. This is likely due to reduced monitoring but where shortened notice periods together with inviting a local volunteer as a site representative to oversee to gain a benefit from the council in return (Broxbourne tenancy is free for this role) could help to improve the situation.

Alternatively, the Council could transfer this responsibility to the towns and parishes.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

Historically there has always been a long waiting list for allotment rental. In recent months, new applications have increased by 337% compared to that of last year. Current plot holders advise they wish to see more water facilities at West Street where transporting water from the trough is arduous due to distance. Evidence shows that not all are using the full area of their plot; this could be challenged and split up to offer up additional plots. Some new applicants have been put off by the state of the plot they are to take over but where black plastic sacks could be used while vacant to encourage taking on larger plots. An increase in a plot fee is likely to help incentivise holders to maintain standards. Those who leave plots to degrade are sent notifications which can take a long period of time depriving others the opportunity keen to maintain it.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue	0	-£0.5	-£0.5	-£0.5
Capital	n/a	n/a	n/a	n/a

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
0.95	0.9	0.05

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	Yet to be completed.
What are the key issues raised in the EQIA?	Unknown at this stage.

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> • Fee increase would be timely with the imminent switch on of the Water facility in Norwood Close • Introduces a stronger perception by plot holders to maintain plot standards • Reduce the waiting list currently at an average of 18 months • Provide opportunities for those wishing to manage a small plot • Breaking up odd shaped plots making them more attractive to manage • Breaking the current 3 vacant plots would increase revenue immediately 	<ul style="list-style-type: none"> • Fee increase may affect the ability of a person currently with a plot to pay due to redundancy, unemployment

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)

Sustainability	Economic Growth	Enabling Communities	Digital by Design
		Increase opportunities for people supporting physical and mental health and wellbeing	

LEGAL IMPLICATIONS

None

1 Playgrounds

Corporate Priority:	Enabling Communities
Portfolio Holder:	Cllr Eric Buckmaster
LT Lead:	Jess Khanom-Metaman

Description of Service:

PK102 - Playgrounds

There are 63 play areas managed by EHC.

Description of Transformation/Efficiency Proposal:

The proposal seeks to permanently close 10% (six) of play areas. The budget for playground inspections is approximately £100,000, broadly speaking this will provide a £10,000 saving. At this stage the proposal does not include any exit costs with the contractor for reducing the inspection work by 10%.

Members will need to agree the criteria for which play areas will be eligible for closure.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

This is highly likely to be unpopular and create complaints in local wards.

Whilst a neighbouring authority; North Herts, reduced spending by rationalising their play offer in 2018, this was achieved by transferring ownership of some play areas to Parish Councils and as part of a wider investment programme. Play areas in rural areas are already in the ownership of Parish Councils in East Herts and therefore unlikely to take on EHC play areas.

East Herts has maintained a good record of safety across its play areas.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue		£5	£10	£10
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£103		

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	Not as yet
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
<ul style="list-style-type: none"> • Small budget saving • Offsets inspection pressure for client team monitoring • Closure is “safer” than reducing health and safety inspection frequency. 	<ul style="list-style-type: none"> • Reputational damage and complaints • Reduces the Council’s offer to young people • Cost of removing equipment and returning site to grass, approximately £5,000 to £10,000 per play area.

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)

Sustainability	Economic Growth	Enabling Communities	Digital by Design
		This is a reduction in the offer to communities	

LEGAL IMPLICATIONS

Some exit implications with grounds contractor will need to be investigated further

1 Leisure Provision

Corporate Priority:	Enabling Communities
Portfolio Holder:	Cllr Eric Buckmaster
LT Lead:	Jess Khanom-Metaman

Description of Service:

LS101

Leisure Centres operated by Everyone Active

Description of Transformation/Efficiency Proposal:

Subject to no further delays and the outcome of the Ward Freman investment discussions. Following the capital investment in leisure centres it is anticipated that income received by the Council will be approx. £45,000 per annum.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community. Consultation has already taken place as part of planning submissions.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue		£100*	£100	-£404**
Capital				

*year 2 contract fee to SLM increases by £100k

**subsidy removed and £45k income to Council

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£468	0	£468

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	N/A
What are the key issues raised in the EQIA?	M/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
N/A	N/A

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)

Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

N/A

1 Theatre and Café /Bar

Corporate Priority:	Enabling communities
Portfolio Holder:	Cllr Eric Buckmaster
LT Lead:	Jess Khanom-Metaman

Description of Service:

OPS 29-29

HT101 HERTFORD THEATRE

HT102 HERTFORD THEATRE CAFÉ

Hertford Theatre and Café is currently offering a limited service of cinema, hiring space and café within a COVID-secure environment.

Description of Transformation/Efficiency Proposal:

There is an operational efficiency that has been approved in principle by LT to reduce staffing numbers following the end of the furlough scheme and maintaining a COVID-secure environment. This efficiency seeks to save approx. £113,000

2020/21 budget (Jan – March) £34,000

2021/22 budget (April to July 2021): £79,000

Final costs will differ following HR processes of slotting staff into roles/redundancies.

A further proposal for member consideration is to close the Theatre prior to August which is when it is due to close for construction to start (subject to planning a review of business case). This will provide a salary saving of approx. £8500

Due to a COVID-secure environment and previous closure, income has significant reduced. This proposal aims to reduce expenditure to mitigate some of this however against the base budget these are not savings (as the usual income generated to offset expenditure is not being achieved). The full impact of a full closure is yet to be determined.

Should the capital project complete within its current timeline with no additional funding requirements, the income in 2023/24 will provide a contribution to the Council of approx. £50,000 (income from September 2023 to March 2024).

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

The Hertford Theatre is a popular venue with strong support from users. Though it may be an unpopular decision to close earlier than anticipated the participation levels are extremely low. In addition, when the theatre was closed under government instruction earlier this year the users continued to engage with HT virtually, the plan would be to keep on strong online presence of engagement and explore the potential for a Xmas show in 2022.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue		£87	£87*	-£50
Capital				

*further work to be carried out on costs during closure period

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
1,278	1,298	-£20

*budget as approved by Council (COVID impacts this significantly in reality).

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No yet
What are the key issues raised in the EQIA?	Not known as yet

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Reduces further deficit to Council as a result of COVID, theatre is due to close anyway as a result of the construction programme (subject to planning permission and a review of the business plan).	Though the decision may be unpopular in terms of reputation, public consultation will determine whether the public “understand” the reasons and continue to support the Theatres work.

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Reducing energy costs of building whilst closed			A strong social media and online will be present during the closure.

LEGAL IMPLICATIONS

HR law in term of redundancies will be followed. Some contracts with hirers will need to be amended/compensated.

1 Markets

Corporate Priority:	Economic Growth
Portfolio Holder:	Jan Goodeve
LT Lead:	Jess Khanom-Metaman

Description of Service:
EC101 – Markets

Street trading service and final funding to BTC

Description of Transformation/Efficiency Proposal:

In 2018, the Council agreed to disband the Hertford and Ware market and transfer the market rights for Bishop’s Stortford to BSTC. There are no further savings proposed in this area.

What do the public say?:
Add in any relevant information about how the service performs or is received by the community.

N/A

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2020/21	2021/22	2022/23	2023/24
Revenue	N/A	N/A	N/A	N/A
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
27	28	-1

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	N/A
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
N/A	N/A

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

N/A

1 Organic Waste Collection Services OPS12

Description of Service:

Non statutory collection of mixed food and garden waste in 240l wheeled bins from all houses in the district (Brown bin collection).

Description of Transformation/Efficiency Proposal:

The proposal is for the cessation of the non-statutory service, with the offer of an opt-in chargeable garden waste collection service for those residents who wish to dispose of garden waste at the kerbside. The charge proposed is £45 per bin per annum.

Alternative free options will remain such as home composting or taking garden waste to the household waste recycling centres. A separate food waste collection is not included in this proposal, residents will be directed to place their food waste in their residual waste bins or use the free options available for disposing such waste. Campaigns on minimising food waste will also be promoted.

The proposal assumes the service will start in April 20/21. In reality with a decision in March this will not be feasible and therefore the savings figure will be reduced. Some activities could be carried out at risk including website development and marketing and comms prep. The proposal also assumes we will use the Digital Peanut platform for card and direct debit payments which is the platform Urbaser manage for North Herts.

It should be noted that a reduction in garden waste collected will lead to a reduction in the recycling rate of the Council. AFM implications have not been incorporated in these costs as there is uncertainty over this funding.

The project will require some initial one off costs these include (all subject to final negotiations): costings below are based on the North Herts uptake rate of 48%

Website Development	9000
Transaction Costs	20,000
IT system round changes	5,000
Temp Staff	18,000
Permits	40,364
Collection costs	808,020
Total	900,384
Current Cost of service	1,062,830
48% households	29807
Gross income	1,341,317
Net income	540,933
Net reduction in cost in Year 1	703,379
<u>Year 2</u>	
Total Cost	768,384

Net reduction in cost	735,379
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No additional resource is proposed for communication and publicity, this will be funded from existing budgets by reducing other service promotional work and information such as calendars and bin hangers.

Figures are subject to final negotiations with contractor. The cost of a potential uplift in residual waste and collection round has not be included as yet. This is being discussed with the contractor.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

A public consultation will be undertaken, however the introduction of chargeable services, where services have previously been free of charge, are not popular and are unlikely to generate support at public consultation.

Evidence from neighbouring authorities in Hertfordshire indicates that participation is likely to be between 40% and 50% of all households.

The shared service in North Hertfordshire operates a chargeable garden waste collection and currently has 48% participation.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£703*	£735	£735
Capital	£0	£0	£0	£0

*net reduction in costs if a full year's service is achieved

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£1,063	£0	£1,063

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No, this will be completed once public consultation feedback has been received.
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> Costs incurred based on usage only Reduced deficit to Council and income 	<ul style="list-style-type: none"> Reputational risks, initially unpopular with residents

<p>generation</p> <ul style="list-style-type: none"> Residents of flats without gardens are not subsidising the service for others through Council tax. 	<ul style="list-style-type: none"> May impact on voting habits of some residents Some initial service disruption while new service beds in is likely Additional administrative resource required Small risk of initial increase in garden waste fly tipping Increased use of household waste recycling centres likely Directing food waste to landfill
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CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Directing food waste to landfill	Internal facing income	Public consultation will allow resident feedback to be considered	Payments can be self-serve through online web portal

LEGAL IMPLICATIONS

The Council must provide collections of food waste therefore residents will be instructed to place food waste in residual waste bins as a result of the mixed food and garden waste service cessation.

The legislative framework exists for charging for garden waste collections from households. The Government’s new waste strategy is anticipated to require the future separate collection of food waste by 2023. The introduction of a weekly food waste service will incur an additional financial pressure of approx. £1m when introduced.

A Contract Variation would be required for the Waste and Street Cleansing contract.

1 Provision of Public Conveniences

Corporate Priority:	Enabling Communities
Portfolio Holder:	Cllr Graham McAndrew
LT Lead:	Jess Khanom- Metaman

Description of Service:

Provision of public conveniences in Buntingford and Community Toilet Scheme in major towns.

Description of Transformation/Efficiency Proposal:

The proposal is for the cessation of the provision of public conveniences in Buntingford and the cessation of the Community Toilet Scheme. At the current time EHC maintains only one facility which is in Buntingford. All other facilities previously maintained by EHC have either been closed or transferred to a third party.

The Community Toilet Scheme has been operating for over 12 years. There is little public awareness of the scheme and the scheme does not provide improved coverage of toilet provision in the district over and above what is normally available.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

Complaints have been received regarding the condition of the toilet in Buntingford. Its condition is such that some refurbishment work is needed and therefore there is a Capital requirement estimated between £10k-£20k to keep the toilets open.

Although no approaches have been made the Operations Team would explore opportunities for the transfer of responsibility for Buntingford Toilet.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue	£0	-£18	-£18	-£18
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£18	£0	£18

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No, this will be completed should the proposal be taken forward.

What are the key issues raised in the EQIA?	The closure of Buntingford would likely impact on elderly and disabled visitors to the town as one of the primary users of the facilities.
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KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> Costs removed Avoidance of Capital spend 	<ul style="list-style-type: none"> Initially unpopular with some users

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Facility is old in design with no consideration of sustainable design	Negligible impact	The provision of toilets is seen as necessary by some users. However toilets are not provided on all towns.	N/A

LEGAL IMPLICATIONS

The provision of public toilets is non-statutory.

Community Toilet Scheme contractual arrangements will require review.

Any transfer of the Buntingford facility would require legal to draft an agreement.

A contract variation would be required for the waste and street cleansing contract.

OPS14 Waste Collection – Domestic Service

Corporate Priority:	Sustainability
Portfolio Holder:	Cllr McAndrew
LT Lead:	Jess Khanom-Metaman

Description of Service:

Fortnightly residual waste collection from households and fortnightly or weekly residual waste collection from flats.

On request, chargeable bulky waste collection service.

Description of Transformation/Efficiency Proposal:

No recommendations for savings for residual waste collections.

Bulky waste collection services will be reviewed as part of a separate report to Executive due later this year.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

N/A

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£1,480,000	£80,000	£1,400,000

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
N/A	N/A

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

Collection of residual household waste is a statutory function.

**OPS15 Waste Collection –
Commercial Service**

Corporate Priority:	Sustainability
Portfolio Holder:	Cllr McAndrew
LT Lead:	Jess Khanom-Metaman

Description of Service:

On request, chargeable residual waste collection for businesses.

Description of Transformation/Efficiency Proposal:

Commercial waste collection services will be reviewed as part of a separate report to Executive due later this year.

The full impact Covid 19 on the customer base is yet to be determined.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

N/A

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£420	£695	- £275

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
N/A	N/A

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

Collection of commercial waste can be made at a reasonable charge.

OPS16 Waste Collection – Clinical Service

Corporate Priority: Enter text here
Portfolio Holder:
LT Lead:

Description of Service:

On request offensive waste and clinical waste collection for households.

On request, chargeable offensive waste and clinical waste collection for businesses.

Description of Transformation/Efficiency Proposal:

None

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

N/A

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£60,000	£50,000	£10,000

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
N/A	N/A

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

Collection of clinical waste can be made at a reasonable charge.

OPS17 Street Cleansing Service

Corporate Priority:	Enabling Communities
Portfolio Holder:	Cllr Graham McAndrew
LT Lead:	Jess Khanom-Metaman

Description of Service:

Street sweeping and litter picking on the public highway. Emptying of litter bins of the public highway.

Description of Transformation/Efficiency Proposal:

None – the performance of street cleansing is being closely monitored, at this stage savings are not proposed.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

N/A

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£675,000	£50,000	£10,000

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
N/A	N/A

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CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

OPS18 Recycling Service

Corporate Priority:	Sustainability
Portfolio Holder:	Cllr Graham McAndrew
LT Lead:	Jess Khanom-Metaman

Description of Service:

Haulage and processing on mixed dry recycling and separated paper.

Description of Transformation/Efficiency Proposal:

None. Proposals to increase income through recycling were included in the 2020/21 budget however due to COVID service priorities have shifted and this is unlikely to be achieved for 2020/21.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

N/A

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£810	£2,107	£1,297

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
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N/A	N/A
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CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

Contracts are procured under OJEU tendering requirements.

Parking income proposals

Corporate Priority:	Economic Growth
Portfolio Holder:	Cllr Graham McAndrew
LT Lead:	Jess Khanom-Metaman

Description of Service:

Various changes for the parking service in our car parks and limited waiting bays in three main town centres.

Description of Transformation/Efficiency Proposal:

1. Increase all parking tariffs by 10% (where practicable)
2. Remove free parking option in all car parks except Grange Paddocks B and C which serves Grange Paddocks leisure centre
3. Introduce evening charging up to 8pm in three main towns
4. Introduce Sunday and Bank Holiday charging
5. Charge blue badge holders to park in our car parks
6. Introduce on-street charging in town centre limited waiting bays

1. Tariff increase

Since 2010 car park charges have been frozen, and in many cases reduced. During this period the continued annual rise in inflation and the increase of VAT from 17.5% to 20% in 2011 has eroded the value of our car park charges.

2. Free parking period

The majority of car parks in East Herts offer a 30 minute free parking period which was initially introduced to encourage visitors to the town and help the local economy. Studies suggest that offering brief free parking periods is counterproductive and does not encourage browsing in shops or using local hospitality facilities.

Buntingford car park offers a free 90 minute period and Stanstead Abbots car park is sponsored by a local company so the entire car park is free to members of the public.

3. Evening and overnight charging

Town centres have evolved over time and as well as offering a shopping experience during the day, various pubs, bars and restaurants offer services which support the evening economy. Currently, our car parks offer free parking after 18:30 which is not consistent with the principal "User pays for services used"

4. Sunday & Bank Holiday charging

In the late 80s when Monday to Saturday tariff was introduced in our car parks, most shops and businesses were closed on Sundays and Bank Holidays and therefore no need for a car parking service. In the past forty years things have moved on and habits have changed. Sunday is now the second busiest shopping day of the week in our towns and many people choose to visit to shop, eat and drink.

5. Blue badge charging

The national blue badge scheme does not provide any concessions for holders within off-street car parks. The principal of providing concessions for blue badge holders is about providing access and has no bearing on the ability to pay.

Currently, any vehicle displaying a valid blue badge may park in East Herts car park free of charge without time limit.

6. On-street charging

The proposal is to introduce charging using the pay by phone option in all limited waiting parking bays located in town centres.

The convenient location of these limited waiting bays means that they are highly sought after by visitors to our towns. Currently, it is free to park in these bays for a maximum period of 30 minutes with no return within 1 hour.

Enforcement for these bays cannot be carried out as regularly as required due to limited resources and the very short period of parking allowed. It is highly likely that most users of these bays currently park for longer than the maximum period and rarely receive penalties.

It is proposed that vehicles parking in these bays Monday to Saturday 9am to 5pm will pay for the privilege.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

Any increase to parking tariffs or tightening of parking restrictions will result in objections and complaints from stakeholders and residents.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue				
1. Tariff			-£260	-£260
2. FREE			-£55	-£55
3. Evening			-£60	-£60
4. Sunday			-£56	-£56
5. Blue badge			-£40	-£40
6. On street			-£80	-£80
Capital	£0 (See below)	£0	£0	£0

£67,000 - TRO, machine programming, tariff upgrade, PbP programming.

**Above costs would apply to proposals 1-5. If one, some or all of these proposals are implemented at the same time £67,000 will be total expenditure. Its is therefore more economical to implement a number of changes within the same TRO and programming changes.

For proposal 6 a different TRO is required which will cost £10,000

All income is based on performance on August 2020 transaction levels.

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
658	3600*	-2948

*budgeted, does not reflect impact of COVID on car parking

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	To be completed following TRO consultation
What are the key issues raised in the EQIA?	N/A

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KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> • User pays for service received (ALL) • Encourage change in travel behavior by seeking to reduce private vehicle use. (ALL) • Increased turnover of vehicles (on-street charging) • Reduced enforcement process (on-street charging) • Better management information (on-street charging & removal of free period) 	<ul style="list-style-type: none"> • Risk of reputational damage to the council during the formal consultation process linked to the expected number of objections from all stakeholders (ALL) • Negative impact on local residents with no access to private parking spaces who use car park in the current free periods (Sunday & Evening charging) • Potential for displacement of vehicles from car parks to locations which are unrestricted on Sunday and/or evenings which may result in traffic congestion. (Blue badge, Sunday & Evening charging)

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Encourages other sustainable transport modes	Internal income	Public consultations are part of the statutory TRO process	Parking machines and 'pay by phone' options.

LEGAL IMPLICATIONS

The statutory legal process required in order to introduce one, some or all of these changes will take approximately 18 months.

1 Planning Service

Corporate Priority:	Economic Growth
Portfolio Holder:	Linda Haysey and Jan Goodeve
LT Lead:	Sara Saunders

Description of Service:

Planning PL001

The Planning Service provides a combination of complimentary statutory and non-statutory planning functions as the Local Planning Authority for East Herts.

Statutory services include:

- The responsibility for the preparation, monitoring and review of the District Plan and associated planning documents;
- Overseeing the delivery of Neighbourhood Plans;
- The determination of planning applications
- Designation of Conservation Areas

Non statutory services include:

- Planning enforcement;
- Master planning and the preparation of non-statutory planning documents
- Provision of specialist advice
- Strategic planning
- Pre application advice

In addition, the service pays for historic environment, ecology and monitoring services from Hertfordshire County Council in order to support the statutory planning functions.

Description of Transformation/Efficiency Proposal:

As part of delivering the above planning functions the Council introduced a new service structure in 2018 which includes Planning Policy, Development Management, Enforcement, Conservation and Planning Support. This structure was introduced to support the implementation of the District Plan and delivery of a number of strategic sites including Gilston. There are currently 51 members of staff in the service (including agency staff) and 9 vacancies (which are covered by agency staff).

