Public Document Pack

James Ellis
Head of Legal and Democratic Services

MEETING : EXECUTIVE
VENUE : COUNCIL CHAMBER, WALLFIELDS, HERTFORD
DATE : TUESDAY 8 FEBRUARY 2022
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 Jonathan Kaye	-	Executive Member for Communities
Councillor Graham McAndrew	-	Executive Member for Environmental Sustainability
Councillor Geoffrey Williamson	-	Executive Member for Financial Sustainability

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- 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;
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AGENDA

1. Apologies

   To receive any apologies for absence.

2. Leader's Announcements

3. Minutes (Pages 7 - 22)

   To approve as a correct record the Minutes of the meeting held on 23 November 2021.

4. Declarations of Interest

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

5. Update from Overview and Scrutiny Committee (Pages 23 - 24)

   To receive a report of the Committee Chairman.

6. Update from Audit and Governance Committee

   To receive a report of the Committee Chairman.

7. Corporate Plan Refresh 2022/2023 (Pages 25 - 40)

8. Budget Scrutiny - Budget 2022/23 and Medium Term Financial Plan 2022-25 (Pages 41 - 180)

9. Capital Strategy and Minimum Revenue Provision Policy 2022/23 (Pages 181 - 246)

10. Treasury Management Strategy Statement and Annual Investment Strategy 2022/23 (Pages 247 - 314)

11. Financial Management 2021/22 – Quarter 2 Forecast to Year End (Pages 315 - 364)

12. Housing Strategy (Pages 365 - 426)

13. Parks and Open Spaces Strategy (Pages 427 - 528)

14. Introduction of Electric Vehicle (EV) charging tariffs (Pages 529 - 552)

    (A) Exclusion of Press and Public

    To move that under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting during the discussion of Appendix A, Item 14 on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the said Act of the following description: in that it provides details of a full cost breakdown of Electric Vehicle charging tariffs.

15. Discretionary COVID-19 Additional Relief Fund (CARF) scheme (Pages 553 - 574)

16. Harlow and Gilston Garden Town - Future Leadership and Governance Report (Pages 575 - 608)

17. Updated Masterplan for the Goods Yard (Pages 609 - 682)

18. Masterplan for land to North West of Buntingford (Pages 683 - 712)

19. Annual Treasury Management Report 2020/21 (Pages 713 - 740)

20. Treasury Management 2021/22 Mid-Year Review (Pages 741 - 768)

21. External Audit National Procurement Opt in (Pages 769 - 786)

22. 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.

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MINUTES OF A MEETING OF THE EXECUTIVE HELD IN THE COUNCIL CHAMBER, WALLFIELDS, HERTFORD ON TUESDAY 23 NOVEMBER 2021, AT 7.00 PM

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

ALSO PRESENT:

Councillors M Pope, C Redfern and P Ruffles.

OFFICERS IN ATTENDANCE:

Richard Cassidy	-	Chief Executive
Amy Ditcham	-	Policy and Projects Officer
James Ellis	-	Head of Legal and Democratic Services and Monitoring Officer
Jonathan Geall	-	Head of Housing and Health
Steven Linnett	-	Head of Strategic Finance and Property
Katie Mogan	-	Democratic Services Manager
Jane O'Brien	-	Senior Environmental Health Officer

Kevin Steptoe	-	(Residential) East Herts Garden Town Lead Officer

234 APOLOGIES

There were no apologies for absence.

235 LEADER'S ANNOUNCEMENTS

The Leader of the Council reminded Members that the meeting was being webcast online. She said that the meeting was the last one in 2021 and wished Members and Officers a Merry Christmas and a Happy New Year.

236 MINUTES - 28 SEPTEMBER 2021

Councillor Haysey proposed, and Councillor Williamson seconded a motion that the Minutes of the meeting held on 28 September 2021 be approved as a correct record and be signed by the Leader. On being put to the meeting and a vote taken, the motion was declared CARRIED.

> **RESOLVED** – that the Minutes of the meeting held on 28 September 2021 be approved as a correct record and signed by the Leader.

237 DECLARATIONS OF INTEREST

There were no declarations of interest.