However, the structure has never been fully implemented and a number of posts have been difficult to recruit to. As a result, the service has employed a number of planners on an agency basis in order to deliver its statutory and non-statutory functions and the commitments set out in the District Plan.

Given that the current structure has not been successfully implemented, it is under review in order to provide more resilience, create more opportunities to train and develop staff and better manage a range of complex and demanding planning issues. The review is anticipated to be completed over the next six months.

The current salary budget for 2020/2021 is £2,062,360

The forecast for agency staff in 2020/2021 is £460,000

The cost of agency staff for 2019/2020 was £426,285 and the cost of agency staff for 2018/2019 was £ 500,355

Initial work on the restructure indicates that there could be a possible saving of up to £30,000 from the salary budget (this also assumes that Planning will directly pay for Trainees and Apprenticeships in the future in line with the option to remove the central Apprenticeship Salary Budget). However, this needs to be worked through in greater detail as the proposals are developed. Further consideration needs to be given to the arrangements for the planning support team and delivering the proposals for Gilston which forms part of the Harlow and Gilston Garden Town. This will also include operational arrangements for planning enforcement.

Alongside the restructure, a number of operational improvements are being identified including an update to the pre application service and fees to better reflect actual costs and officer time, an update of the policy for planning enforcement and triage process, and review of planning performance agreements.

It will take time to put the new structure in place and fully recruit into the new posts, and therefore any savings may not be fully realised until 2021/2022.

In addition to this, the Planning White Paper on reforms to the planning system needs to be taken into consideration before any savings are agreed albeit that they are at an early stage and will be subject to change. The reforms which are out to consultation propose radical reform to streamline and modernise the planning process; improve outcomes on design and sustainability; reform developer contributions; and ensure more land is available for development where it is needed.

The Government has indicated in the White Paper that the cost of operating the new planning system should be principally funded by the beneficiaries of planning gain – landowners and developers – rather than the national or local taxpayer. Currently, the cost of development management activities by local planning authorities (LPA) is to a large extent covered by planning fees (although the current fee structure does mean that the cost of processing some applications can be significantly greater than their individual fee). However, the cost of preparing Local Plans is now largely funded from the LPAs own resources.

If a new approach to development contributions is implemented, it is being suggested in the White Paper that a proportion of the income should be earmarked to LPAs to cover their overall planning costs, including the preparation and review of Local Plans and design codes and enforcement activities.

This means that there will potentially be cost savings for the Council in the future but it is currently too early to say when these savings could be realised. Any savings will also need to take account of the requirement that reform is accompanied by a significant enhancement in digital and geospatial capability across the planning sector to support high quality new digital Local Plans and digitally enabled decision-making.

What do the public say?:

Planning is an open and transparent service which can attract a significant amount of public interest, and planning decisions can generate a number of complex complaints.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue		Up to 30*	Up to 30*	Up to 30*
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£2,333		£2,333

*Subject to further detail and costings on the restructuring proposals and implementation.

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> • Reduction in agency costs. • Responsive and customer focused structure. • Opportunity to improve internal processes and procedures. • Improvements to overall efficiency and communications. • More customer focused. • Continuation of statutory planning services. 	<ul style="list-style-type: none"> • Unable to recruit leading to continuation of agency costs and negative impact on the overall resilience of the service to effectively manage workloads, competing challenges and complex issues. • Less able to effectively support residents and communities in the planning process. • Could impact on meeting statutory requirements and targets.

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)

Sustainability	Economic Growth	Enabling Communities	Digital by Design
Continues to support sustainable development in line with the District Plan.	Continues to support the economic growth of the district.	Continues to engage with residents and communities in an open and transparent way.	Operational improvements to enhance the digital capacity of the service.

LEGAL IMPLICATIONS

1 Planning Service Microfiche Digitisation

Description of Service:

Digitisation of approximately 400,000 historic microfiche planning application files. The contract also includes an on demand retrieval service for any files that maybe required.

Description of Transformation/Efficiency Proposal:

The cost on a monthly basis is approximately £4,110. This includes a retrieval fee.

The budget for 2020/2021 is £40,800

The contract is due to end on the 31/03/2023 but all financial contributions cease on 31/03/2021. Once all the historic microfiche files have been digitalised, the archive service will no longer be needed moving forward. However, some internal IT resource will be required in order to link the digital files to IDOX.

All new planning application files are now digital.

What do the public say?:

Digital files can be made available on request if they are not on the Council's online planning application system.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000

	2020/21	2021/22	2022/23	2023/24
Revenue		£41	£41	£41
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£40,800		£40,800

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> Full digitisation of historic planning application files. 	

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Smaller environmental impact if we don't need actual storage and physical transfer/ transport of files	Limited impact	Limited impact – residents still able to access documents	Digital solution instead of manual storage

LEGAL IMPLICATIONS

1 Planning Advertising of Planning Applications

Description of Service:

PBC1

PL001 3310 Advertising and Publicity

There is a statutory requirement in the 2015 Town and Country Planning (Development Management Procedure) Order that certain planning applications need to be published in a newspaper rather than being less prescriptive. In accordance with this requirement, the Council advertises all planning applications for Listed Buildings, conservation areas and major developments in the local press.

Description of Transformation/Efficiency Proposal:

It is widely recognised that the requirements set out for advertising certain types of planning applications are outdated and in terms of how people access and consume information about their local area.

The current budget for advertising and publicity for 2020/2021 is £44,000.

The Hertfordshire Mercury charges £16.20 per cm/column and the Bishops Stortford Independent £6.00 per cm/column.

The actual spend for 2019/2020 was £39,336.00

Under the COVID Regulations, the Government has temporarily amended the planning regulations to say that Local Planning Authorities can use digital media to publicise applications that required wider public consultation rather than local press.

Whilst this is for a temporary period, there is a possibility that it may be continued and could be picked up as part of the wider reforms to the planning system.

The proposal is to stop advertising the smaller applications in the local press, and retain a small budget for advertising more controversial applications. This would generate a £30k saving.

Any cost savings are based on the Government continuing with this change to the regulations.

What do the public say?:

Planning is already an open and transparent service and all applications are listed and viewable on the Councils Website.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue		30*	30*	30*
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:

* Subject to permanent changes in legislation by the Government.

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> Planning applications are already listed and viewable on the website. This would allow greater use of the website and other social media challenges. 	<ul style="list-style-type: none"> Could be open to criticism from a small proportion of the public. Possible challenges to the planning process subject to adherence to the necessarily regulations.

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Limited impact	Reduced income to local newspapers who rely on this. However they shouldn't be over reliant on council advertising budgets	Potential opportunity to reach and inform a wider cross section of the community.	Enables greater use of the Council's website and social media challenges.

LEGAL IMPLICATIONS

Minimal - subject to appropriate changes to the regulations and compliance.

Corporate Priority:	Economic Growth
Portfolio Holder:	Jan Goodeve
LT Lead:	Sara Saunders

1 Planning Service

Description of Service:

PBC3 PL101 Development Management

The development management team are responsible for validating planning and determining considering planning applications, taking enforcement action where breaches of planning control have occurred, administering the appeals process and providing information and advice about the planning system in general. A pre application service is provided along with a duty planning officer service.

On an annual basis, the service deals with around 2,600 planning applications, 170 appeals, 50 major applications and over 400 enforcement cases. Case officers typically have around 40 planning applications on hand at any one time and on annual basis can deal with between 180 and 250 applications a year. Case officers also manage pre application advice.

The government set specific targets for meetings planning application deadlines with specific sanctions if they fail to be met on a consistent basis.

Description of Transformation/Efficiency Proposal:

The service charge fees for planning applications and other types of related applications with fees being set at a national level. Fees are also charged at a local level for pre application advice and other work related to the implementation of the District Plan such as site specific SPDs and masterplanning activity. The service also agrees a number of planning performance agreements

Alongside the restructure of the planning service, there needs to be an increased focus on cost recovery and income to better manage the relationship between the cost of the service and the charges. There is also scope to improve the efficiency of system and workflow. Operational improvements include:

- A update to the pre application service and fees to better reflect actual costs and officer time;
- A review of planning performance agreements;
- An update to the policy for planning enforcement and triage process;

What do the public say?:

Planning is an open and transparent service which can attract a significant amount of public interest, and planning decisions can generate a number of complex complaints.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2020/21	2021/22	2022/23	2023/24
Revenue	0	0	0	0
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£191	£1,587	£-1,396

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> Continuation of statutory development management service. 	<ul style="list-style-type: none"> Failure to meet statutory development management requirements and targets.

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Continues to support sustainable development in line with the District Plan.	Continued support for economic growth.	Continues to engage with residents and communities in an open and transparent way.	Operational improvements to enhance the digital capacity of the service.

LEGAL IMPLICATIONS

1 PL102 Planning Policy Service

Description of Service:

The Planning Policy team are responsible for preparing and monitoring the District Plan which guides development and sets out the spatial strategy for East Herts. It is fundamental to the development management process in order to deliver sustainable development.

The team supports the implementation of policy through the production of Supplementary Planning Documents (SPDs), updates to evidence, liaison with the Development Management team, and through advice to applicants and other interested parties. The service holds a substantial evidence base used to support both policy formulation and its implementation.

Support is also provided for neighbourhood planning across the district.

The Local Development Scheme sets out the project plan for preparing new planning policy documents, including production of SPDs and a timeline for reviewing the District Plan.

Description of Transformation/Efficiency Proposal:

Planning Policy expenditure currently includes:

- MHCLG grant money for Neighbourhood Plan activity. Four Neighbourhood Plan examinations are being funded this year.
- The Council's contribution towards SASIG (Strategic Aviation Special Interest Group). This is an annual subscription which has already been paid for 2020/2021.
- LDF Upkeep and Consultancy money for District Plan review work, including updating the Council's evidence base. It is a statutory requirement to ensure that plans are kept up-to-date, to ensure that they remain effective

No transformation/efficiency proposals are proposed for 2020/2021 as the budgets are already committed.

The Council's subscription to SASIG could be reviewed in 2021/2022. The current budget is £1,860.

The Planning White Paper suggests that there could potentially be cost savings relating to plan making in the future but it is currently too early to say when these savings could be realised. This will need to be reviewed as reforms to the planning system come forward in more detail and take effect.

Planning Policy income currently includes:

- £40,000 Neighbourhood Plan Grant from MHCLG

LPAs can now claim £20,000 from when they issue a decision statement detailing their intention to send the plan to referendum (as set out under Regulation 18 of the Neighbourhood Planning (General) Regulations 2012) rather than when a referendum date

has been set. Given that four plans are being examined this year, it is anticipated that an additional £40,000 of grant money could be claimed in 2020/2021.

What do the public say?:

Preparation of the District plan includes full public consultation at key stages.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2020/21	2021/22	2022/23	2023/24
Revenue	40	0	0	0
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
141	40,000	141

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	-

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> Income supporting each neighbourhood plan. 	<ul style="list-style-type: none"> None

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Continued support for sustainable development.	Continued support for economic growth	Facilitates community involvement in the plan making process	

LEGAL IMPLICATIONS

Under regulation 10A of The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) local planning authorities must review local plans, and Statements of

Community Involvement at least once every 5 years from their adoption date to ensure that policies remain relevant and effectively address the needs of the local community.

1 Planning Service Hertfordshire Building Control

Description of Service:

PBC6 PL103 Building Control

Hertfordshire Building Control is now the building control authority for Hertfordshire. It is a not for profit organisation, with all the profit returned to local authorities in Hertfordshire.

It fulfils the statutory building control service for East Herts and other authorities in Hertfordshire.

Description of Transformation/Efficiency Proposal:

Part of the premise of signing up to the Hertfordshire Building Control was to reduce the Council's overall costs of running a statutory building control service and overtime break even and return any profit to the Council's signed up.

The anticipated cost of delivery the building control service for East Herts in 2020 – 2021 is approximately, £44,300 as outlined in the table below:

Fixed Fees		Variable Fees			Total Fees
LA1 Fees	HBC Fees	non Dangerous Structure Investigations est 20/21	Disabled Fees forecast for 20/21	Audit Fees	Forecast for 20/21
£11,296	£24,000	£4,200	£4,767	£1,750	£44,263

The current budget for 2020/2021 is £22,440 and needs to be revised to reflect current costs at around £45k per year.

In 2019/2020 the authorities received a lump sum of £21,000 as a result of Dacorum joining HBC.

What do the public say?:

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	0	0	0	0
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£45		£45

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No.
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
<ul style="list-style-type: none"> Continuation of the statutory building control service. 	<ul style="list-style-type: none"> Failure to meet local authority building control requirements.

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)

Sustainability	Economic Growth	Enabling Communities	Digital by Design
Limited impact	Limited impact	Limited impact	Limited impact

LEGAL IMPLICATIONS

1 Planning Historic Buildings Grants and Heritage at Risk Grants

Corporate Priority:	Enabling Communities
Portfolio Holder:	Jan Goodeve
LT Lead:	Sara Saunders

Description of Service:

Capital code ZC065 X400 C00060

Section 57 of the Planning (Listed Buildings and Conservation Areas) Act 1990 allows councils to make grants available for the repair and maintenance of listed buildings or other buildings of interest (Locally Listed or buildings in conservation areas).

The Council currently has two heritage grants schemes.

1. **Historic Buildings Grants** - the Council may offer grants towards traditional repairs or for works that reinstate lost features on historic buildings.
2. **Heritage at Risk Grants** - these grants are for buildings or structures on the local Heritage at Risk Register to help repair or restore them so that they can come off the register.

The purpose of the two schemes is to encourage owners to keep their historic buildings in a suitable state of repair and attractive appearance. The Historic Buildings Grant scheme allows the Council to guide the specification of works, monitor and, where necessary, intervene to ensure that any works to a listed building are carried out to an appropriate standard. The Heritage at Risk Grant seeks to save buildings or structures on the Heritage at Risk Register from total loss.

Three grants have so far been awarded in 2020/21.

The Council currently employs a consultant to manage the grant applications.

Description of Transformation/Efficiency Proposal:

The proposal is to reduce the capital available under the grant schemes in 2021/2022, with complete cessation of both schemes in 2022/23.

The current budget for 2020/21 is £20,000 for both grant schemes. £9,560 has already been committed, with a number of other applications already granted in 2019/20 and 2020/21 and not yet claimed. No savings are therefore proposed for the current year.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

These schemes are well-received by the community. However, they are a function which is carried out at the Council's discretion and other funding streams are available which achieve similar objectives, e.g. the National Lottery Heritage Fund distributes National Lottery grants which fund projects that sustain and transform the UK's heritage. Historic England also offer

various grant schemes, including repair grants towards the repair and conservation of listed buildings.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue				
Capital		10	20	20

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
0	0	0

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No.
What are the key issues raised in the EQIA?	-

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> Potential saving for the Council Other grants available (e.g. National Lottery Heritage Fund; Historic England grant schemes) 	<ul style="list-style-type: none"> Reduced ability to perform a pro-active role in the management of the Listed and historic buildings in the district Potential increased requirement to enforce against and rectify harm after it is committed

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Limited impact	Possible impact on listed buildings that are also businesses	The grant schemes encourage owners to keep their historic buildings in a suitable state of repair and attractive appearance. However, other grants potentially available which could achieve the same objectives.	Limited impact

LEGAL IMPLICATIONS

There is no requirement on the Council to make grants available for the repair and maintenance of listed buildings or other buildings of interest (Locally Listed or buildings in conservation areas).

1 Revenues & Benefits shared service
RB 001

Corporate Priority: Enabling communities

Portfolio Holder: Geoff Williamson

LT Lead: Su Tarran

Description of Service:

The Revenues & Benefit shared service, cover a range of functions including the administration and collection of Council Tax and Business rates, and the administration and award of Housing benefit, and Council Tax support.

Cost of staff are recharged between partners based on a number of factors but are ????

Description of Transformation/Efficiency Proposal:

Most of the following proposals will require redundancies, and one is achieved through retirement of the post holder in October 2020.

1. Overpayment Officer: - will require a redundancy. 1FTE scale 5 c£36,000 (EHC = 32%)
Reduce team by 1FTE post. **EHC saving = £11,520**

Level of debt raised has been reducing as less Housing Benefit claims are received. The team have made significant improvement in processes and performance since being fully staffed, so this reduction will have a detrimental impact on performance.

Current debt level £4.4m (EHC £1.6m. SBC 2.8m)

Estimate new debt to be raised this year to be approximately £1.6m (£750k EHC, £850k SBC)

2. Admin support post – control team - will require a redundancy. 1FTE scale 3 c£29,000
EHC 49% saving £14,210

This is a single post within the control team and supports fraud referrals to SAFS and any other clerical duties in the team.

These tasks would need to be absorbed by the Control officers in the team.

3. Customer Support officer -- will require a redundancy. 1FTE scale 5 c£36,000, 52%
saving to EHC = £19,k

There are currently two supervisor 'officer roles' in the team, which supported working over two sites and dealing with front line enquiries. The customer support team deal with everything from direct debit recalls, customer enquiries, scanning and overflow work from the Council Tax or Benefits services. Increased remote working and the movement of face to face contact to customer services could enable a reduction in this role.

4. Outside officers – 0.66 FTE scale 5 c£21,000 63% **saving to EHC = £13,230**

The team monitors and carryout inspections of properties in the partnership area. This ensures that the taxbase is accurate and reliefs and exemptions are awarded on the correct circumstances. They also carry out specific requests from the Council Tax and Business rates team to investigate circumstances relating to occupation of premises etc.

One officer has given notice to retire in October 2020, and the work areas will be redistributed to enable this post to be deleted.

5. Reduction in training budget £2000 EHC = £1000. EHC = £1000

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

The main Council Tax, Business rates and Benefits services have a high profile but customers are less aware of the roles within the teams.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue	£11	£59	£59	£59
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£3,556,990	£1,873,360	£1,683,630

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Reduced salary costs	<ul style="list-style-type: none"> Slower recovery of income for the Council, other admin duties taking longer or not achieved reduction in taxbase intelligence or accuracy

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Less costs to the Council	Less costs to the Council	May impact on performance supporting customers most in need	Will need to drive more business to digital options to facilitate lost staff resources

LEGAL IMPLICATIONS

Redundancy costs

**1 Revenues & Benefits shared service
RB 002**

Corporate Priority:	Enabling communities
Portfolio Holder:	Geoff Williamson
LT Lead:	Su Tarran

Description of Service:

These are the retained costs & incomes which are not part of the Revenues & Benefit shared service

These include direct grant from Government and recovery costs (legal).

Description of Transformation/Efficiency Proposal:

1. Reduction in salary budget :
Only 'retained costs' salary post is in the technical team – providing system support for Planning and Housing on Uniform Idox

Budget is currently £106k, but only £37k needed for post – **saving £68k**

2. Reduction in RB002/3740 Court and Legal Costs – **Saving £15k**
Reduction in cost for each summons issued charged by courts.

What do the public say?:
Add in any relevant information about how the service performs or is received by the community.

Low public awareness.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED) £000				
	2020/21	2021/22	2022/23	2023/24
Revenue	£83k	£83k	£83k	£83k
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£158,160	£544,000	(£385,840)

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	

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KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Reduced salary costs Reduced Court and legal budget	<ul style="list-style-type: none"> • None • None

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Less cost to the Council	Less cost to the Council	Less Council Tax burden	No impact

LEGAL IMPLICATIONS
None

Corporate Priority:	All
Portfolio Holder:	CLr Geoffrey Williamson
LT Lead:	Steven Linnett

Description of Service:

Provision of core financial services to the council, include budget preparation and monitoring and preparing the annual accounts. The costs of the shared services for internal audit and anti-fraud are also charged here.

Description of Transformation/Efficiency Proposal:

The Finance function will be reviewed by the Head of Strategic Finance and Property within the next 6 months. He will also seek to maximise efficiencies from the new ledger system functionality.

The council is on a path of reducing the number of days purchased from the Shared Internal Audit Service (SIAS) and this could be continued. The cost of 320 days from SIAS in 2020/21 is £106,920. It is proposed to reduce this to 300 in 2021/22 and this should achieve a saving of approximately £6,000.

What do the public say?:
Add in any relevant information about how the service performs or is received by the community.

SIAS performs well and this is reflected in positive user surveys. The recommendations and reports provided are of a good standard. The public would not be aware of the work of SIAS.

The Audit & Governance Committee have expressed a view that the number of audit days should not go below 300.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2020/21	2021/22	2022/23	2023/24
Revenue	£6,000	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£851,170	£0	£851,170

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> Costs reduction will not impact on direct service provision 300 days is adequate to provide a sufficient and reliable internal audit service 	<ul style="list-style-type: none"> Increased risk of a lack of internal control, or a failure in internal control, being identified and rectified

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
No impact	Spending can be re-prioritised	No impact	Where service design changes internal audit should be used to advise on any changes in controls.

LEGAL IMPLICATIONS

The S151 Officer has to ensure that there is an adequate system of internal audit. This could be called into question if the number of days was to reduce significantly below 300.

SF002 Corporate Risk & Insurance

Corporate Priority:	All
Portfolio Holder:	CLr George Cutting Williamson
LT Lead:	Steven Linnett

Description of Service:

Provision of insurance cover to the council, including procurement and liaison with brokers and insurers. Also, provision of advice on risk management and maintenance of the corporate risk register.

Description of Transformation/Efficiency Proposal:

The Finance function will be reviewed by the Head of Strategic Finance and Property within the next 6 months. The insurance cover will be subject to a procurement exercise this financial year.

What do the public say?:
Add in any relevant information about how the service performs or is received by the community.

Not popular with the public as main contact with the public is repudiating claims against the council. However, this is from a relatively small number of residents.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£68,540	£0	£68,540

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

The officers have to reply to claims within set timescales to meet legal and contractual requirements.

SF003 Procurement

Corporate Priority:	All
Portfolio Holder:	Clr Geoffrey Williamson
LT Lead:	Steven Linnett

Description of Service:

Provision of advice on procurement and maintenance of the procurement system and records.

Description of Transformation/Efficiency Proposal:

A procurement officer post was created with the intention of having our own resource and ending the support from Stevenage. A saving of approximately £5,000 could be achieved by deleting the procurement officer post and continuing with the support from Stevenage.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

Whilst the public enjoy the services that are procured, they are not aware of the procurement process.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£5,000	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£67,460	£0	£67,460

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
<ul style="list-style-type: none">• Costs reduction will not impact on direct service provision• Expert assistance remains readily available• Good example of partnership working	<ul style="list-style-type: none">• Lack of control as reliant on Stevenage

CORPORATE PRIORITIES ASSESSMENT

Sustainability	Economic Growth	Enabling Communities	Digital by Design
No impact	Spending can be re-prioritised	No impact	No impact

LEGAL IMPLICATIONS

Procurement is a complex area and any shortcomings will expose the council to a risk of challenge. The council has several large procurement projects coming forward so it is important to have expert advice.

SF004 Exchequer

Corporate Priority:	All
Portfolio Holder:	Clr Geoffrey Williamson
LT Lead:	Steven Linnett

Description of Service:

Ensuring that money entering and leaving the council is accounted for correctly.

Description of Transformation/Efficiency Proposal:

The Finance function will be reviewed by the Head of Strategic Finance and Property within the next 6 months. He will also seek to maximise efficiencies from the new ledger system functionality.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

The public would not be aware of the work of this service.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£71,670	£0	£71,670

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
• N/A	• N/A

CORPORATE PRIORITIES ASSESSMENT

Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

If the exchequer service was not functioning correctly the council would be likely to get into disputes with both debtors and suppliers.

SF005 Central Budgets

Corporate Priority:	All
Portfolio Holder:	Clr Geoffrey Williamson
LT Lead:	Steven Linnett

Description of Service:

Central budgets for stationery, photocopying, books & publications and subscriptions etc.

Description of Transformation/Efficiency Proposal:

Work has been done previously on reviewing and reducing publications and subscriptions. Some savings may be possible on stationery (£11,270) and photocopying (£18,820) if working from home continues. Should be possible to find combined savings across these central budgets of £5,000.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

The public would have little interest in these budgets.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£5	£5	£5	£5
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£157,080	£0	£157,080

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
<ul style="list-style-type: none">Costs reduction will not impact on direct service provision	<ul style="list-style-type: none">N/A

CORPORATE PRIORITIES ASSESSMENT

Sustainability	Economic Growth	Enabling Communities	Digital by Design
No impact	Spending can be re-prioritised	No impact	No impact

LEGAL IMPLICATIONS

None.

SF101 Other Expenses

Corporate Priority:	All
Portfolio Holder:	Cllr Geoffrey Williamson
LT Lead:	Steven Linnett

Description of Service:

This cost centre includes treasury management (£143,350), bank charges (£78,000) audit fees (£56,000) and the apprenticeship levy (£34,000). There are also amounts of £10,000 each for Chief Executive Initiatives and Leader Initiatives.

Description of Transformation/Efficiency Proposal:

The larger items are all provided on a contract basis and will be examined as part of the procurement review. There is scope to reduce banking and merchant acquiring charges through a rationalisation of the number of bank accounts and retendering the contracts.

It is worth noting that the external auditors have put in a claim for a much higher audit fee, this is common across local authorities and will be determined by PSAA in due course.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

The public would not be aware of these budgets.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£348,250	£304,000	£44,250

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed?	No
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(If yes, date to be added)	
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> • Costs reduction will not impact on direct service provision • Good example of leadership and setting the right tone 	<ul style="list-style-type: none"> • N/A

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
No impact	Spending can be re-prioritised	No impact	No impact

LEGAL IMPLICATIONS

None.

SP001 Property & Asset Management

Corporate Priority:	All
Portfolio Holder:	Clr Geoffrey Williamson
LT Lead:	Steven Linnett

Description of Service:

Provision of property and asset management services for council owned buildings, including preparing and monitoring maintenance plans and liaison with tenants.

Description of Transformation/Efficiency Proposal:

The Property function will be reviewed by the Head of Strategic Finance and Property within the next 6 months.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

Tenants have been grateful for the individual approach taken to re-negotiating payment terms and leases in response to the pandemic. This has also helped the council's position in arranging vacant possession of Charringtons to enable the Old River Lane development.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£462,820	£1,600	£461,220

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

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KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> The service should still be able to meet all health & safety requirements 	<ul style="list-style-type: none"> N/A

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
No impact	Spending can be re-prioritised	No impact	No impact

LEGAL IMPLICATIONS

As stated above, all health & safety requirements could continue to be met. It is unlikely that there would be any significant delay in agreeing new or renewed leases.

SP002 Facilities Management

Corporate Priority:	All
Portfolio Holder:	Clr Geoffrey Williamson
LT Lead:	Steven Linnett

Description of Service:

Provision of facilities management and post services for council buildings.

Description of Transformation/Efficiency Proposal:

The Property function will be reviewed by the Head of Strategic Finance and Property within the next 6 months. An early decision on the future of Charringtons and what, if any, presence is to be retained in Bishops Stortford is needed to assist the development of those proposals.

The staff numbers on the FM Helpdesk, the ending of the courier service and closing the post room will be pursued as a matter of priority.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

There has not been a significant adverse reaction to the council offices being closed to the public.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£33*	£33*	£33*
Capital	£0	£0	£0	£0

- Minimum savings target, but likely to be higher

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£187,210	£0	£187,210

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
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What are the key issues raised in the EQIA?	N/A
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KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> Saving has limited impact on direct service provision 	<ul style="list-style-type: none"> Members may wish to retain a presence in Bishops Stortford

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Reduce carbon footprint	Spending can be re-prioritised	Will require residents to travel to Hertford if unable to resolve their query remotely.	Will encourage residents on the east of the district to use digital services

LEGAL IMPLICATIONS

There is no legal requirement for the council to have an office in Bishops Stortford.

SP003 Wallfields

Corporate Priority:	All
Portfolio Holder:	Clr Geoffrey Williamson
LT Lead:	Steven Linnett

Description of Service:

Budgets for Wallfields including non-domestic rates, utilities and maintenance and caretaking for both sites.

Description of Transformation/Efficiency Proposal:

The Property function will be reviewed by the Head of Strategic Finance and Property within the next 6 months.

The Citizens Advice Bureau is likely to close their office in the short term but this does provide additional space to move staff into and decommission the Charrington site.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

There has not been a significant adverse reaction to the council offices being closed to the public.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£488,320	£18,000	£470,320

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL

POSITIVE	NEGATIVE
<ul style="list-style-type: none">• Saving has limited impact on direct service provision	<ul style="list-style-type: none">• Members may wish to retain a presence in Bishops Stortford

CORPORATE PRIORITIES ASSESSMENT

Sustainability	Economic Growth	Enabling Communities	Digital by Design
Reduce carbon footprint	Spending can be re-prioritised	Will require residents to travel to Hertford if unable to resolve their query remotely.	Will encourage residents on the east of the district to use digital services

LEGAL IMPLICATIONS

There is no legal requirement for the council to have an office in Bishops Stortford.

SP004 Charringtons

Corporate Priority:	Enter text here
Portfolio Holder:	Clr Geoffrey Williamson
LT Lead:	Bob Palmer

Description of Service:

Budgets for Charringtons including non-domestic rates, utilities and maintenance.

Description of Transformation/Efficiency Proposal:

The Property function will be reviewed by the Head of Strategic Finance and Property within the next 6 months.

It should be noted that City Heart have requested vacant possession from the start of June 2021 of Charringtons and the saving arises from the transfer of the building.

The closure will influence the cost reductions at Wallfields.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

There has not been a significant adverse reaction from the public to Charringtons being closed. Having a presence in Bishops Stortford may prove to be more of an issue for Members than the public.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	-£100	-£133	-£133
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£132,790	£0	£132,790

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> Saving has limited impact on direct service provision 	<ul style="list-style-type: none"> Members may wish to retain a presence in Bishops Stortford

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Reduce carbon footprint	Spending can be re-prioritised	Will require residents to travel to Hertford if unable to resolve their query remotely.	Will encourage residents on the east of the district to use digital services

LEGAL IMPLICATIONS

There is no legal requirement for the council to have an office in Bishops Stortford.

SP005 Buntingford

Corporate Priority:	All
Portfolio Holder:	Clr Geoffrey Williamson
LT Lead:	Steven Linnett

Description of Service:

Budgets for Buntingford Depot including rent £210,000 and non-domestic rates £117,760.

Description of Transformation/Efficiency Proposal:

The depot is leased and essential to the waste service so there is no opportunity for any significant saving although we will seek to identify alternative cheaper sites or to seek a lease payment reduction.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

The public generally value the waste service but would not have any knowledge of the services based at Buntingford.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£417,890	£228,700	£189,190

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

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KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

N/A

SP006 Rent & Misc

Corporate Priority:	All
Portfolio Holder:	Clr Geoffrey Williamson
LT Lead:	Steven Linnett

Description of Service:

Includes rent for commercial and non-operational buildings and associated costs.

Description of Transformation/Efficiency Proposal:

The Property function will be reviewed by the Head of Strategic Finance and Property within the next 6 months.

Most properties are on leases not close to renewal and increases are largely fixed until the rent review period.

Approximately 80% of the £1.4 million of rental income is derived from four properties, Jackson Square shopping centre, Tesco at Ware, Co-op in Hertford and Waitrose car park.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

The public would not be aware of which buildings the council owns.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£185,940	£1,395,100	-£1,209,160

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
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What are the key issues raised in the EQIA?	N/A
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KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

N/A

SP007 Street Lighting

Corporate Priority:	All
Portfolio Holder:	Clr Geoffrey Williamson
LT Lead:	Steven Linnett

Description of Service:

Cost of electricity and maintenance for street lighting in car parks and areas the council is responsible for.

Description of Transformation/Efficiency Proposal:

The Property function will be reviewed by the Head of Strategic Finance and Property within the next 6 months.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

The public would be concerned by any reduction in street lighting.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£6,100	£0	£6,100

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

N/A

SP008 Land Drainage

Corporate Priority:	Sustainability
Portfolio Holder:	Clr Geoffrey Williamson
LT Lead:	Bob Palmer

Description of Service:

Repairs and maintenance for water courses and culverts.

Description of Transformation/Efficiency Proposal:

The Property function will be reviewed by the Head of Strategic Finance and Property within the next 6 months.

We will explore whether some of this work can be undertaken by community payback teams.

What do the public say?:

Add in any relevant information about how the service performs or is received by the community.

The public would be concerned by any potential flooding from a reduction in these activities.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)

	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£0	£0	£0
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)

Expenditure:	Income:	Net Budget:
£58,380	£50	£58,330

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL**POSITIVE**

- N/A

NEGATIVE

- N/A

CORPORATE PRIORITIES ASSESSMENT

Sustainability

Economic Growth

Enabling Communities

Digital by Design

LEGAL IMPLICATIONS

N/A

1 Shared Design Service

Corporate Priority:	Digital by Design
Portfolio Holder:	Geoff Williamson
LT Lead:	Helen Standen

Description of Service: Shared design service

Description of Transformation/Efficiency Proposal:

We have recently agreed to a shared design service with SBC which includes a charge of £39,800 which gives us access to 1.0 WTE of a graphic designer. We could stop buying into this service and retain a smaller budget with communications to manage production of content through external designers as and when needed as opposed to having a permanent resource available. We could retain £19k and make a saving of £20k.

Given the service is shared with SBC there will be some redundancy implications.

What do the public say?:

No data from the public.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£20	£20	£20
Capital	0	0	0	0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£39	£0	£39

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No – any restructure would require an EQIA to be undertaken however
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Revenue savings More flexibility with commissioning design work	Potential loss of local experience and knowledge should we no longer have an in

	house resource
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CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Limited impact	Supports a local business	Limited impact	Digital print solution in place

LEGAL IMPLICATIONS
None

1 Shared Design Service

Corporate Priority:	Digital by Design
Portfolio Holder:	Geoff Williamson
LT Lead:	Helen Standen

Description of Service: Shared design service

Description of Transformation/Efficiency Proposal:

We have recently agreed to a shared design service with SBC which includes a charge of £38,498 which gives us access to 1.0 WTE of a graphic designer. We could stop buying into this service and retain a smaller budget with communications to manage production of content through external designers as and when needed as opposed to having a permanent resource available. We could retain £18k and make a saving of £20k.

Given the service is shared with SBC there will be some redundancy implications.

What do the public say?:

No data from the public.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2020/21	2021/22	2022/23	2023/24
Revenue	£0	£20	£20	£20
Capital	0	0	0	0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:
£38	£0	£38

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No – any restructure would require an EQIA to be undertaken however
What are the key issues raised in the EQIA?	N/A

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
Revenue savings More flexibility with commissioning design work	Potential loss of local experience and knowledge should we no longer have an in

	house resource
--	----------------

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Limited impact	Supports a local business	Limited impact	Digital print solution in place

LEGAL IMPLICATIONS
None

**1 Planning Service
Large Printer**

Corporate Priority:	Digital by Design
Portfolio Holder:	Jan Goodeve
LT Lead:	Sara Saunders

Description of Service:

Large Format (A1 and A2) printer which is used for printing architect drawings.

Description of Transformation/Efficiency Proposal:

Since moving to a paperless environment which now includes digital planning application files there has been little need for a large format printer and it is now surplus to requirements.

The current cost per year totals around £6,500 and includes:

£2335 Consumables

£1580 Service

£2530 Lease

The printer is six years old and the lease was renewed by IT last year for three years.

This would to be replaced with a large format scanner. However, one is still available and can be installed again.

What do the public say?:

N/A this is an internal service only.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2020/21	2021/22	2022/23	2023/24
Revenue		7	7	7
Capital				

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	Income:	Net Budget:

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	NEGATIVE
<ul style="list-style-type: none"> • Less time spent printing and folding large plans. • Promoting digital working. 	<ul style="list-style-type: none"> • Possible claw back from the renewed 3 year lease that was signed in 2019.

CORPORATE PRIORITIES ASSESSMENT (please colour code RAG)			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Reduced paper			Full digital working

LEGAL IMPLICATIONS

Termination of the lease early is being clarified with IT.

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Appendix B

Description	Cost Centre	2021/22		2022/23		2023/24	
		Proposed	Include	Proposed	Include	Proposed	Include

Savings proposals that could be taken forward

<u>Operations</u>							
Garden Waste charging	OPS12	(703)	(703)	(735)	(735)	(735)	(735)
Car Parking proposals EXcluding Blue Badge	OPS20-26			(484)	(444)	(551)	(511)
Leisure centres	OPS11	100	100	100	100	(404)	(404)
Litter and dog waste bins - combine	OPS6	(19)	(19)	(19)	(19)	(19)	(19)
Hertford Theatre	OPS27-29	34	34	88	88	(400)	(400)
Parks and Open Spaces - catering concessions	OPS6	(8)	(8)	(15)	(15)	(20)	(20)
Environmental Inspection	EN001	31	31	(0)		(0)	
<u>Chief Executive</u>							
Senior Management restructure	CED1	(30)		(65)	(30)	(65)	(65)
Corporate Support Team review	CED2	(5)		(10)	(5)	(10)	(10)
<u>Communications, Strategy & Policy</u>							
Communications - Option 1 reduce communications activity	CM002	(30)	(30)	(30)	(30)	(30)	(30)
Digital Receptions - Delete vacant posts and remove payment kiosks.	CS001	(50)	(50)	(63)	(63)	(63)	(63)
App Dev Subscriptions - Cease payments CZA and BBfA subs included only	ED101	(5)	(5)	(20)	(20)	(20)	(20)

Description	Cost Centre	2021/22		2022/23		2023/24	
		Proposed	Include	Proposed	Include	Proposed	Include
Staffing restructure. Part of ongoing review.	PL001	(30)	(15)	(30)	(30)	(30)	(30)
Building Control - Cost pressure due to incorrect budget set after dividend for Dacorum joining the company	PBC2	23	23	23	23	23	23
Revenues and Benefits							
Revenues and Benefits retained costs - various budget adjustments	RB002	(83)	(83)	(83)	(83)	(83)	(83)
Staffing changes. 1 retirement 2020. Other savings deferred by 1 year.	RB001	(59)	(13)	(59)	(59)	(59)	(59)
Shared ICT Service							
Shared ICT Service - End Print service	SS001	(100)	(100)	(100)	(100)	(100)	(100)
Facilities Management - Post Room and Courier service changes.	SP002	(33)		(33)	(33)	(33)	(33)
Finance - various initiatives. To be reviewed by the new Head of Strategic Finance & Property after 6 months.	SF001 - 6		(50)		(50)		(50)
Total		(1,344)	(1,129)	(1,989)	(1,797)	(3,092)	(2,983)
Target			(1,102)		(2,003)		(3,963)
			(27)		206		980

Savings proposals that could be taken forward, subject to further information

Description	Cost Centre	2021/22		2022/23		2023/24	
		Proposed	Include	Proposed	Include	Proposed	Include
<u>Operations</u>							
Public conveniences - Buntingford and end Community Toilet Scheme	OPS13	(18)	(18)	(18)	(18)	(18)	(18)
<u>Communications, Strategy & Policy</u>							
Cease printing Link and make digital only.	CM002	(10)		(10)		(10)	
<u>Legal & Democratic</u>							
Democratic Services - IRP to be convened once every 4 years only	LDS2	(0)		(3)	(3)	(3)	(3)
<u>Shared ICT Service</u>							
Shared ICT Service - End design service	SS001	(20)	(20)	(20)	(20)	(20)	(20)
Shared ICT Service - remove large format printer	SS001	(6)	(6)	(6)	(6)	(6)	(6)
Total		(54)	(44)	(57)	(47)	(57)	(47)

Executive view is to defer any redundancy proposals for 1 year to seek to achieve savings through redeployment and staff turnover.