238 UPDATE FROM OVERVIEW AND SCRUTINY COMMITTEE

The Leader of the Council said comments made by the Overview and Scrutiny Committee on the Private Sector Housing Assistance Policy had been taken into account and reflected in the report recommendation.

The Head of Legal and Democratic Services said that the suggestion made at Overview and Scrutiny was to clarify the wording around grant payments to make it clear that the money would need to be repaid. Therefore, the wording had been amended to 'repayable grant payments' to reflect that expectation.

239 UPDATE FROM AUDIT AND GOVERNANCE COMMITTEE

The Chairman of the Audit and Governance Committee highlighted to the Executive that there was a further delay to the council's external audit which would now take place in January.

The Leader of the Council said that it happened last year and there were national delays to audits. She asked if there was anything the Executive could do to highlight the problem.

The Head of Strategic Finance and Property said that he had made representations to the Audit Manager last week and the delay was a result of a number of resignations within the audit team. He said that the council would closely manage the relationship in the audit as the team were new. They would be coming in early to orientate them through how the council works. The Head of Strategic Finance and Property confirmed

that it was a national problem and the government department responsible were staying with its current ways of working. He said unfortunately there was nothing that the council could do.

The Leader of the Council said she would be happy to help if Officers needed any help from the Council or by way of political leadership to pick up the issue across councils and in the press.

240 PRIVATE SECTOR HOUSING ASSISTANCE POLICY

The Executive Member for Neighbourhoods presented a report on the Private Sector Housing Assistance Policy. He said that the policy had been revised and updated by Officers and been subject to public consultation and reviewed by the Overview and Scrutiny Committee.

The revised policy aimed to ensure that the council is utilising its limited resources to help households less able to carry out repairs or energy efficient improvements. Councillor Boylan said that the key change to the policy is the differentiation of the three repayment policies; grants are for small scale insulation works with no requirement to repay, repayable grant payments which are up to £1,000 to remedy relatively small scale problems which could cause imminent health risks which would need to be repaid when the property was sold and then loans up to £30,000 to ensure the property met the government's empty homes standard which also needed to be repaid on sale of the property. He

assured Members that the repayment requirement was explained to residents at the outset.

Councillor Boylan proposed an amended recommendation as follows “That with the policy amended to make clear that any costs to the council associated with (a) placing a charge on a property to secure repayment of council funding and (b) recouping that funding are added to the sum repayable by the recipient, the Executive recommends the proposed Private Sector Housing Assistance Policy to Council for approval.” He explained that this was to ensure there was no ambiguity and for the council to make full recovery of costs associated with transaction.

Councillor Haysey seconded the amended recommendation. She thanked Officers for their hard work on the policy.

Councillor Boylan proposed, and Councillor Buckmaster seconded a motion supporting the amended recommendation. On being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED - That with the policy amended to make clear that any costs to the council associated with (a) placing a charge on a property to secure repayment of council funding and (b) recouping that funding are added to the sum repayable by the recipient, be recommended to Council for approval.

241 TAXI LICENSING POINTS POLICY

The Executive Member for Planning and Growth presented a report on the revised Taxi Licensing Points Policy. The policy had been out for consultation with the taxi trade and had been endorsed by the Licensing Committee. The council has responsibility for the regulation of hackney carriage drivers within East Herts and the Council have already adopted a taxi driver suitability policy which set out the standards expected of drivers and sanctions available if they do not meet them. The suitability policy was relevant when dealing with drivers or operators with convictions or cautions for serious crimes. The points scheme was to allow for a wider range of enforcement options for those drivers or operators exhibiting behaviours that was not acceptable but not serious enough for a penalty under the suitability policy.

Councillor Goodeve said that the council had operated a points policy for a number of years but it had been revised in light of updated guidance to the Department of Transport's Vehicle Standards in 2020. By accepting the policy, the council would follow the most up to date guidance, giving Officers a full range of tools to endorse standards.

Councillor Goodeve proposed, and Councillor McAndrew seconded a motion supporting 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 the adoption of the Licensing Records Points

Scheme.