Savings proposals NOT to be taken forward

Description	Cost Centre	2021/22		2022/23		2023/24	
		Proposed	Include	Proposed	Include	Proposed	Include
<u>Operations</u>							
Remove litter and dog waste bins	OPS6	(70)		(95)		(95)	
Close 6 playgrounds	OPS8	(5)		(10)		(10)	
Business Support - training	OPS1	(6)		(6)		(6)	
Business Support -postage	OPS1	(3)		(3)		(3)	
Allotments fees	OPS7	(1)		(1)		(1)	
Markets	OP30	(0)		(0)		(0)	
<u>Communications, Strategy & Policy</u>							
Communications - Option 2 cease communications activity other than reactive to press or crisis	CM002	(90)		(90)		(90)	
Economic Development - Repurpose function to concentrate on Launchpad	ED001	(35)		(35)		(35)	
Policy - Cease Corporate Policy work.	CM001	(25)		(25)		(25)	
Launchpad	ED102	(0)		(0)		(0)	
Major Projects Team - No proposals as no major projects proposed to be halted	IN001	(0)		(0)		(0)	
Rural Development Programme Project ceased and no expenditure on this cost centre	RD101	(0)		(0)		(0)	
Economic Development - Only expenditure is payment towards Visit Herts	RED001	(0)		(0)		(0)	
<u>Housing & Health</u>							
Community Grants - Sports grants	CW103	(16)		(16)		(16)	
Community Grants - reduce	CW103	(11)		(11)		(11)	

Description	Cost Centre	2021/22		2022/23		2023/24	
		Proposed	Include	Proposed	Include	Proposed	Include
Air Quality - Reduce monitoring	EH104	(2)		(4)		(6)	
Public Health Burials	BU101	(0)		(0)		(0)	
Community Safety - PCSO saving of £44k previously approved	CW102	(0)		(0)		(0)	
Commnunity Grants to be consolidated Grants to parish councils to cease as they can raise finance via the precept.	CW103	(0)		(0)		(0)	
Housing	HG001	(0)		(0)		(0)	
Homelessness	HG103	(0)		(0)		(0)	
Hillcrest Hostel	HG104	(0)		(0)		(0)	
Licensing	LN001	(0)		(0)		(0)	
Premises and Gambling Licences - Fees and Charges review to be undertaken	LN101	(0)		(0)		(0)	
Taxi Licensing	RLN101	(0)		(0)		(0)	
Legal & Democratic							
Land Charges	LDS3	(0)		(0)		(0)	
Street Naming and Numbering	LDS5	(0)		(0)		(0)	
Civic Regalia - Sell spare chain	LDS2	(6)					
Planning							
Historic Building Grants		(10)		(20)		(20)	
Pre-App Planning Advice	PBC3	(0)		(0)		(0)	
Planning Policy - Grant funding for Neighbourhood Plan referenda	PBC4	(0)		(0)		(0)	

Description	Cost Centre	2021/22		2022/23		2023/24	
		Proposed	Include	Proposed	Include	Proposed	Include
Strategic Finance & Property							
Strategic Finance - Reduction in Shared Internal Audit Service Days	SF001	(6)		(6)		(6)	
Procurement - Delete post	SF003	(5)		(5)		(5)	
Bank charges	SF101	(0)		(0)		(0)	
Property & Asset Management	SP001	(0)		(0)		(0)	
Total		(291)		(327)		(329)	

Savings proposals removed pending further detailed work

Strategic Finance & Property						
Charringtons - EHC ofices transferred to City Heart from June 2021	SP004	(100)		(139)		(139)

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East Herts Council Report

Date of Meeting:

Executive – 24 November 2020

Report by: Councillor Geoff Williamson, Deputy Leader & Executive Member for Financial Sustainability

Report title: QUARTERLY CORPORATE BUDGET MONITOR – QUARTER 2 SEPTEMBER 2020

Ward(s) affected: ALL

Summary

- To provide a report on financial monitoring for East Herts Council for 2020/21 as at 30th September 2020.
- The net revenue budget for 2020/21 is £10.667m as set out in table 1, this is funded by Council Tax. The forecast outturn as at 30th September 2020 predicts an overspend of £168k at the year end.
- The revised capital budget for 2020/21 is £70.499m, of which £20.224m is estimated to be carried forward to future years.

RECOMMENDATIONS for EXECUTIVE:

- a. Welcome that the net revenue budget 2020/21 forecast overspend at the end of quarter 2 has been contained at £168k; and**
- b. Endorse the revised capital budget for 2020/21 of £70.499m, of which £20.224m is estimated to be carried forward to future years.**

1.0 Proposal(s)

1.1 Not applicable

2.0 Background

- 2.1 This report sets out the financial position for the financial year 2020/21 to date and provides forecasts for the outturn position.
- 2.2 The Council's revenue budget is made up of 5 areas; these are shown in table 1. The report that follows provides details of the forecast outturn position against these areas.
- 2.3 The 2020/21 Budget was set by Council on 29th January 2020. The Council's income and expenditure has been impacted by the Covid-19 pandemic, as previously reported to Executive. This report contains estimates of the Covid-19 income loss scheme funding from the government to support the loss of fees and charges income and also Local Authority support grant.
- 2.4 The income loss scheme will involve a 5% deductible rate, whereby councils will absorb losses up to 5% of their planned sales, fees and charges income, with the government compensating them for 75p in every pound of relevant loss thereafter.

Table 1 – 2020/21 Revenue Forecast Outturn

	Original Budget 2020/21 £'000	Forecast outturn £'000	Variance £'000
Total Net Cost of Services	15,511	17,392	1,881
Corporate Budgets Total	830	930	100
Capitalising Salaries	(150)	(50)	100
Net Use of Reserves	732	522	(210)
Funding	(6,256)	(7,959)	(1,703)
Net Revenue Spend	10,667	10,835	168
Funded by Council Tax	(10,667)	(10,667)	-
Overspend	-	168	168

2.5 The report contains the following sections and Appendices:

Background Report Sections	
2.6	Net Cost of Services
2.16	Corporate budgets
3.0	Reserves
4.0	Funding
5.0	Capital budgets
6.0	Debtors

Appendices	
A	Capital
B	Debtors

2.6 Net Cost of Services

2.7 The Councils net cost of services budget for 2020/21 is £15.511m. An overspend of £168k is forecast in 2020/21. Table 2 overleaf shows this current forecast outturn position broken down by service area.

Table 2 – Net Cost of Services

	Original Budget 2020/21	Forecast outturn	Grant funding	Revised outturn	Variance
	£'000	£'000	£'000	£'000	£'000
Chief Executive & Directors	383	390	-	390	7
Communications, Strategy & Policy	1,255	1,267	-	1,267	12
HR & Organisational Development	540	505	-	505	(35)
Strategic Finance & Property	1,628	1,974	-	1,974	346
Housing & Health	2,692	2,760	(76)	2,684	(8)
Democratic and Legal	1,269	1,315	-	1,315	46
Planning & Building Control	915	2,004	(390)	1,614	699
Operations	3,665	6,001	(1,680)	4,321	656
Shared Revenues & Benefits Service	1,683	1,719	-	1,719	36
Revenues & benefits retained costs	(386)	(447)	-	(447)	(61)
Housing Benefit Subsidy	(550)	(362)	-	(362)	188
Shared Business & Technology Services	2,417	2,411	-	2,411	(6)
Total Net Cost of Services	15,511	19,538	(2,146)	17,392	1,881

2.8 The use of reserves to fund Net Cost of Services expenditure is included in section 3.0.

2.9 HR & organisation development

A forecast underspend of £35k is reported. Most of this relates to an underspend on salary budgets due to having a lower number of apprentices than initially expected. Recruitment was delayed initially due to the pandemic's impact on apprenticeship courses and has been delayed further to allow potential savings to be considered

2.10 Strategic Finance & Property

A forecast shortfall in income of £346k is reported. As reported previously, this relates to:

- £50k reduced rental income from Charrington's House in relation to the current nationwide pandemic. £49k increase in service charge and business rates costs due to vacant space in building as site is to be redeveloped.
- £53k underachievement in expected income from Millstream, as the company have not been able to buy properties in line with the business plan due to the pandemic
- £200k underachievement of the financial sustainability saving target due to delays in acquisitions, again caused by the pandemic

2.11 Democratic and Legal

A forecast overspend of £46k is reported. £27k of this is related to an increase in court and legal costs and the remainder an overspend on salaries due to the continued use of agency workers.

2.12 Planning & Building Control

A forecast shortfall in income of £699k is reported against the service. This is due to the impact of Covid-19

in addition to a national downward trend of application fee income and changes to the planning system. This is net of anticipated grant income received to cover losses in fees and charges. Additionally there has been an increase of £161k in relation to appeals costs in relation to Little Hadham and other sensitive planning and enforcement cases. This also includes a number of judicial reviews against planning decisions that the Council has taken.

2.13 Operations

A forecast overspend of £656k is reported against the Operations service as a result of the continued impact of covid 19 on income streams, particularly car parking income. This is net of anticipated grant income received to cover losses in fees and charges. Not all income streams are eligible to receive government funding, for example kerbside dry recycling. In addition, a loss in Alternative Financial Model income of £340k relating to waste recycling is forecasted. An increase in waste collection and materials handling costs of £86k is also forecasted.

2.14 Shared revenue and benefits

A forecast overspend of £36k is reported against the Shared revenues and benefits service, this is due to The pay award being higher than initially budgeted for.

2.15 Revenues and benefits retained costs

The revenues and benefits retained costs budget is forecast to overachieve by £61k. This is primarily due to additional central government new burdens funding. Additionally income from Summons costs has been reduced due to lack of court dates in this financial year.

2.16 Corporate Budgets

Corporate budgets are costs and income received by the Council that are not service specific, these include income from the Council's investments, pension deficit contributions and New Homes Bonus grants to Town and Parish Councils. Table 3 shows the forecast outturn position against the corporate budgets.

Table 3 – Corporate budgets 2020/21 forecast outturn

	Original Budget 2020/21	Forecast outturn	Variance
	£'000	£'000	£'000
NHB Grants to Town & Parish Councils	708	708	-
Interest Payments	207	207	-
Interest & Investment Income	(800)	(700)	100
Pension Fund Deficit contribution	715	715	-
Corporate Budget Total	830	930	100

2.16.1 The interest and investment income budget forecasts an underachievement in income of £100k. This is an estimate based on the current Covid 19 impact on interest rates and property fund returns, which remain unchanged since quarter 1.

2.16.2 The Interest Equalisation Reserve has a balance of £1.785m as at 31st March 2020. This reserve will be utilised to smooth the impact of any under achievement of interest income. Table 4 includes use of this reserve to cover the £100k shortfall.

3.0 Reserves

3.1.1 The Council holds earmarked reserves to fund unpredictable financial pressures and to smooth the effect of known spending over time. Table 4 reflects the forecast outturn position as at 30th September 2020.

3.1.2 In previous years the use of reserves to fund Net Cost of Services expenditure has been shown in table 2. A different presentation is being used in 2020/21, to aid transparency, and the use of reserves to fund Net Cost of Services expenditure is now shown in table 4.

Table 4: Use of reserves 2020/21

	2020/21 Budget	2020/21 Forecast Outturn	Variance
	£'000	£'000	£'000
Contributions to reserves	42	42	-
Contributions from reserves	(817)	(1,027)	(210)
Use of General reserve	(96)	(96)	-
Contribution to Priority spend Reserve	1,603	1,603	-
Use of Reserves:	810	522	(210)

3.1.3 It is forecasted that there will be a contribution from reserves of £1.027m in 2020/21. This is made up of:

- £835k to fund items included in the Net Cost of Services such as Gilston Garden town project costs, expenditure on the IT shared service and the smoothing of the leisure contract costs, approved as part of the 2020/21 budget setting
- £100k use of the interest equalisation reserve to smooth the impact of anticipated shortfall in investment returns

4.0 Funding

These income budgets are general and non-service specific income sources. The table below shows the value and source of these funding streams as at 30th September 2020.

Table 5: 2020/21 funding

	Original Budget 2020/21	Forecast Funding 2020/21	Variance
Business Rates	(3,124)	(3,124)	-
(Surplus)/Deficit on collection fund	(300)	(300)	-
Government support grant	-	(1,703)	(1,703)
New Homes Bonus	(2,832)	(2,832)	-
Total Funding	(6,256)	(7,959)	(1,703)

4.1.1 The impact on collection rates for both Council Tax and Business Rates as a result of covid-19 is being

closely monitored by officers. A contribution to the Collection fund reserve of £2.554m was made in 2019/20. This can be utilised in this and future years to mitigate the impact of reduced collection in year.

4.1.2 As mentioned in the quarter 1 budget monitoring report, the Council received £1.703m grant from central government, as Local Authority support grant to enable us to manage increased expenditure as a result of covid-19.

5.0 Capital Programme

5.1.1 The revised capital budget for 2020/21 is £70.499m, this includes £30.898m carried forward from 2019/20.

5.1.2 A review of the capital programme has been undertaken, with many budgets re-profiled due to covid-19 restrictions and delays. This has resulted in £20.224m of the 2020/21 budget, now forecast to be carried forward to future years. Appendix A provides an analysis of the projects and their budgets.

6.0 Debtors

6.1.1 The total outstanding debt as at 30th September 2020 is £2.195m, which has increased by £417k since Q1. Since writing this report, invoices totalling £1.07m have subsequently been paid.

6.1.2 The outstanding debt over 120 days totals £1.242m.

Due to the current nationwide pandemic there has been an increase in aged debt. However officers have been proactively working by agreeing payment plans/deferrals with debtors in order to pursue the

debt.

Appendix B analyses the profile of aged debtors

7.0 Reason(s)

7.1 As part of its budget monitoring process, the Council is required to produce budget monitoring reports in order to provide effective financial and performance management.

8.0 Options

8.1 Not applicable

9.0 Risks

9.1 Not applicable

10.0 Implications/Consultations

Consultation was undertaken with budget managers/finance contacts to assist in writing this report.

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

All financial implications are included in this report.

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

All statutory requirements have been considered in preparing this report

Specific Wards

No

11.0 Background papers, appendices and other relevant material

Appendix A: Capital

Appendix B: Debtors

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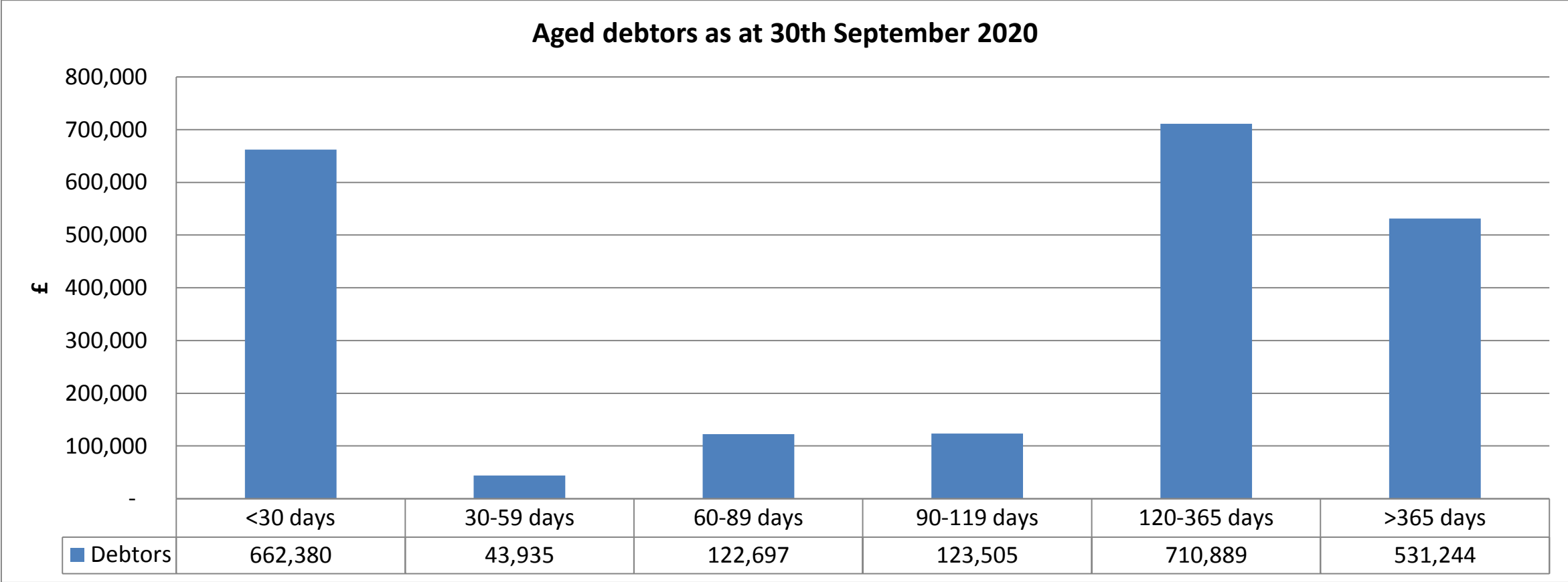
nasir.miah@eastherts.gov.uk

Capital Forecast Outturn Quarter 1 September 2020
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	Revised Budget 2020/21 £'000	Forecast Outturn 2020/21 £'000	Variance 2020/21 £'000
Strategic Finance & Property			
Investment in operational assets	274	274	0
Car Park Resurfing	155	10	(145)
LED Lighting Upgrades	290	195	(95)
Solar Panels - Wallfields	45	0	(45)
Improve & renew structures along rivers and watercourses	82	82	0
Land Management Asset Register & Associated Works	50	50	0
Arts Centre - ORL	250	250	0
Northgate End	19,033	17,000	(2,033)
Financial Sustainability	6,120	4,000	(2,120)
Repayment of Loan	6,000	6,000	0
Hostel	1,825	1,825	0
Major Capital Project Contingency	2,500	0	(2,500)
Shared Business & Technology Services			
Rolling programme to be utilised on ICT projects subject to ITSG review	1,164	800	(364)
Operations			
Grange Paddocks Leisure Centre	15,612	12,759	(2,853)
Bridge Works	250	250	0
Hartham Leisure Centre	9,185	900	(8,285)
Hartham pool filtration works	420	0	(420)
Ward Freman Leisure Centre	881	881	0
Hertford Theatre	1,066	1,066	0
Hertford & Beyond	8	8	0

Replacement play equipment across the district (in response to the Condition Audit to be reviewed in 2018/19)	23	23	0
Play Area and other projects, Hartham Common, Hertford	375	375	0
Castle Park - HLF	1,509	200	(1,309)
Trinity Close - Open Space Project	127	127	0
Buntingford Depot site works for Residual Waste	208	208	0
Heat Detection Unit at Buntingford Depot	305	305	0
Housing & Health			
Decent Home Grants	120	120	0
Future Housing Schemes	5	0	(5)
Colebrook Court (Network Housing)	33	33	0
Energy Grants	20	20	0
Community Capital Grants	155	155	0
Planning & Building Control			
Historic Building Grants -	20	20	0
Communications, Strategy & Policy			
Launch Pad 2	202	102	(100)
Millstream Property Company			
Capital Loan (10 x properties per annum)	2,185	2,185	0
Current Capital Programme Budget Total	70,497	50,223	(20,274)

The following graph shows the age of the £2.195m of debts outstanding as at 30th September 2020



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East Herts Council Report

Date: 25 November 2020

Report by: Councillor Geoffrey Williamson, Deputy Leader & Executive Member for Financial Sustainability

Report title: Annual Treasury Management Review 2019/20

Ward(s) affected: None

Summary

The report reviews the Council's treasury management activities for 2019/20, including the prudential indicators and identifies the associated impact on the 2020/21 treasury management strategy.

RECOMMENDATION for EXECUTIVE:

(a) That Executive recommend to Council the approval of the Annual Treasury Management Review 2019/20.

1.0 Proposal(s)

1.1 That Members scrutinise and comment on the Treasury Management Activity and Prudential Indicators for 2019/20.

2.0 Background

2.1 Treasury management is defined as: 'The management of the Council's investments and cash flows, its banking arrangements, money market and capital transactions; the effective control of the risks associated with these activities; and the pursuit of optimum returns consistent with the Council's risk management policy for treasury management.'

2.2 This activity is supported by the council's appointed independent advisors – Link Asset Services.

2.3 This report has been written in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury

Management (revised 2017).

- 2.4 This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

3.0 Reason(s)

- 3.1 This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2019/20.

4.0 Options

- 4.1 Members can suggest amendments or additions to the Annual Treasury Management Review 2019/20.

5.0 Risks

- 5.1 Risk management is embedded in treasury management operations through the adoption of the CIPFA Treasury Management Code. Credit ratings, other market intelligence and counterparty limits assist to assess and mitigate risk.

6.0 Implications/Consultations

- 6.1 No.

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

Yes.

The costs of treasury operations, debt management expenses and investment income are included in the 2019/20 Budget Outturn.

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

The Local Government Act 2003 and supporting regulations requires the Council to 'have regard to' the CIPFA Prudential Code for Capital Finance in Local Authorities 2017 Edition and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. The Council also has to 'have regard' to the MHCLG's Guidance on Local Government Investments 3rd Edition effective for financial periods commencing on or after 1st April 2018, and to CIPFA's Treasury Management in the Public Services: Code of Practice 2017 Edition and Guidance Notes for Local Authorities 2018 Edition.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

- 7.1 The Local Government Act 2003 -
<https://www.legislation.gov.uk/ukpga/2003/26/contents>

- 7.2 CIPFA Prudential Code for Capital Finance in Local Authorities 2017 Edition
- 7.3 CIPFA's Treasury Management in the Public Services: Code of Practice 2017 Edition
- 7.4 Appendix A – Annual Treasury Management Review 2019-20

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East Herts District
Council Annual
Treasury
Management
Review 2019/20

Outturn Report 2019/20

ABBREVIATIONS USED IN THIS REPORT

ALMO: an Arm's Length Management Organisation is a not-for-profit company that provides housing services on behalf of a local authority. Usually an ALMO is set up by the authority to manage and improve all or part of its housing stock.

LAS: Link Asset Services, Treasury solutions – the council's treasury management advisers.

CE: Capital Economics - is the economics consultancy that provides Link Asset Services, Treasury solutions, with independent economic forecasts, briefings and research.

CFR: capital financing requirement - the council's annual underlying borrowing need to finance capital expenditure and a measure of the council's total outstanding indebtedness.