242 STATEMENT OF GAMBLING PRINCIPLES

The Executive Member for Planning and Growth presented a report on the Statement of Gambling Principles. The Council was required under the Licensing Act 2003 to adopt the statement every three years. Councillor Goodeve said that if the council did not adopt the statement, then it would be in breach of the Act and would not be able to regulate gambling in the District. The amendments to the statement were minor and gambling activity in the District was relatively small, mainly relating to premises with one or two gambling machines. No representation had been received due to the changes being minor with little or no impact on stakeholders or licence holders.

Councillor Goodeve proposed, and Councillor Kaye seconded a motion supporting 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 the adoption of the Statement of Gambling Principles 2022-2025.

243 HARLOW AND GILSTON GARDEN TOWN, ROLLING INFRASTRUCTURE FUND MEMORANDUM OF UNDERSTANDING

The Leader of the Council presented a report on the Harlow and Gilston Garden Town Rolling Infrastructure Fund Memorandum of Understanding. She said that

the Garden Town was able to achieve an infrastructure fund from the Housing Infrastructure Grant of £172 million to be spent on infrastructure. The Memorandum of Understanding set out how the grant, once reclaimed from developers, would be spent through a Rolling Infrastructure Fund. The three planning authorities, East Herts, Harlow and Epping Forest and the two county councils, Hertfordshire and Essex would all be signing up to the Memorandum of Understanding.

The Garden Town Lead Officer said that the proposals being put in place would govern how the initial government funding, once repaid by the developers and would be used by the Garden Town Partners and assigned to additional infrastructure requirements.

Councillor Buckmaster said that he felt the document was very impressive and a sensible approach. Although it was not legally binding, he said that it lays out the process for the five councils to manage the contributions as they come in. He said that the document safeguards and does not negate any statutory duties and avoids any misunderstandings.

Councillor Haysey said that residents often criticise that infrastructure was late coming to new developments so the document anticipated infrastructure that would be key and integral to the Garden Town.

Councillor Haysey proposed, and Councillor Buckmaster seconded a motion supporting the recommendation in the report. On being put to the

meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that (A) The Memorandum of Understanding relating to The Harlow and Gilston Garden Town Rolling Infrastructure Fund (attached as Appendix 1 to the report) be agreed and its submission to Homes England by the end of November 2021 as required of the Harlow and Gilston Garden Town Authority partners and specifically Hertfordshire County Council (as accountable body for the Housing Investment Grant funding to which the Memorandum of Understanding relates) be agreed;

(B) The set up and operation the Rolling Infrastructure Fund 'in principle' be agreed subject to more detailed work and approval of the appropriate governance and operational arrangements for its management;

(C) The Rolling Infrastructure Fund is governed initially in accordance with the approved Memorandum of Understanding as required by Homes England as a condition of the Housing Investment Grant funding and subsequently in accordance with any further governance arrangements that may be put in place following further agreement between the HGGT partners; and

(D) The Head of Planning and Building Control, in consultation with the Leader of the Council,

be authorised to agree any further non-material amendments to the Memorandum of Understanding.

244 HARLOW AND GILSTON GARDEN TOWN TRANSPORT STRATEGY

The Leader of the Council presented a report on the Harlow and Gilston Garden Town Transport Strategy. She said that the document was the final version for endorsement which set out a clear view on the strategy for transport expected into the Garden Town. Once adopted by Council, it would become a material planning consideration.

Councillor McAndrew added that it was a big document and thanked Officers for their time and commitment. He referred to page 224 of the report and highlighted the example of how people with restricted mobility would be able to move around in a new development and said that this was often forgotten.

The Garden Town Lead Officer said that it was a much stronger document after going through the consultation process. He said that there was a focus on consulting with an audience that are not normally reached as the Garden Town was a development for the future and the next generation so it was important to get their views.

Councillor Haysey proposed, and Councillor McAndrew seconded a motion supporting the recommendation in the report. On being put to the meeting and a vote

taken, the motion was declared CARRIED.

RESOLVED - That (A) the HGGT Transport strategy be recommended to Council for adoption as a material consideration in the planning process for the preparation of masterplans, pre-application advice, assessing planning applications and any other development management purpose for sites within the Garden Town area;

(B) delegation is given to the Head of Planning and Building Control, in consultation with the Director of the Harlow and Gilston Garden Town, to make any minor text or design amendments to the Transport Strategy prior to its publication should there be necessity for clarification or changes proposed by the respective decision makers of East Herts, Harlow and Epping Forest Districts and Essex and Hertfordshire Counties in order to ensure a consistent document; and

(C) The Executive acknowledge that the ambition, mode share objective and principles in the Transport Strategy should help shape existing and future work programmes of the Highway Authorities across the Garden Town, and can provide supporting justification for funding submissions and spending commitments in relation to transport.

245 TRANSFORMING EAST HERTS PROGRAMME AND PROPOSED REVISED FEES AND CHARGES POLICY

The Executive Member for Financial Sustainability presented a report on the Transforming East Herts Programme and the proposed revised Fees and Charges Policy. He said that the Executive had previously approved the go ahead for Officers to start a comprehensive Transformation Programme so that by 2025 East Herts Council will be a customer focused, financially sustainable, effective organisation with flexible, empowered employees. The report provided an update on the programme and recommended that a proper governance structure be created with a Member Stakeholder Group to consider options on the Modern Workspace stream as they emerged.

The Executive Member for Financial Sustainability presented the proposed update to the Fees and Charges Policy which set out a new approach to setting fees so that the council's costs were fully recovered where ever possible. The policy had taken into account equalities issues and the policy would not exploit those paying for a service that the council provides, any surplus in income would be reinvested to meet the council's priorities.

Councillor Redfern referred to Appendix A of the report and asked about the modern front of house and the footfall reported. She queried whether the comparison from before the pandemic and now was fair as the opening hours had been changed.

Councillor Cutting confirmed that the opening hours

had been revised and the footfall figures are representative of the time it was open.

Councillor Redfern asked for further clarification as she said that the opening hours were less so would expect less people to turn up.

Councillor Cutting said that the opening hours were more than adequately coping with the footfall being received and every resident that turned up were able to have their business dealt with.

Councillor Haysey said that it would be useful to know if councillors were being contacted by residents and if there was anything in particular that they were not able to do online.

Councillor Williamson proposed, and Councillor Haysey seconded a motion supporting the recommendation in the report. On being put to the meeting and a vote taken, the motion was declared CARRIED.

> **RESOLVED** – that (A) The progress of the Transforming East Herts programme as presented in Appendix A be considered;
>
> (B) Approve the governance structure for the Transforming East Herts programme, as presented in Appendix B be approved, including the Member Stakeholder Group whose remit is to include receiving and advising on options for the Wallfields building as they emerge; and
>
> (C) the revised Fees and Charges Policy,

included at Appendix C be recommended to Council for approval.

246 HERTFORDSHIRE BUILDING CONTROL COMPANY DEVELOPMENT

The Executive Member for Planning and Growth presented a report on the Hertfordshire Building Control Company Development. She said that East Herts joined with six other authorities in 2016 to form Hertfordshire Building Control Company. The report was requesting Members agree to delegate the decision making to a shareholder as set out in the recommendation.

The Chief Executive said that the reason for the report was to ensure that decisions could be made as quickly as possible. The report recommended delegating that function to the Chief Executive, in consultation with the Executive Member for Planning and Growth.

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

RESOLVED - That all the decisions reserved to the shareholder relating to the effective operation of the Company, be delegated to the Chief Executive, acting as East Herts Council's appointed company shareholder representative to Hertfordshire Building Control Company to, in consultation with the Executive Member for

Planning and Growth.

247 URGENT BUSINESS

There was no urgent business.

The meeting closed at 7.36 pm

Chairman .....

Date .....

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The Overview and Scrutiny Committee met on the 18th January 2022 and discussed the East Herts Housing Strategy 2022 to 2027 where recommendations and comments were made to the Executive as detailed in the report at Item 12 of the agenda.

We also discussed the Parks and Open Spaces Strategy and again members made comments to the Executive for consideration as detailed in the report at Item 13 of the agenda.

Other issues discussed were the future EV charges in East Herts car parks.