CIPFA: Chartered Institute of Public Finance and Accountancy – the professional accounting body that oversees and sets standards in local authority finance and treasury management.

CPI: consumer price index – the official measure of inflation adopted as a common standard by countries in the EU. It is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care. It is calculated by taking price changes for each item in the predetermined basket of goods and averaging them.

ECB: European Central Bank - the central bank for the Eurozone

EU: European Union

EZ: Eurozone -those countries in the EU which use the euro as their currency

Fed: the Federal Reserve System, often referred to simply as "the Fed," is the central bank of the United States. It was created by the Congress to provide the nation with a stable monetary and financial system.

FOMC: the Federal Open Market Committee – this is the branch of the Federal Reserve Board which determines monetary policy in the USA by setting interest rates and determining quantitative easing policy. It is composed of 12 members--the seven members of the Board of Governors and five of the 12 Reserve Bank presidents.

GDP: gross domestic product – a measure of the growth and total size of the economy.

G7: the group of seven countries that form an informal bloc of industrialised democracies--the United States, Canada, France, Germany, Italy, Japan, and the United Kingdom--that meets annually to discuss issues such as global economic governance, international security, and energy policy.

Gilts: gilts are bonds issued by the UK Government to borrow money on the financial markets. Interest paid by the Government on gilts is called a coupon and is at a rate that is fixed for the duration until maturity of the gilt, (unless a gilt is index linked to inflation); while the coupon rate is fixed, the yields will change inversely to the price of gilts i.e. a rise in the price of a gilt will mean that its yield will fall.

HRA: housing revenue account.

IMF: International Monetary Fund - the lender of last resort for national governments which get into financial difficulties.

LIBID: the London Interbank Bid Rate is the rate bid by banks on deposits i.e., the rate at which a bank is willing to borrow from other banks. It is the "other end" of the LIBOR (an offered, hence "ask" rate, the rate at which a bank will lend).

MHCLG: the Ministry of Housing, Communities and Local Government -the Government department that directs local authorities in England.

MPC: the Monetary Policy Committee is a committee of the Bank of England, which meets for one and a half days, eight times a year, to determine monetary policy by setting the official interest rate in the United Kingdom, (the Bank of England Base Rate, commonly called Bank Rate), and by making decisions on quantitative easing.

MRP: minimum revenue provision -a statutory annual minimum revenue charge to reduce the total outstanding CFR, (the total indebtedness of a local authority).

PFI: Private Finance Initiative – capital expenditure financed by the private sector i.e. not by direct borrowing by a local authority.

PWLB: Public Works Loan Board – this is the part of H.M. Treasury which provides loans to local authorities to finance capital expenditure.

QE: quantitative easing – is an unconventional form of monetary policy where a central bank creates new money electronically to buy financial assets, such as government bonds, (but may also include corporate bonds). This process aims to stimulate economic growth through increased private sector spending in the economy and also aims to return inflation to target. These purchases increase the supply of liquidity to the economy; this policy is employed when lowering interest rates has failed to stimulate economic growth to an acceptable level and to lift inflation to target. Once QE has achieved its objectives of stimulating growth and inflation, QE will be reversed by selling the bonds the central bank had previously purchased, or by not replacing debt that it held which matures. The aim of this reversal is to ensure that inflation does not exceed its target once the economy recovers from a sustained period of depressed growth and inflation. Economic growth, and increases in inflation, may threaten to gather too much momentum if action is not taken to ‘cool’ the economy.

RPI: the Retail Price Index is a measure of inflation that measures the change in the cost of a representative sample of retail goods and services. It was the UK standard for measurement of inflation until the UK changed to using the EU standard measure of inflation – CPI. The main differences between RPI and CPI is in the way that housing costs are treated and that the former is an arithmetical mean whereas the latter is a geometric mean. RPI is often higher than CPI for these reasons.

TMSS: the annual treasury management strategy statement reports that all local authorities are required to submit for approval by the full council before the start of each financial year.

VRP: a voluntary revenue provision to repay debt, in the annual budget, which is additional to the annual MRP charge, (see above definition).

Annual Treasury Management Review 2019/20

1. Introduction

This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2019/20. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

During 2019/20 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 05/03/2019)
- a mid-year (minimum) treasury update report (Council 18/12/2019)
- an annual review following the end of the year describing the activity compared to the strategy (this report)

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is, therefore, 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 members.

This Council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Performance, Audit, Governance and Scrutiny Committee before they were reported to the full Council.

2. The Council's Capital Expenditure and Financing

The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

The actual capital expenditure forms one of the required prudential indicators. The table below shows the actual capital expenditure and how this was financed.

£m	2018/19 Actual	2019/20 Budget	2019/20 Actual
Capital expenditure	6.2	15.5	10.8
Financed in year	(6.2)	(10.4)	(6.3)
Unfinanced capital expenditure	-	5.1	4.5

3. The Council's Overall Borrowing Need

The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR).

Gross borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2019/20) plus the estimates of any additional capital financing requirement for the current (2020/21) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs in 2019/20. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

£m	31 March 2019 Actual	31 March 2020 Budget	31 March 2020 Actual
CFR General Fund (£m)	(23.1)	(12.7)	(18.5)
Gross borrowing position	7.5	7.5	7.5
Under/(over) funding of CFR	(7.5)	(7.5)	(7.5)

**Note, significant variation between 2020 Budget and Actual due to major project spend re-profiling.*

The authorised limit - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2019/20 the Council has maintained gross borrowing within its authorised limit.

The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached.

Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital, (borrowing and other long term obligation costs net of investment income), against the net revenue stream.

£m	2019/20
Authorised limit	£11.5m
Maximum gross borrowing position during the year	£7.5m
Operational boundary	£7.5m
Average gross borrowing position	£7.5m

4. Treasury Position as at 31 March 2020

At the beginning and the end of 2019/20 the Council's treasury, (excluding borrowing by finance leases), position was as follows:

DEBT PORTFOLIO	31 March 2019 Principal	Rate/ Return	Average Life yrs	31 March 2020 Principal	Rate/ Return	Average Life yrs
Fixed rate funding:						
-PWLB	£1.5m	8.875%	36	£1.5m	8.875%	35
-Market	£6.0m	8.785%	1	£6.0m	8.785%	
Variable rate funding:						
-PWLB	-			-		
-Market	-			-		
Total debt	£7.5m			£7.5m		
CFR	(£23.1m)			(£18.5m)		
(Over) / under borrowing	(£7.5m)			(£7.5m)		
Total investments	£60.7m			£58.2m		
Net debt	(£53.2m)			(£50.7m)		

The maturity structure of the debt portfolio was as follows:

	31 March 2019 actual	2019/20 original limits	31 March 2020 actual
Under 12 months	£0.00m	£0.00m	£6.00m
12 months and within 24 months	£6.00m	£6.00m	£0.00m
24 months and within 5 years	£0.00m	£0.00m	£0.00m
5 years and within 10 years	£0.00m	£0.00m	£0.00m
10 years and within 20 years	£0.00m	£0.00m	£0.00m
20 years and within 30 years	£0.00m	£0.00m	£0.00m
30 years and within 40 years	£1.50m	£1.50m	£1.50m
40 years and within 50 years	£0.00m	£0.00m	£0.00m

INVESTMENT PORTFOLIO	Actual 31.3.19 £000	Actual 31.3.19 %	Actual 31.3.20 £000	Actual 31.3.20 %
Treasury investments				
Banks	40.7	67%	31.7	55%
Building Societies - rated	-	-	-	-
Building Societies - unrated	-	-	-	-
Local authorities	-	-	6.5	11%
DMADF (H M Treasury)	-	-	-	-
Total managed in house	40.7	67%	38.2	66%
Property funds	20.0	33%	20.0	34%
Total managed externally	20.0	33%	20.0	34%
TOTAL TREASURY INVESTMENTS	60.7	100%	58.2	100%

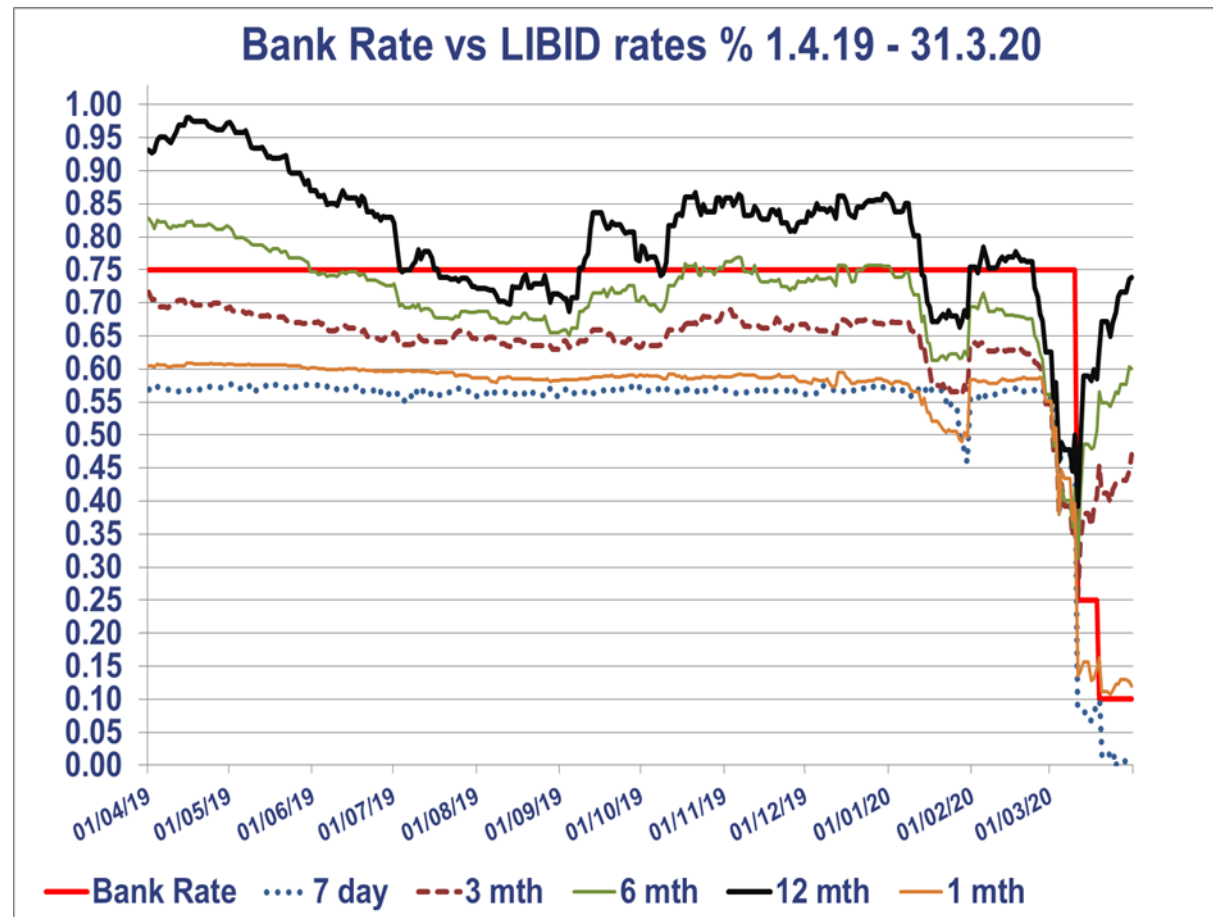
Non Treasury investments				
Wholly owned company (loan)	0.5	4%	1.4	8%
Wholly owned company (equity share)	0.3	2%	0.9	5%
Property	13.6	94%	15.5	87%
TOTAL NON TREASURY INVESTMENTS	14.4	100%	17.8	100%

Treasury investments	60.7	81%	58.2	77%
Non Treasury investments	14.4	19%	17.8	23%
TOTAL OF ALL INVESTMENTS	75.1	100%	76.0	100%

Setting aside property funds and Non Treasury investments, the maturity structure of the remaining investment portfolio was all under one year.

5. The strategy for 2019/20

5.1 Investment strategy and control of interest rate risk



Investment returns remained low during 2019/20. The expectation for interest rates within the treasury management strategy for 2019/20 was that Bank Rate would stay at 0.75% during 2019/20 as it was not expected that the MPC would be able to deliver on an increase in Bank Rate until the Brexit issue was finally settled. However, there was an expectation that Bank Rate would rise after that issue was settled, but would only rise to 1.0% during 2020.

Rising concerns over the possibility that the UK could leave the EU at the end of October 2019 caused longer term investment rates to be on a falling trend for most of April to September. They then rose after the end of October deadline was rejected by the Commons but fell back again in January before recovering again after the 31 January departure of the UK from the EU. When the coronavirus outbreak hit the UK in February/March, rates initially plunged

but then rose sharply back up again due to a shortage of liquidity in financial markets. As longer term rates were significantly higher than shorter term rates during the year, value was therefore sought by placing longer term investments where cash balances were sufficient to allow this.

While the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the financial crisis. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.

Investment balances have been kept to a minimum through the agreed strategy of using reserves and balances to support internal borrowing, rather than borrowing externally from the financial markets. External borrowing would have incurred an additional cost, due to the differential between borrowing and investment rates as illustrated in the charts shown above and below. Such an approach has also provided benefits in terms of reducing the counterparty risk exposure, by having fewer investments placed in the financial markets.

5.2 Borrowing strategy and control of interest rate risk

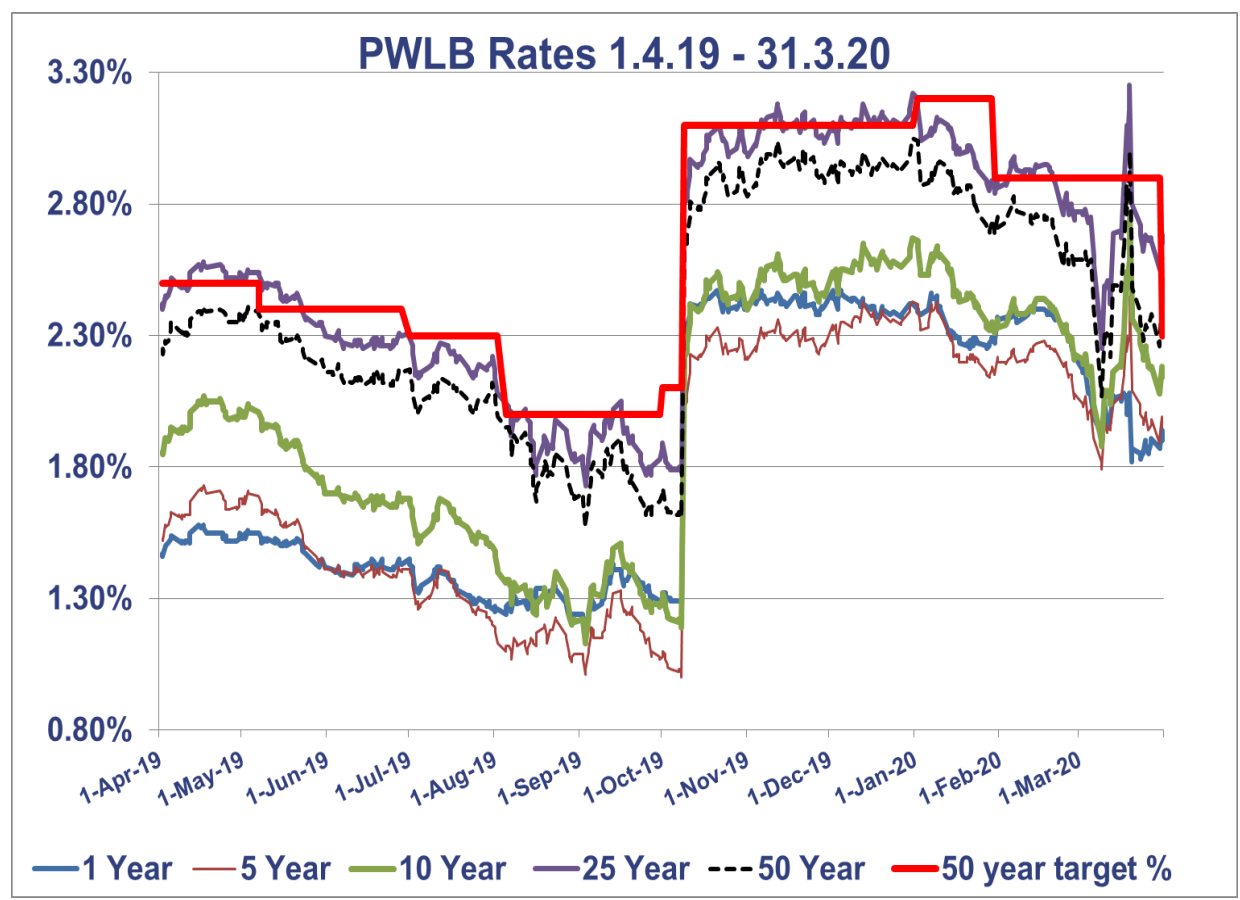
The Council's capital financing requirement (CFR) for as at 31st March 2020 was (£18.5m). The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. The Council has historic borrowings of £7.5m, of which £6m is maturing in May2020.

The Council is currently in a negative CFR position. This means that the capital borrowing need (the Capital Financing Requirement), has not been reached due to the level of the Council's reserves. Therefore no further borrowing was undertaken during this 2019/20.

The policy of running down spare cash balances, has served well over the last few years. However, this was kept under review to avoid incurring higher borrowing costs in the future when this authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.

Interest rate forecasts expected only gradual rises in medium and longer term fixed borrowing rates during 2019/20 and the two subsequent financial years. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period.

Link Asset Services Interest Rate View 31.1.20													
	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25	1.25	1.25	1.25
3 Month LIBID	0.70	0.70	0.80	0.80	0.90	1.00	1.00	1.10	1.20	1.30	1.30	1.30	1.30
6 Month LIBID	0.80	0.80	0.90	1.00	1.00	1.10	1.20	1.30	1.40	1.50	1.50	1.50	1.50
12 Month LIBID	0.90	0.90	1.00	1.10	1.20	1.30	1.40	1.50	1.60	1.70	1.70	1.70	1.70
5yr PWLB Rate	2.30	2.30	2.40	2.40	2.50	2.60	2.70	2.80	2.50	2.60	2.70	2.80	3.10
10yr PWLB Rate	2.50	2.50	2.60	2.60	2.70	2.80	2.90	3.00	2.70	2.80	2.90	3.00	3.30
25yr PWLB Rate	3.00	3.00	3.10	3.20	3.30	3.40	3.50	3.60	3.30	3.40	3.50	3.60	3.90
50yr PWLB Rate	2.90	2.90	3.00	3.10	3.20	3.30	3.40	3.50	3.20	3.30	3.40	3.50	3.80



PWLB rates are based on, and are determined by, gilt (UK Government bonds) yields through H.M.Treasury determining a specified margin to add to gilt yields. There was much speculation during the second half of 2019 that bond markets were in a bubble which was driving bond prices up and yields down to historically very low levels. The context for that was heightened expectations that the US could have been heading for a recession in 2020, and a general background of a downturn in world economic growth, especially due to fears around the impact of the trade war between the US and China, together with inflation generally at low levels in most countries and expected to remain subdued; these conditions were conducive to very low bond yields. While inflation targeting by the major central banks has been successful over the last 30 years in lowering inflation expectations, the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers: this means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. This has pulled down the overall level of interest rates and bond yields in financial markets over the last 30 years. We have therefore seen, over the last year, many bond yields up to 10 years in the Eurozone turn negative. In addition, there has, at times, been an inversion of bond yields in the US whereby 10 year yields have fallen below shorter term yields. In the past, this has been a precursor of a recession. The other side of this coin is that bond prices are elevated as investors would be expected to be moving out of riskier assets i.e. shares, in anticipation of a downturn in corporate earnings and so selling out of equities.

Gilt yields were on a generally falling trend during the last year up until the coronavirus crisis hit western economies. Since then, gilt yields have fallen sharply to unprecedented lows as investors have panicked in selling shares in anticipation of impending recessions in western economies, and moved cash into safe haven assets i.e. government bonds. However, major western central banks also started quantitative easing purchases of government bonds which will act to maintain downward pressure on government bond yields at a time when there is going to be a huge and quick expansion of government expenditure financed by issuing government bonds; (this would normally cause bond yields to rise). At the close of the day on 31 March, all gilt yields from 1 to 5 years were between 0.12 – 0.20% while even 25-year yields were at only 0.83%.

However, HM Treasury has imposed **two changes in the margins over gilt yields for PWLB rates** in 2019-20 without any prior warning; the first on 9 October 2019, added an additional 1% margin over gilts to all PWLB rates. That increase was then partially reversed for some forms of borrowing on 11 March 2020, at the same time as the Government announced in the Budget a

programme of increased spending on infrastructure expenditure. It also announced that there would be a consultation with local authorities on possibly further amending these margins; this ends on 4 June. It is clear that the Treasury intends to put a stop to local authorities borrowing money from the PWLB to purchase commercial property if the aim is solely to generate an income stream.

Following the changes on 11 March 2020 in margins over gilt yields, the current situation is as follows: -

- **PWLB Standard Rate** is gilt plus 200 basis points (G+200bps)
- **PWLB Certainty Rate** is gilt plus 180 basis points (G+180bps)
- **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)

There is likely to be little upward movement in PWLB rates over the next two years as it will take national economies a prolonged period to recover all the momentum they will lose in the sharp recession that will be caused during the coronavirus shut down period. Inflation is also likely to be very low during this period and could even turn negative in some major western economies during 2020-21.

Borrowing Outturn

Borrowing

No borrowing was undertaken during the year.

Borrowing in advance of need

The Council has not borrowed in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.

Rescheduling

No rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

Repayments

No repayments were made by the Council during the year.

6. Investment Outturn

Investment Policy – the Council’s investment policy is governed by MHCLG investment guidance, which has been implemented in the annual investment strategy approved by the Council on 5th March 2019. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data, (such as rating outlooks, credit default swaps, bank share prices etc.).

The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

Resources – the Council’s cash balances comprise revenue and capital resources and cash flow monies. The Council’s core cash resources comprised as follows:

Balance Sheet Resources (£m)	31 March 2019	31 March 2020
Working Capital & General Fund Balances	10.2	11.4
CFR	23.1	18.5
Over Borrowing	7.5	7.5
Earmarked reserves	12.0	12.6
Provisions	3.6	2.5
Collection Fund	0.5	1.0
Capital Grants	0.3	0.3
General Fund	3.8	3.8
Total	61.0	57.6

Investments held by the Council

- The Council maintained an average balance of **£44.1m** of internally managed funds.
- The internally managed funds earned an average rate of return of **0.84%**.
- This is above comparable performance indicators listed below:

7 day LIBID uncompounded	0.5338%
7 day LIBID compounded weekly	0.5445%

1 month uncompounded	0.5569%
1 month uncompounded	0.5895%
3 month uncompounded	0.6339%
3 month compounded quarterly	0.6667%
7 day LIBID uncompounded	0.7046%
7 day LIBID compounded weekly	0.7705%

- Total investment income was **£1.239m** compared to a budget of **£0.990m**

Investments held by fund managers – Property Funds

The Council approved the use of property funds up to a value of £20m, at the time of investment. Working with our advisors Link Asset Services, two funds were chosen, Lothbury Property Trust and Hermes Property Unit Trust. Both funds had waiting lists to invest. The invitation to invest in the Lothbury fund arose in June 2015 and the Hermes fund in December 2015. The performances of these funds for 2019/20 are detailed below:

Fund Manager	Investments Held	Return
Lothbury Property Trust	£10.0m	3.37%
Hermes Property Unit Trust	£10.0m	3.44%
Total	£20.0m	3.40%

7. Other Issues

1. IFRS 9 fair value of investments

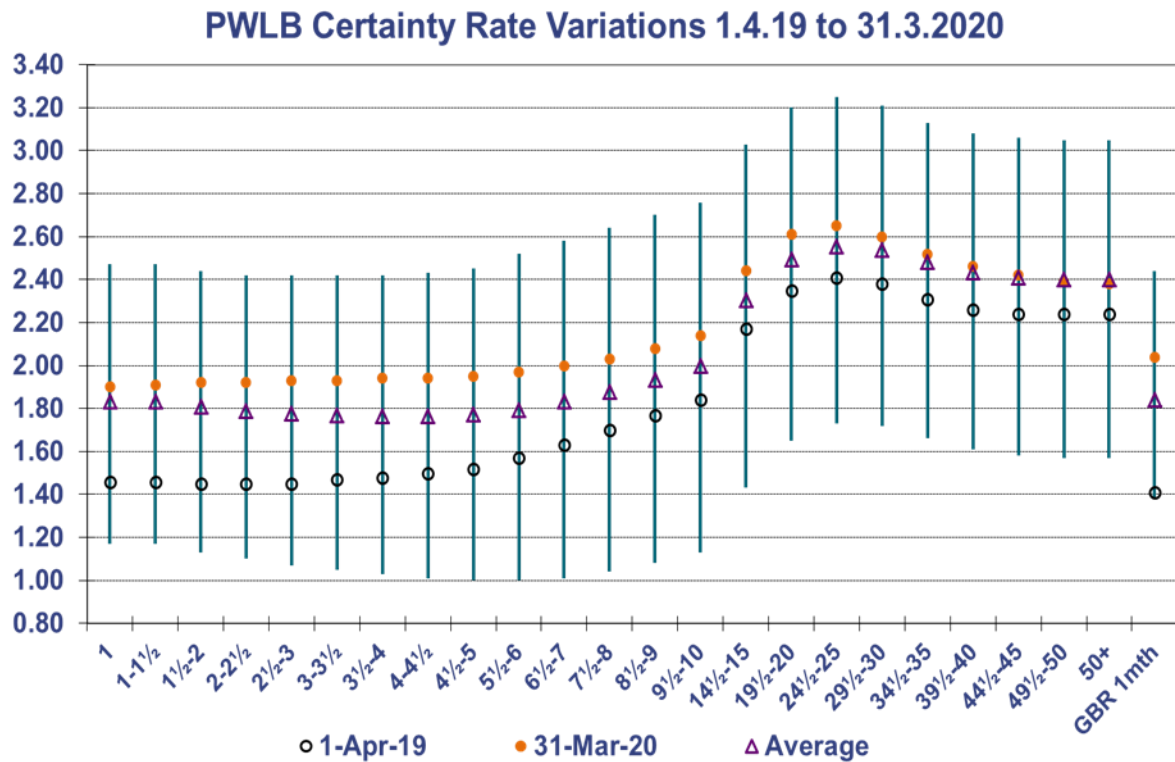
Following the consultation undertaken by the Ministry of Housing, Communities and Local Government, [MHCLG], on IFRS 9 the Government has introduced a mandatory statutory override for local authorities to reverse out all unrealised fair value movements resulting from pooled investment funds. This will be effective from 1 April 2018 for 2018/19. The statutory override applies for five years from this date. Local authorities are required to disclose the net impact of the unrealised fair value movements in a separate unusable reserve throughout the duration of the override in order for the Government to keep the override under review and to maintain a form of transparency.

2. IFRS 16

IFRS16 bringing currently off balance sheet leased assets onto the balance sheet, has been delayed for one year from 2019/20 due to Covid-19.

Appendix 1: Graphs

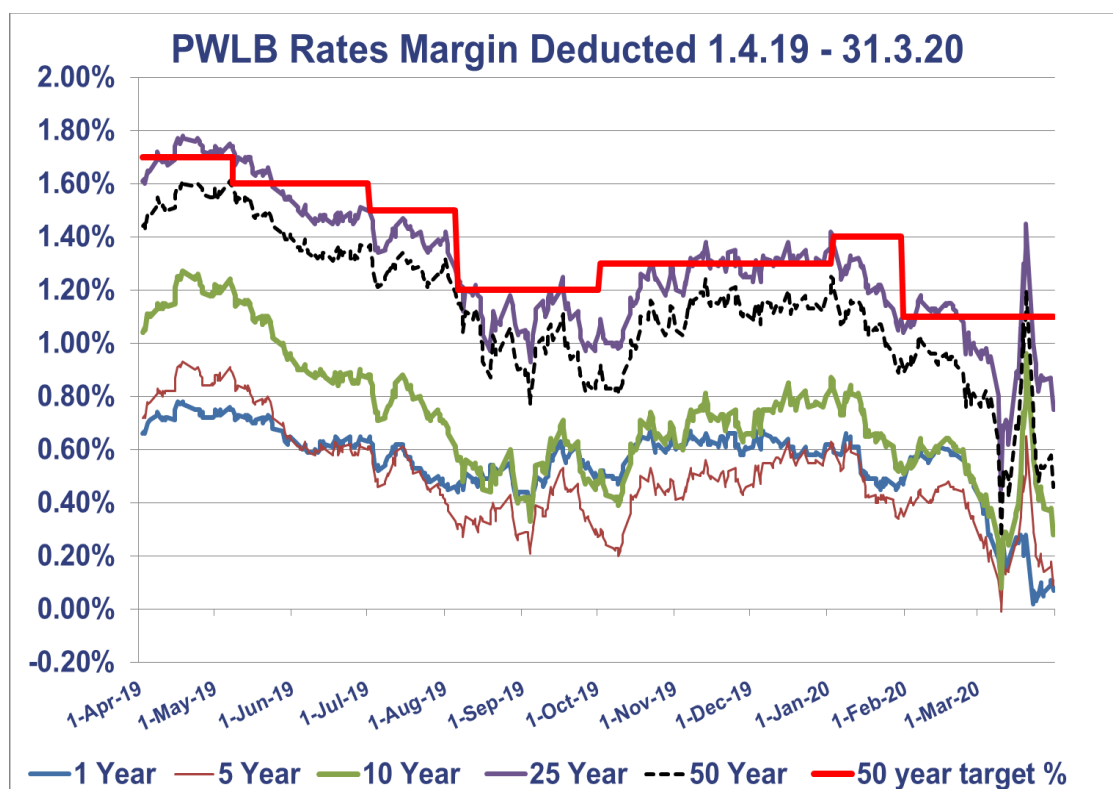
a) PWLB borrowing rates



	1 Year	5 Year	10 Year	25 Year	50 Year
01/04/2019	1.46%	1.52%	1.84%	2.41%	2.24%
31/03/2020	1.90%	1.95%	2.14%	2.65%	2.39%
Low	1.17%	1.00%	1.13%	1.73%	1.57%
Date	03/09/2019	08/10/2019	03/09/2019	03/09/2019	03/09/2019
High	2.47%	2.45%	2.76%	3.25%	3.05%
Date	21/10/2019	19/03/2020	19/03/2020	19/03/2020	31/12/2019
Average	1.83%	1.77%	2.00%	2.56%	2.40%

b) Gilt yields

The graphs and tables in paragraph 4.2 are for PWLB certainty rates. On 9.10.19, the margin over gilt yields for PWLB certainty rates was increased from 80 bps to 180 bps. The graph below shows PWLB rates less the margins added over gilt yields. This graph therefore shows more clearly the **actual movements in gilt yields** during the year on which PWLB rates are based.

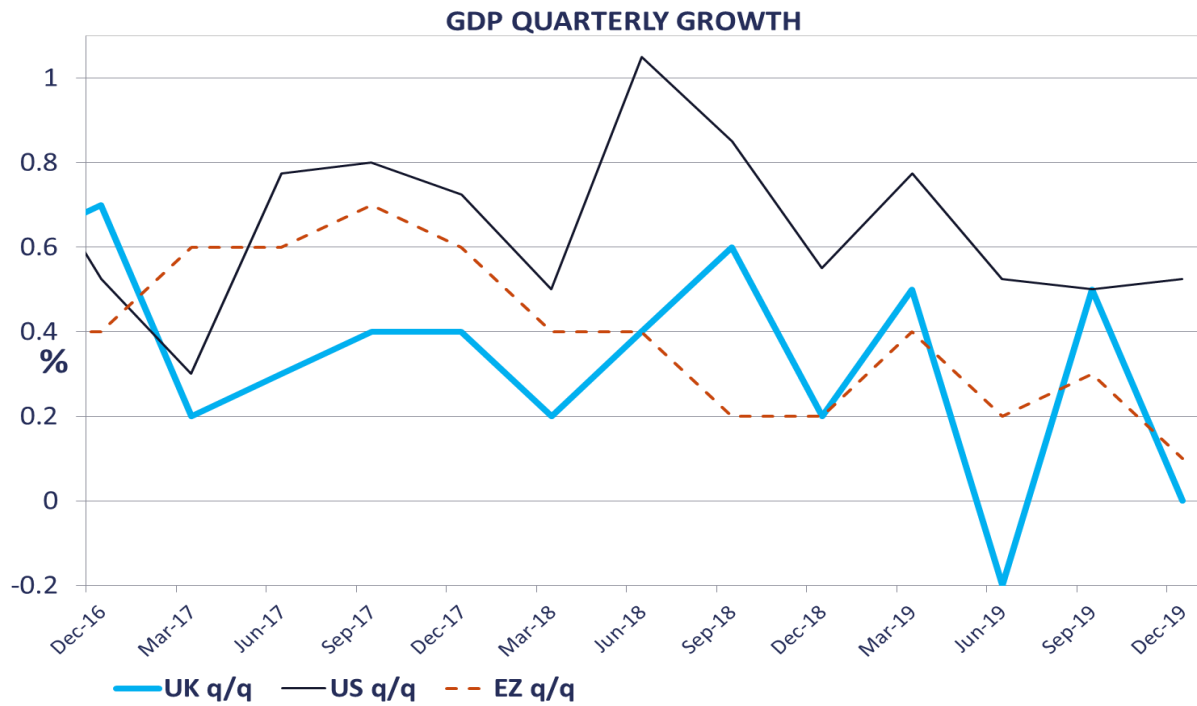


	1 Year	5 Year	10 Year	25 Year	50 Year
01/04/2019	0.66%	0.72%	1.04%	1.61%	1.44%
31/03/2020	0.10%	0.15%	0.34%	0.85%	0.59%
Low	0.02%	-0.01%	0.08%	0.45%	0.27%
Date	20/03/2020	09/03/2020	09/03/2020	09/03/2020	09/03/2020
High	0.78%	0.93%	1.27%	1.78%	1.61%
Date	15/04/2019	17/04/2019	17/04/2019	17/04/2019	17/04/2019
Average	0.55%	0.49%	0.72%	1.28%	1.12%

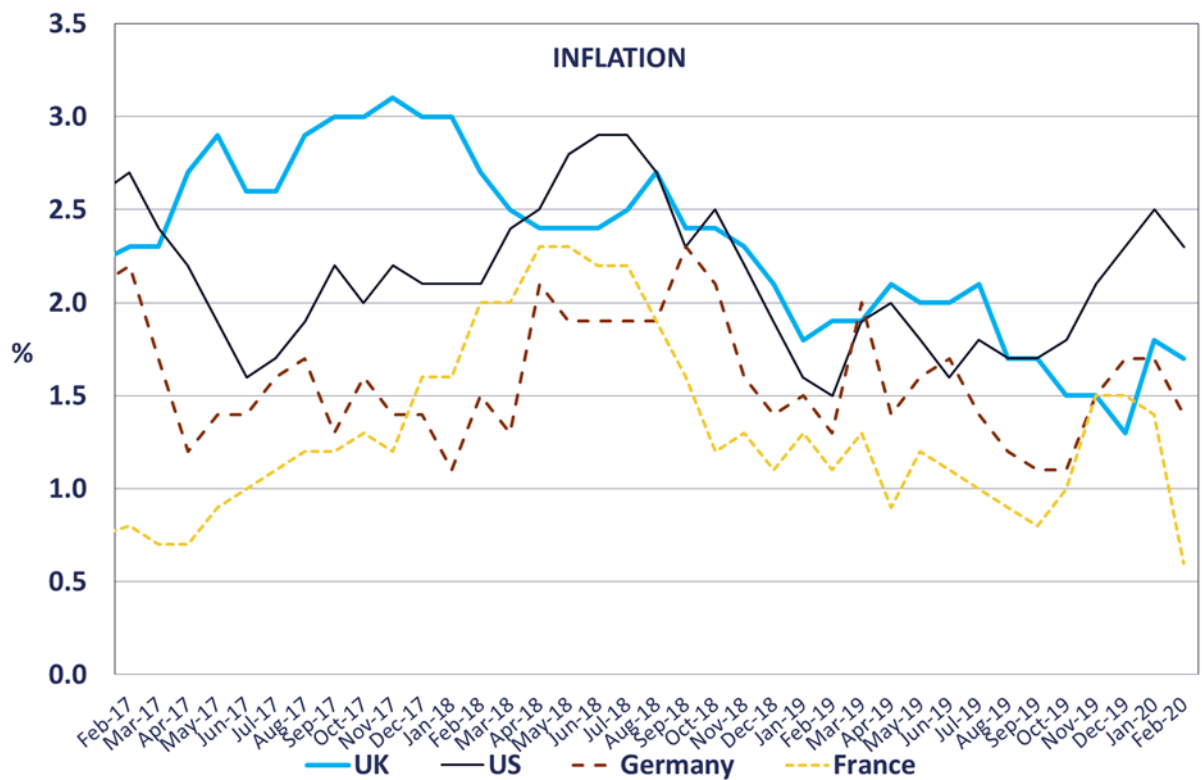
c) Money market investment rates and forecasts 2019/20

	Bank Rate	7 day	1 mth	3 mth	6 mth	12 mth
High	0.75	0.58	0.61	0.72	0.83	0.98
High Date	01/04/2019	09/05/2019	15/04/2019	01/04/2019	01/04/2019	15/04/2019
Low	0.10	0.00	0.11	0.26	0.31	0.39
Low Date	19/03/2020	25/03/2020	23/03/2020	11/03/2020	11/03/2020	11/03/2020
Average	0.72	0.53	0.56	0.63	0.70	0.80
Spread	0.65	0.58	0.50	0.46	0.52	0.59

d) UK, US and EZ GDP growth



e) Inflation UK, US, Germany and France



Appendix 2: Approved countries for investments as at 31.3.20

Based on lowest available rating

AAA

- Australia
- Canada
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Finland
- U.S.A.

AA

- Abu Dhabi (UAE)
- Hong Kong
- France

AA-

- Belgium
- Qatar
- U.K.

Note that the UK was downgraded from AA to AA- in March 2020

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East Herts Council Report

Date: Executive 24 November 2020

Report by: Councillor Geoffrey Williamson, Deputy Leader & Executive Member for Financial Sustainability

Report title: Treasury Management Mid-Year Review 2019/20

Ward(s) affected: None

Summary

The report reviews the Council's treasury management activities for the first 6 months of 2020/21 financial year, including the prudential indicators.

RECOMMENDATIONS for EXECUTIVE:

- (a) That Executive recommends to Council the approval of the Treasury Management Mid-Year Review 2019/20**
- (b) The Executive recommends to Council the revised Prudential Indicators as shown in Appendix A (*columns, entitled revised estimates, highlighted 'green' within tables*)**
- (c) That Executive recommends to Council the increase in the counter party limit, from £20m to £30m, for the National Westminster Bank.**

1.0 Proposal(s)

- 1.1 This report proposes that Members scrutinise and comment on the Treasury Management Activity and Prudential Indicators for the first 6 months of 2020/21, including the increase in counter party limit.

2.0 Background

- 2.1 Treasury management is defined as: 'The management of

the Council's investments and cash flows, its banking arrangements, money market and capital transactions; the effective control of the risks associated with these activities; and the pursuit of optimum returns consistent with the Council's risk management policy for treasury management.'

- 2.2 This activity is supported by the council's appointed independent advisors – Link Asset Services.
- 2.3 This report has been written in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2017).
- 2.4 This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

3.0 Reason(s)

- 3.1 This Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2019/20.

4.0 Options

- 4.1 Members can suggest amendments or additions to the Treasury Management Mid-Year Review for 2019/20.

5.0 Risks

- 5.1 Risk management is embedded in treasury management operations through the adoption of the CIPFA Treasury Management Code. Credit ratings, other market intelligence and counterparty limits assist to assess and mitigate risk.

6.0 Implications/Consultations

- 6.1 No.

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

Yes.

The costs of treasury operations, debt management expenses and investment income are included in the 2020/21 Budget.

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

The Local Government Act 2003 and supporting regulations requires the Council to 'have regard to' the CIPFA Prudential Code for Capital Finance in Local Authorities 2017 Edition and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. The Council also has to 'have regard' to the MHCLG's Guidance on Local Government Investments 3rd Edition effective for financial periods commencing on or after 1st April 2018, and to CIPFA's Treasury Management in the Public Services: Code of Practice 2017 Edition and Guidance Notes for Local Authorities 2018 Edition.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

- 7.1 The Local Government Act 2003 -
<https://www.legislation.gov.uk/ukpga/2003/26/contents>
- 7.2 CIPFA Prudential Code for Capital Finance in Local Authorities 2017 Edition
- 7.3 CIPFA's Treasury Management in the Public Services: Code of Practice 2017 Edition
- 7.4 Appendix A – Treasury Management Mid-Year Review 2020/21

Contact Member

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**East Herts District
Council
Treasury Management
Strategy Statement and
Annual Investment
Strategy**

**Mid-Year Review Report
2020/21**

1. Background

1.1 Capital Strategy

In December 2017, the Chartered Institute of Public Finance and Accountancy, (CIPFA), issued revised Prudential and Treasury Management Codes. As from 2020/21, all local authorities have been required to prepare a Capital Strategy which is to provide the following: -

- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
- an overview of how the associated risk is managed;
- the implications for future financial sustainability.

1.2 Treasury Management

The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering optimising investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

Accordingly, treasury management is defined as:

“The management of the local authority's borrowing, 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. Introduction

This report has been written in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2017).

The primary requirements of the Code are as follows:

1. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
2. Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.
3. Receipt by the full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a Mid-year Review Report and an Annual Report, (stewardship report), covering activities during the previous year.
4. Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
5. Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Council the delegated body is Audit and Governance Committee:

This mid-year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the first half of the 2020/21 financial year;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure, as set out in the Capital Strategy, and prudential indicators;
- A review of the Council's investment portfolio for 2020/21;
- A review of the Council's borrowing strategy for 2020/21;
- A review of any debt rescheduling undertaken during 2020/21;
- A review of compliance with Treasury and Prudential Limits for 2020/21.

3. Economics and interest rates

3.1 Economics update

- As expected, the Bank of England's Monetary Policy Committee kept Bank Rate unchanged on 6th August. It also kept unchanged the level of quantitative easing at £745bn. Its forecasts were optimistic in terms of three areas:
 - The fall in **GDP** in the first half of 2020 was revised from 28% to 23% (subsequently revised to -21.8%). This is still one of the largest falls in output of any developed nation. However, it is only to be expected as the UK economy is heavily skewed towards consumer-facing services – an area which was particularly vulnerable to being damaged by lockdown.
 - The peak in the **unemployment rate** was revised down from 9% in Q2 to 7½% by Q4 2020.
 - It forecast that there would be excess demand in the economy by Q3 2022 causing CPI **inflation** to rise above the 2% target in Q3 2022, (based on market interest rate expectations for a further loosening in policy). Nevertheless, even if the Bank were to leave policy unchanged, inflation was still projected to be above 2% in 2023.
- It also squashed any idea of using **negative interest rates**, at least in the next six months or so. It suggested that while negative rates can work in some circumstances, it would be “less effective as a tool to stimulate the economy” at this time when banks are worried about future loan losses. It also has “other instruments available”, including QE and the use of forward guidance.
- The MPC expected the £300bn of **quantitative easing** purchases announced between its March and June meetings to continue until the “turn of the year”. This implies that the pace of purchases will slow further to about £4bn a week, down from £14bn a week at the height of the crisis and £7bn more recently.
- In conclusion, this would indicate that the Bank could now just sit on its hands as the economy was recovering better than expected. However, the MPC acknowledged that the “medium-term projections were a less informative guide than usual” and the minutes had multiple references to **downside risks**, which were judged to persist both in the short and medium term. One has only to look at the way in which second waves of the virus are now impacting many countries including Britain, to see the dangers. However, rather than a national lockdown, as in March, any spikes in virus infections are now likely to be dealt with by localised measures and this should limit the amount of economic damage caused. In addition, Brexit uncertainties ahead of the year-end deadline are likely to be a drag on recovery. The wind down of the initial generous furlough scheme through to the end of October is another development that could cause the Bank to review the need for more support

for the economy later in the year. Admittedly, the Chancellor announced in late September a second six month package from 1st November of government support for jobs whereby it will pay up to 22% of the costs of retaining an employee working a minimum of one third of their normal hours. There was further help for the self-employed, freelancers and the hospitality industry. However, this is a much less generous scheme than the furlough package and will inevitably mean there will be further job losses from the 11% of the workforce still on furlough in mid September.

- Overall, **the pace of recovery** is not expected to be in the form of a rapid V shape, but a more elongated and prolonged one after a sharp recovery in June through to August which left the economy 11.7% smaller than in February. The last three months of 2020 are now likely to show no growth as consumers will probably remain cautious in spending and uncertainty over the outcome of the UK/EU trade negotiations concluding at the end of the year will also be a headwind. If the Bank felt it did need to provide further support to recovery, then it is likely that the tool of choice would be more QE.
- There will be some **painful longer term adjustments** as e.g. office space and travel by planes, trains and buses may not recover to their previous level of use for several years, or possibly ever. There is also likely to be a reversal of globalisation as this crisis has shown up how vulnerable long-distance supply chains are. On the other hand, digital services is one area that has already seen huge growth.
- One key addition to **the Bank's forward guidance** was a new phrase in the policy statement, namely that "it does not intend to tighten monetary policy until there is clear evidence that significant progress is being made in eliminating spare capacity and achieving the 2% target sustainably". That seems designed to say, in effect, that even if inflation rises to 2% in a couple of years' time, do not expect any action from the MPC to raise Bank Rate – until they can clearly see that level of inflation is going to be persistently above target if it takes no action to raise Bank Rate
- The **Financial Policy Committee** (FPC) report on 6th August revised down their expected credit losses for the banking sector to "somewhat less than £80bn". It stated that in its assessment "banks have buffers of capital more than sufficient to absorb the losses that are likely to arise under the MPC's central projection". The FPC stated that for real stress in the sector, the economic output would need to be twice as bad as the MPC's projection, with unemployment rising to above 15%.
- **US.** The incoming sets of data during the first week of August were almost universally stronger than expected. With the number of new daily coronavirus infections beginning to abate, recovery from its contraction this year of 10.2% should continue over the coming months and employment growth should also

pick up again. However, growth will be dampened by continuing outbreaks of the virus in some states leading to fresh localised restrictions. At its end of August meeting, the Fed tweaked **its inflation target** from 2% to maintaining an average of 2% over an unspecified time period i.e. following periods when inflation has been running persistently below 2%, appropriate monetary policy will likely aim to achieve inflation moderately above 2% for some time. This change is aimed to provide more stimulus for economic growth and higher levels of employment and to avoid the danger of getting caught in a deflationary “trap” like Japan. It is to be noted that inflation has actually been under-shooting the 2% target significantly for most of the last decade so financial markets took note that higher levels of inflation are likely to be in the pipeline; long term bond yields duly rose after the meeting. The Fed also called on Congress to end its political disagreement over providing more support for the unemployed as there is a limit to what monetary policy can do compared to more directed central government fiscal policy. The FOMC’s updated economic and rate projections in mid-September showed that officials expect to leave the fed funds rate at near-zero until at least end-2023 and probably for another year or two beyond that. There is now some expectation that where the Fed has led in changing its inflation target, other major central banks will follow. The increase in tension over the last year between the US and China is likely to lead to a lack of momentum in progressing the initial positive moves to agree a phase one trade deal.

- **EU.** The economy was recovering well towards the end of Q2 after a sharp drop in GDP, (e.g. France 18.9%, Italy 17.6%). However, the second wave of the virus affecting some countries could cause a significant slowdown in the pace of recovery, especially in countries more dependent on tourism. The fiscal support package, eventually agreed by the EU after prolonged disagreement between various countries, is unlikely to provide significant support and quickly enough to make an appreciable difference in weaker countries. The ECB has been struggling to get inflation up to its 2% target and it is therefore expected that it will have to provide more monetary policy support through more quantitative easing purchases of bonds in the absence of sufficient fiscal support.
- **China.** After a concerted effort to get on top of the virus outbreak in Q1, economic recovery was strong in Q2 and has enabled it to recover all of the contraction in Q1. However, this was achieved by major central government funding of yet more infrastructure spending. After years of growth having been focused on this same area, any further spending in this area is likely to lead to increasingly weaker economic returns. This could, therefore, lead to a further misallocation of resources which will weigh on growth in future years.
- **Japan.** There are some concerns that a second wave of the virus is gaining momentum and could dampen economic recovery from its contraction of 8.5% in GDP. It has been struggling to get out of a deflation trap for many years and

to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy. The resignation of Prime Minister Abe is not expected to result in any significant change in economic policy.

- **World growth.** Latin America and India are currently hotspots for virus infections. World growth will be in recession this year. Inflation is unlikely to be a problem for some years due to the creation of excess production capacity and depressed demand caused by the coronavirus crisis.

3.2 Interest rate forecasts

The Council's treasury advisor, Link Group, provided the following forecasts on 11th August 2020 (PWLB rates are certainty rates, gilt yields plus 180bps):

Link Group Interest Rate View 11.8.20										
	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate View	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3 month average earnings	0.05	0.05	0.05	0.05	0.05	-	-	-	-	-
6 month average earnings	0.10	0.10	0.10	0.10	0.10	-	-	-	-	-
12 month average earnings	0.15	0.15	0.15	0.15	0.15	-	-	-	-	-
5yr PWLB Rate	1.90	2.00	2.00	2.00	2.00	2.00	2.10	2.10	2.10	2.10
10yr PWLB Rate	2.10	2.10	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.30
25yr PWLB Rate	2.50	2.50	2.50	2.60	2.60	2.60	2.70	2.70	2.70	2.70
50yr PWLB Rate	2.30	2.30	2.30	2.40	2.40	2.40	2.50	2.50	2.50	2.50

Additional notes by Link on this forecast table: -

- Please note that we have made a slight change to our interest rate forecasts table above for forecasts for 3, 6 and 12 months. Traditionally, we have used LIBID forecasts, with the rate calculated using market convention of 1/8th (0.125%) taken off the LIBOR figure. Given that all LIBOR rates up to 6 months are currently running below 0.1%, using that convention would give negative figures as forecasts for those periods. However, the liquidity premium that is still in evidence at the short end of the curve, means that the rates actually being achieved by local authority investors are still modestly in positive territory. While there are differences between counterparty offer rates, our analysis would suggest that an average rate of around 0.05% is achievable for 3 months, 0.1% for 6 months and 0.15% for 12 months.
- During 2021, Link will be continuing to look at market developments in this area and will monitor these with a view to communicating with clients when full financial market agreement is reached on how to replace LIBOR. This is likely to be an iteration of the overnight SONIA rate and the use of compounded rates and Overnight Index Swap (OIS) rates for forecasting purposes.

The coronavirus outbreak has done huge economic damage to the UK and economies around the world. After the Bank of England took emergency action in March to cut Bank Rate to first 0.25%, and then to 0.10%, it left Bank Rate unchanged at its meeting on 6th August (and the subsequent September meeting), although some forecasters had suggested that a cut into negative territory could happen. However, the Governor of the Bank of England has made it clear that he currently thinks that such a move would do more damage than good and that more quantitative easing is the favoured tool if further action becomes necessary. As shown in the forecast table above, no increase in Bank Rate is expected within the forecast horizon ending on 31st March 2023 as economic recovery is expected to be only gradual and, therefore, prolonged.

GILT YIELDS / PWLB RATES. There was much speculation during the second half of 2019 that bond markets were in a bubble which was driving bond prices up and yields down to historically very low levels. The context for that was heightened expectations that the US could have been heading for a recession in 2020. In addition, there were growing expectations of a downturn in world economic growth, especially due to fears around the impact of the trade war between the US and China, together with inflation generally at low levels in most countries and expected to remain subdued. Combined, these conditions were conducive to very low bond yields. While inflation targeting by the major central banks has been successful over the last 30 years in lowering inflation expectations, the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers. This means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. The consequence of this has been the gradual lowering of the overall level of interest rates and bond yields in financial markets over the last 30 years. Over the year prior to the coronavirus crisis, this has seen many bond yields up to 10 years turn negative in the Eurozone. In addition, there has, at times, been an inversion of bond yields in the US whereby 10 year yields have fallen below shorter term yields. In the past, this has been a precursor of a recession. The other side of this coin is that bond prices are elevated as investors would be expected to be moving out of riskier assets i.e. shares, in anticipation of a downturn in corporate earnings and so selling out of equities.

Gilt yields had therefore already been on a generally falling trend up until the coronavirus crisis hit western economies during March. After gilt yields spiked up during the initial phases of the health crisis in March, we have seen these yields fall sharply to unprecedented lows as major western central banks took rapid action to deal with excessive stress in financial markets, and started massive quantitative easing purchases of government bonds: this also acted to put downward pressure on government bond yields at a time when there has been a huge and quick expansion of government expenditure financed by issuing government bonds. Such unprecedented levels of issuance in “normal” times would have caused bond yields to rise sharply. At the close of the day on 30th September, all gilt yields from 1 to 6 years were in negative territory, while even 25-year yields were at only 0.76% and 50 year at 0.60%.

From the local authority borrowing perspective, HM Treasury imposed **two changes of margins over gilt yields for PWLB rates** in 2019-20 without any prior warning. The first took place on 9th October 2019, adding an additional 1% margin over gilts to all PWLB period rates. That increase was then at least partially reversed for some forms of borrowing on 11th March 2020, but not for mainstream General Fund capital schemes, at the same time as the Government announced in the Budget a programme of increased infrastructure expenditure. It also announced that there would be a consultation with local authorities on possibly further amending these margins; this was to end on 4th June, but that date was subsequently put back to 31st

July. It is clear HM Treasury will no longer allow local authorities to borrow money from the PWLB to purchase commercial property if the aim is solely to generate an income stream (assets for yield).

Following the changes on 11th March 2020 in margins over gilt yields, the current situation is as follows: -

- **PWLB Standard Rate** is gilt plus 200 basis points (G+200bps)
- **PWLB Certainty Rate** is gilt plus 180 basis points (G+180bps)
- **PWLB HRA Standard Rate** is gilt plus 100 basis points (G+100bps)
- **PWLB HRA Certainty Rate** is gilt plus 80bps (G+80bps)
- **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)

It is possible that the non-HRA Certainty Rate will be subject to revision downwards after the conclusion of the PWLB consultation; however, the timing of such a change is currently an unknown, although it would be likely to be within the current financial year.

As the interest forecast table for PWLB certainty rates, (gilts plus 180bps), above shows, there is likely to be little upward movement in PWLB rates over the next two years as it will take economies, including the UK, a prolonged period to recover all the momentum they have lost in the sharp recession caused during the coronavirus shut down period. Inflation is also likely to be very low during this period and could even turn negative in some major western economies during 2020/21.

The balance of risks to the UK

- The overall balance of risks to economic growth in the UK is probably relatively even, but is subject to major uncertainty due to the virus.
- There is relatively little UK domestic risk of increases or decreases in Bank Rate and significant changes in shorter term PWLB rates. The Bank of England has effectively ruled out the use of negative interest rates in the near term and increases in Bank Rate are likely to be some years away given the underlying economic expectations. However, it is always possible that safe haven flows, due to unexpected domestic developments and those in other major economies, could impact gilt yields, (and so PWLB rates), in the UK.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- **UK** - second nationwide wave of virus infections requiring a national lockdown
- **UK / EU trade negotiations** – if it were to cause significant economic disruption and a fresh major downturn in the rate of growth.

- **UK - Bank of England** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **Eurozone sovereign debt crisis**. The ECB has taken monetary policy action to support the bonds of EU states, with the positive impact most likely for “weaker” countries. In addition, the EU recently agreed a €750bn fiscal support package. These actions will help shield weaker economic regions for the next year or so. However, in the case of Italy, the cost of the virus crisis has added to its already huge debt mountain and its slow economic growth will leave it vulnerable to markets returning to taking the view that its level of debt is unsupportable. There remains a sharp divide between northern EU countries favouring low debt to GDP and annual balanced budgets and southern countries who want to see jointly issued Eurobonds to finance economic recovery. This divide could undermine the unity of the EU in time to come.
- Weak capitalisation of some **European banks**, which could be undermined further depending on extent of credit losses resultant of the pandemic.
- **German minority government & general election in 2021**. In the German general election of September 2017, Angela Merkel’s CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. The CDU has done badly in subsequent state elections but the SPD has done particularly badly. Angela Merkel has stepped down from being the CDU party leader but she intends to remain as Chancellor until the general election in 2021. This then leaves a major question mark over who will be the major guiding hand and driver of EU unity when she steps down.
- **Other minority EU governments**. Austria, Sweden, Spain, Portugal, Netherlands, Ireland and Belgium also have vulnerable minority governments dependent on coalitions which could prove fragile.
- **Austria, the Czech Republic, Poland and Hungary** now form a strongly anti-immigration bloc within the EU. There has also been a rise in anti-immigration sentiment in Germany and France.
- **Geopolitical risks**, for example in China, Iran or North Korea, but also in Europe and other Middle Eastern countries, which could lead to increasing safe haven flows.
- **US – the Presidential election in 2020**: this could have repercussions for the US economy and SINO-US trade relations.

Upside risks to current forecasts for UK gilt yields and PWLB rates

- **UK** - stronger than currently expected recovery in UK economy.
- **Post-Brexit** – if an agreement was reached that removed the majority of threats of economic disruption between the EU and the UK.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.

4. Treasury Management Strategy Statement and Annual Investment Strategy Update

The Treasury Management Strategy Statement, (TMSS), for 2020/21 was approved by this Council on 5th March 2019

- The underlying TMSS approved previously requires revision in the light of economic and operational movements during the year. The proposed changes and supporting detail for the changes are set out below:

Prudential Indicator 2020/21	2020/21 Original Estimate £m	Revised Prudential Indicator £m
Authorised Limit	37.7	27.0
Operational Boundary	32.5	24.5
Capital Financing Requirement	35.7	24.5

5. The Council's Capital Position (Prudential Indicators)

This part of the report is structured to update:

- The Council's capital expenditure plans;
- How these plans are being financed;
- The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow; and
- Compliance with the limits in place for borrowing activity.

5.1 Prudential Indicator for Capital Expenditure

This table shows the revised estimates for capital expenditure and the changes since the capital programme was agreed at the Budget.

Capital Expenditure by Service	2020/21 Original Estimate £m	Current Position £m	2020/21 Revised Estimate £m
Services	33.8	14.0	44.0
Commercial activities / non-financial investments	24.5	0.9	6.2
Total capital expenditure	58.3	14.9	50.2

Original estimates did not include significant budget carry forwards from 2019/20 (£30.5m). With major project re-profiling now resulting in further budget carry forward requirements to 2021/22.

The approved budget for commercial activities has also been significantly scaled down from that listed in the Treasury Management Strategy 2020-21.

5.2 Changes to the Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure. The borrowing element of the table increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision). This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.

Capital Expenditure	2020/21 Original Estimate £m	2020/21 Revised Estimate £m
Total capital expenditure	58.3	50.2
Financed by:		
Capital receipts	1.0	1.0
Capital grants	7.7	6.0
Capital reserves	0.2	0.2
Revenue	0.0	0.0
Total financing	8.9	7.2
Borrowing requirement	49.4	43.0

5.3 Changes to the Prudential Indicators for the Capital Financing Requirement (CFR), External Debt and the Operational Boundary

The table below shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. It also shows the expected debt position over the period, which is termed the Operational Boundary.

Prudential Indicator – Capital Financing Requirement

Due to a lower than originally estimated capital spend, the revised Capital Financing Requirement is lower than that originally forecast.

Prudential Indicator – the Operational Boundary for external debt

	2019/20 Actual £m	2020/21 Original Estimate £m	2020/21 Revised Estimate £m
Prudential Indicator – Capital Financing Requirement			
CFR	(18.5)	35.7	24.5
Net movement in CFR	4.5	49.4	43.0
Prudential Indicator – the Operational Boundary for external debt			
Borrowing	7.5	32.5	24.0
Other long term liabilities*	-	0.5	0.5
Total debt (year end position)	7.5	32.5	24.5

* On balance sheet PFI schemes and finance leases etc.

5.4 Limits to Borrowing Activity

The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose*. **Gross external borrowing** should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2020/21 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Council has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent.

	2020/21 Original Estimate £m	Current Position £m	2020/21 Revised Estimate £m
Borrowing	32.0	1.5	20.0
Other long term liabilities*	0.5	0.0	0.5
Total debt	32.5	1.5	20.5
CFR* (year end position)	35.7	24.5	24.5

* Includes on balance sheet PFI schemes and finance leases etc.

A further prudential indicator controls the overall level of borrowing. This is **the Authorised Limit** which represents the limit beyond which borrowing is prohibited, and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003.

Authorised limit for external debt	2020/21 Original Indicator	Current Position	2020/21 Revised Indicator
Borrowing	36.2	1.5	26.0
Other long term liabilities*	1.5	0.0	1.0
Total	37.7	24.5	27.0

* Includes on balance sheet PFI schemes and finance leases etc.

6. Borrowing

The Council's capital financing requirement (CFR) for 2020/21 is £24.5m. The CFR denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. Table 5.4 shows the Council has borrowings of £1.5m and has utilised £23m of cash flow funds in lieu of borrowing. This is a prudent and cost-effective approach in the current economic climate but will require ongoing monitoring in the event that any upside risk to gilt yields prevails.

Due to the increase in PWLB margins over gilt yields in October 2019, and the subsequent consultation on these margins by HM Treasury - which ended on 31st July 2020 - the Authority has refrained from undertaking new long-term PWLB borrowing for the present and has met its requirements for additional borrowing by borrowing from internal balances until such time as new PWLB margins are finally determined. In addition, the effect of coronavirus on the capital programme objectives are being assessed. Therefore, our borrowing strategy will be reviewed and then revised in order to achieve optimum value and risk exposure in the long-term.

It is anticipated that further borrowing may be undertaken during this financial year.

6.1 PWLB maturity certainty rates (gilts plus 180bps) year to date to 30th September 2020

PWLB rates varied within a relatively narrow range between April and July but the longer end of the curve rose during August. This increase came in two periods; the first in the second week of the month was on the back of hopes for fresh US stimulus. This saw investors switch monies out of government bonds and into equities. The second shift higher at the longer end of the curve came in the latter stages of the month as investors reacted to the announcement of the tweak to the Fed's inflation target. Despite moves further out in the yield curve, the short end remained anchored on the basis of no fundamental change to the interest rate outlook.

The 50-year PWLB target rate for new long-term borrowing was unchanged at 2.30%.

7. Debt Rescheduling

Debt rescheduling opportunities have been very limited in the current economic climate and following the various increases in the margins added to gilt yields which have impacted PWLB new borrowing rates since October 2010. No debt rescheduling has therefore been undertaken to date in the current financial year. Historic debt of £6m that matured in May 2020 has been repaid.

8. Compliance with Treasury and Prudential Limits

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. During the half year ended 30th September 2020, the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement for 2020. The Director of Finance reports that no difficulties are envisaged for the current or future years in complying with these indicators.

All treasury management operations have also been conducted in full compliance with the Council's Treasury Management Practices.

9. Annual Investment Strategy

The Treasury Management Strategy Statement (TMSS) for 2020/21, which includes the Annual Investment Strategy, was approved by the Council on 5th March 2019. In accordance with the CIPFA Treasury Management Code of Practice, it sets out the Council's investment priorities as being:

- Security of capital
- Liquidity
- Yield

The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months with high credit rated financial institutions, using the Link suggested creditworthiness approach, including a minimum sovereign credit rating and Credit Default Swap (CDS) overlay information.

As shown by the interest rate forecasts in section 2, it is now impossible to earn the level of interest rates commonly seen in previous decades as all investment rates are barely above zero now that Bank Rate is at 0.10%, while some entities, including more recently the Debt Management Account Deposit Facility (DMADF), are offering negative rates of return in some shorter time periods. Given this risk environment and the fact that increases in Bank Rate are unlikely to occur before the end of the current forecast horizon of 31st March 2023, investment returns are expected to remain low.

9.1 Negative investment rates

While the Bank of England has said that it is unlikely to introduce a negative Bank Rate, at least in the next 6 -12 months, some deposit accounts are already offering negative rates for shorter periods. As part of the response to the pandemic and

lockdown, the Bank and the Government have provided financial markets and businesses with plentiful access to credit, either directly or through commercial banks. In addition, the Government has provided large sums of grants to local authorities to help deal with the Covid crisis; this has caused some local authorities to have sudden large increases in investment balances searching for an investment home, some of which was only very short term until those sums were able to be passed on.

As for money market funds (MMFs), yields have continued to drift lower. Some managers have suggested that they might resort to trimming fee levels to ensure that net yields for investors remain in positive territory where possible and practical. Investor cash flow uncertainty, and the need to maintain liquidity in these unprecedented times, has meant there is a glut of money swilling around at the very short end of the market. This has seen a number of market operators, now including the DMADF, offer nil or negative rates for very short term maturities. This is not universal, and MMFs are still offering a marginally positive return, as are a number of financial institutions.

Inter-local authority lending and borrowing rates have also declined due to the surge in the levels of cash seeking a short-term home at a time when many local authorities are probably having difficulties over accurately forecasting when disbursements of funds received will occur or when further large receipts will be received from the Government.

9.2 Creditworthiness

Although the credit rating agencies changed their outlook on many UK banks from stable to negative outlook during the quarter ended 30th June 2020 due to upcoming risks to banks' earnings and asset quality during the economic downturn caused by the pandemic, the majority of ratings were affirmed due to the continuing strong credit profiles of UK banks. However, during Q1 and Q2 2020, banks made provisions for *expected* credit losses and the rating changes reflected these provisions. As we move into the next quarters ahead, more information will emerge on *actual* levels of credit losses. (Quarterly performance is normally announced in the second half of the month following the end of the quarter.) This has the potential to cause rating agencies to revisit their initial rating adjustments earlier in the current year. These adjustments could be negative or positive, although it should also be borne in mind that UK banks went into this pandemic with strong balance sheets. Indeed, the Financial Policy Committee (FPC) report on 6th August revised down their expected credit losses for the banking sector to "somewhat less than £80bn". They stated that in their assessment, "banks have buffers of capital more than sufficient to absorb the losses that are likely to arise under the MPC's central projection". The FPC stated that for real stress in the sector, the economic output would need to be twice as bad as the MPC's projection, with unemployment rising to above 15%.

All three rating agencies have reviewed banks around the world with similar results in many countries of most banks being placed on negative watch, but with a small number of actual downgrades.

Link have conducted some stress testing on the Link credit methodology based list of counterparties supplied to clients, to test for the results of a 1 notch downgrade to all Long Term Ratings from all agencies. Under such a scenario, only Commerzbank, Norddeutsche Landesbank, NatWest Markets Plc (non-ring-fenced entity), Leeds, Skipton and Yorkshire Building Societies moved from Green to No Colour. While there are a further 17 drops in other entities' suggested durations, in these instances, these entities still remain potentially available for use. (Note that this scenario excludes any additional impact from relative movement in CDS pricing.)

9.3 Investment Counterparty criteria

The current investment counterparty criteria selection approved in the TMSS is mostly meeting the requirement of the treasury management function. However it is required to raise the counter party limit with our own bank National Westminster to £30m, to help with liquidity risk around Covid 19 grant payments.

9.4 CDS prices

Although CDS prices, (these are market indicators of credit risk), for UK banks spiked upwards at the end of March / early April due to the liquidity crisis throughout financial markets, CDS prices have returned to more average levels since then, although they are still elevated compared to end-February. Pricing is likely to remain volatile as uncertainty continues. **However, sentiment can easily shift, so it remains important to undertake continual monitoring of all aspects of risk and return in the current circumstances.**

9.5 Investment balances

The average level of funds available for investment purposes during the first 6 months was **£35.2m**. These funds were available on a temporary basis, with the level of funds available mainly dependent on the timing of precept payments, receipt of grants and progress on the capital programme. The Council holds **£20m** core cash balances for investment purposes (i.e. funds available for more than one year).

9.6 Investment performance year to date as at 30th September 2020

Period	LIBID benchmark return
7 day	-0.06%
1 month	-0.02%
3 month	0.11%
6 month	0.21%
12 month	0.35%

As illustrated, the Council achieved an average interest return of 0.45%, outperforming all the above benchmarks. The Council's budgeted investment return for 2020/21 is **£800k**, and performance for the year to date is **£100k** below budget. Any deficit will be funded from the Council's interest equalisation reserve, which has been topped up in previous years, from over achievements in investment returns.

9.7 Investments held by fund managers – Property Funds

The Council approved the use of property funds up to a value of £20m, at the time of investment. Working with our advisors Link Asset Services, two funds were chosen, Lothbury Property Trust and Hermes Property Unit Trust. Both funds had waiting lists to invest. The invitation to invest in the Lothbury fund arose in June 2015 and the Hermes fund in December 2015. The performances of these funds for the first two quarters of 2020/21 are detailed below:

Fund Manager	Investments Held	Average Return over last 6 months
Lothbury Property Trust	£10.0m	Q1 – 2.50% Q2 – 2.68%
Hermes Property Unit Trust	£10.0m	Q1 – 2.94% Q2 – Due Nov/20
Total	£20.0m	

Property Fund performance overview: The latest overview and fund performance can be viewed on the below website links:

Lothbury Property Trust - <https://www.lothburyim.com/our-funds/lothbury-property-trust/overview/>

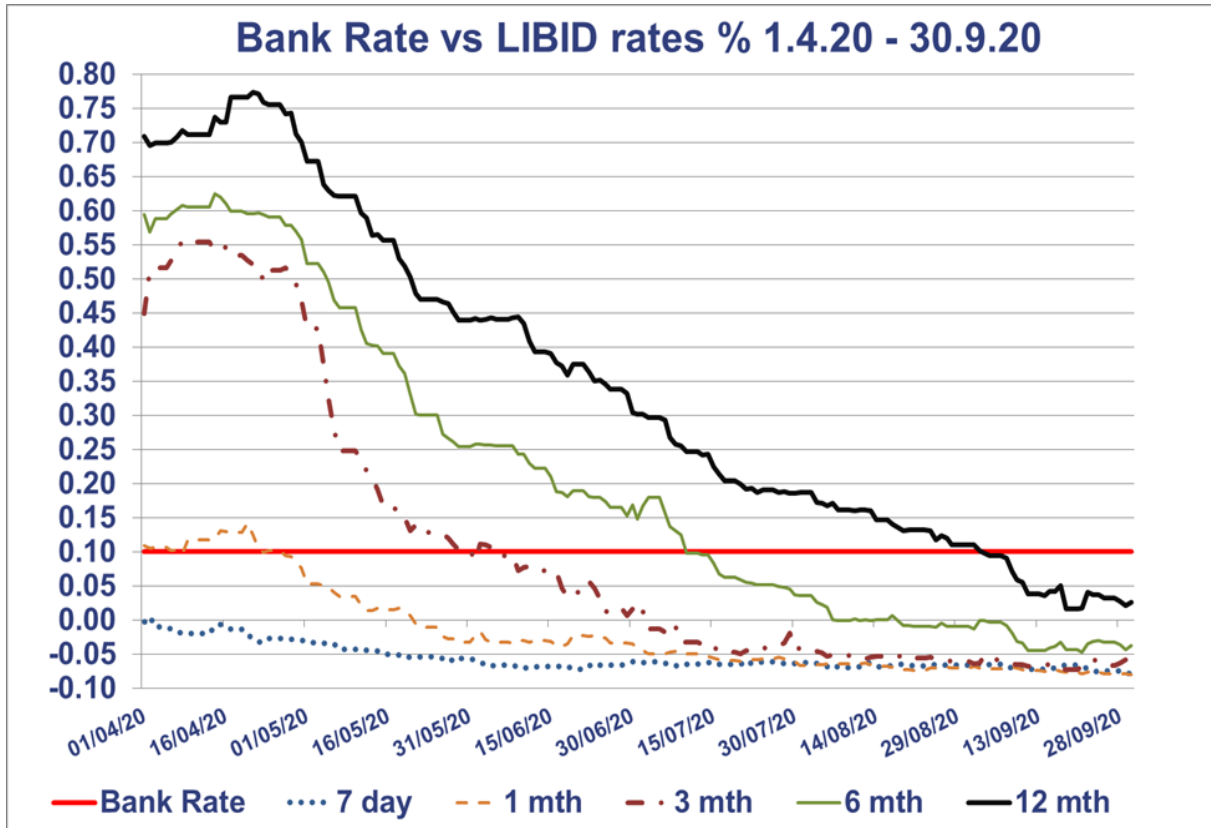
Hermes Property Unit Trust - <https://www.hermes-investment.com/uki/wp-content/uploads/2019/05/hput-quarterly-update-factsheet.pdf>

9.8 Approved limits

Officers can confirm that the approved limits within the Annual Investment Strategy were breached at the beginning of the financial year, with our own bank National Westminster Bank during the quarter ended 30th September 2020. This was due to the uncertainty around the Covid 19 Pandemic and the need to ensure liquidity and cash flow around the governments grants payments (£30m+).

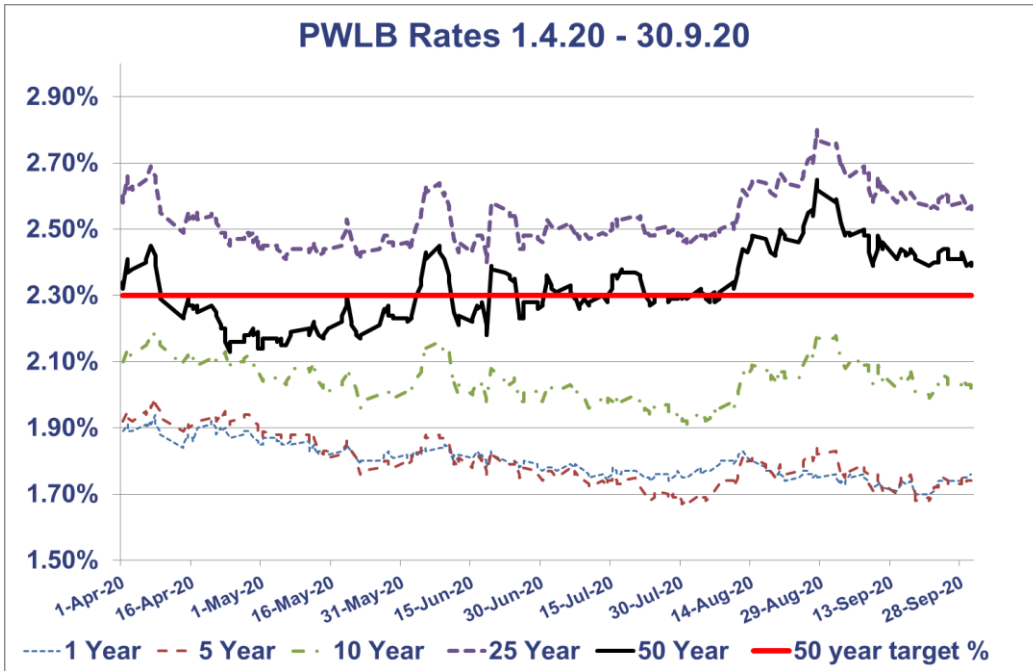
Recommendation: It is recommended that the counterparty limit for the National Westminster Bank be increased from £20m to £30m, to prevent the need for further breaches throughout the Covid crisis and to be reviewed again once the crisis is over. National Westminster Bank, being part nationalised, has a low risk level.

APPENDIX 1: Investment rates

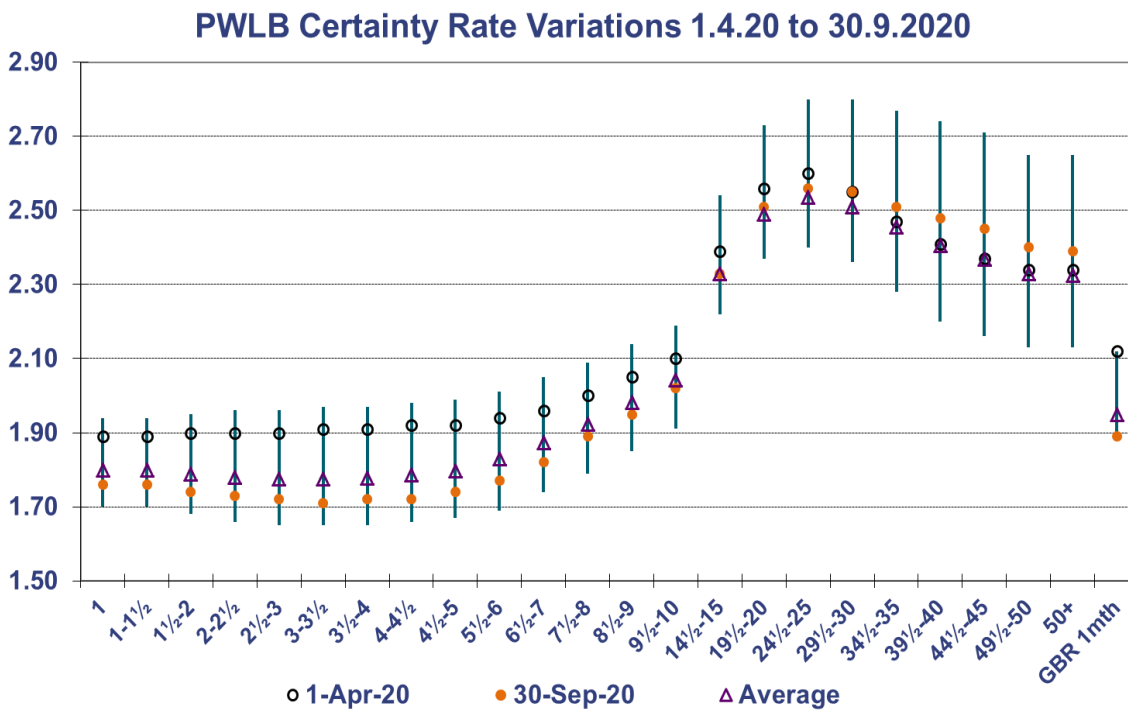


	Bank Rate	7 day	1 mth	3 mth	6 mth	12 mth
High	0.10	0.00	0.14	0.56	0.62	0.77
High Date	01/04/2020	02/04/2020	20/04/2020	08/04/2020	14/04/2020	21/04/2020
Low	0.10	-0.07	-0.07	-0.06	-0.01	0.11
Low Date	01/04/2020	19/06/2020	21/08/2020	28/08/2020	25/08/2020	28/08/2020
Average	0.10	-0.05	-0.01	0.14	0.25	0.41
Spread	0.00	0.08	0.22	0.62	0.63	0.66

APPENDIX 2: Borrowing rates



	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.70%	1.67%	1.91%	2.40%	2.13%
Date	18/09/2020	30/07/2020	31/07/2020	18/06/2020	24/04/2020
High	1.94%	1.99%	2.19%	2.80%	2.65%
Date	08/04/2020	08/04/2020	08/04/2020	28/08/2020	28/08/2020
Average	1.80%	1.80%	2.04%	2.54%	2.33%



APPENDIX 3: Approved countries for investments as at 30th September 2020

Based on lowest available rating

AAA

- Australia
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- Finland
- U.S.A.

AA

- Abu Dhabi (UAE)
- France

AA-

- Belgium
- Hong Kong
- Qatar
- **U.K.**

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East Herts Council Report

Executive

Date of Meeting: 24 November 2020

Report by: Councillor John Wyllie, Chairman of Overview and Scrutiny Committee

Report title: Report of Overview and Scrutiny Committee

Ward(s) affected: all

Summary

This report is a summary of matters considered at a recent meeting of the Overview and Scrutiny Committee, as reported by the Chairman of the Committee.

RECOMMENDATIONS FOR EXECUTIVE:

(a) To note the report of the Overview and Scrutiny Committee Chairman.

1.0 Proposal(s)

- 1.1 The Executive agenda includes a standing item for consideration of reports from the Overview and Scrutiny Chairman. Executive Members are invited to consider and note the comments submitted by the Chairman of the Committee.

2.0 Background

- 2.1 The following is a summary prepared by the Chairman of the Overview and Scrutiny Committee:
The Committee met virtually on 3 November 2020 and considered a number of items.

Presentation by the Leader and Chief Executive –

How the Council reacted to the Corona Virus. Members thanked the Leader and Officers for the detailed the response. Members raised a number of issues in relation to the approach taken going forward to homeless sleepers, the dissemination of information to the public by the Local Resilience Forum, Town Centre Schemes which had been implemented by HCC, support grant to businesses and occupancy levels at Launchpad in Bishop's Stortford and the need to promote Launchpad in Ware. Members also queried whether the business support grant had identified other businesses which had not been registered for business rates.

Revenues and Benefits Annual Report – Members thanked Officers for the report and a Member queried how overpayments arose and how this impacted on processing and the processes for recovering debt.

Update on Sustainability Action Plan – Members asked for further information on how the Carbon Assessment Tool was utilised and made a number of suggestions to the Council aim of carbon zero. Members also felt that the website should include more information in terms of tips and hints to reduce the carbon footprint.

East Herts Complaints 2019-20 – Members thanked the Officers for the report and the introduction of the new unreasonable behaviour policy which would be submitted to Council for approval.

Corporate Plan Update – Members thanked Officers and received the report. A Member raised the inclusion of issue of BISH 6 which had not yet been determined by DM Committee.

The Work Programme was also updated – Members the programme and their attention was drawn to a number of up and coming briefings in November and December.

3.0 Reason(s)

- 3.1 To enable the Executive to be informed directly by the Overview and Scrutiny Chairman of the Committee's work and its scrutiny of forthcoming policy.

4.0 Options

- 4.1 Not to receive the Committee's views: this option would not be conducive to the scrutiny process.

5.0 Risks

- 5.1 That scrutiny is not taken into account in Executive decision-making.

6.0 Implications/Consultations

- 6.1 None in relation to this summary report, as specific reports which were considered by the Committee and are submitted to the Executive set out implications in relation to those items.

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

No

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

No

Specific Wards

No

7.0 Background papers, appendices and other relevant material

7.1 None.

Contact Member

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