Cllr John Wyllie
Chairman of the Overview and Scrutiny Committee

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East Herts Council Report

Executive

Date of meeting:	8 February 2022
Report by:	Councillor Linda Haysey, Leader of the Council
Report title:	Corporate Plan Refresh 2022/23
Ward(s) affected:	All

Summary –This paper invites Executive Members to review and comment on Corporate Plan priorities ahead of them being proposed for adoption to Council alongside the 2022/23 budget

RECOMMENDATIONS FOR EXECUTIVE:

a) **To review and comment on the One Page Plan priorities, as shown at Appendix A.**

b) **Consider the comments from the Overview and Scrutiny Committee, as shown at Appendix B, and endorse the recommended actions shown.**

c) **Endorse the One Page plan, as amended by Recommendation (B), and recommend it to Council for approval.**

1.0 Proposal(s)

1.1 That the Corporate Plan priorities are reviewed following on from Overview and Scrutiny Committee consideration and

ahead of being adopted at Full Council alongside the 2022-23 budget

2.0 Background

2.1 The Council's Corporate Plan, "East Herts: A Place to Grow" was originally adopted in January 2020 and a refreshed version agreed by Council in July of 2021. The plan contains a high level summary against each of the four SEED themes. There are then a series of more detailed actions and indicators to help measure progress towards objectives. The full plan can be found here: http://democracy.eastherts.gov.uk/ieListDocuments.aspx?CId=158&MId=3914&J=2

2.2 As part of 2021-22 year there are 85 actions and 75 Performance Indicators to help The Council monitor progress the SEED objectives. An update was provided to Overview and Scrutiny Members in November 2021 and a full report on progress will be provided in May 2022 as part of the Council's Annual Report.

2.3 Corporate plan priorities are refreshed on an annual basis, usually alongside budget considerations, to accommodate any changes in priorities. The 2021/22 refresh process was fairly substantial, incorporating new and additional activity related to Covid but remaining focused on the SEED structure and core priorities of the council.

2.4 Some of the issues that may affect priorities in the upcoming year could include the following:

2.5 The 2022/23 budget is quite challenging for East Herts District Council and the refresh process needs to be considered in this context. The scope for new/ additional activity which has not been identified in the budget is very limited.

2.6 The capital programme remains in place and the proposed budget sets out how the commitments will be met. Key projects (such as Hertford Theatre and Old River Lane) are likely to continue to be priorities for the Council.

2.7 The Sustainability at the Heart of everything we do theme is monitored on a monthly basis and the key activities have changed substantially since the last refresh. A number of high level actions and priorities have been identified for the 2022/23 year. The full details of all the theme's activities can be found here: https://www.eastherts.gov.uk/about-east-herts-0/environmental-sustainability/environmental-sustainability-action-plan

2.8 Under the Enabling Communities theme a substantial amount of new activity was incorporated last year around addressing the impact of Covid and supporting national programmes such as enforcing restrictions and the vaccine roll out (see "keeping communities safe" objective). One-off funding was made available for much of this activity which expires on 31 March 2022. It is uncertain at this stage what the appetite will be from central government to continue funding this work throughout 2022 (even with the new Omicron variant) although East Herts will continue to support countywide and national programmes around vaccine take up.

2.9 Similar to the above the Encouraging Economic Growth theme had a strong focus on business support during Covid (eg. administration of grant funding). It is uncertain whether this will continue in 2022/23 however support to businesses will remain a priority.

2.10 There has been a substantial amount of activity around the Digital by Default theme in the past six months. Officers have begun a Transforming East Herts programme designed to save £1m over the next three years. There are six themes underneath the programme and a number of them have been added into the one page plan given the impact they may have on customers and staff:

- Lean Processes: looking at improving existing business and customer processes and encouraging more channel shift
- Modern Workforce Development: looking at new ways of working following the pandemic and getting the right skills for the future. This includes maximising benefits from the new blended working policy for staff
- Commercial Skills: looking at opportunities to generate more income.
- Modern Workspaces: looking at the use of our buildings. A key project within this strand will be an evaluation of our office requirements in terms of desks, meeting and flexible use spaces for the future. This will involve looking at options for reconfiguring Wallfields and letting part of it commercially. Another project will look at receptions/ front of house services in both Hertford and Bishop's Stortford and take an evidence based approach

to ensuring our face to face offering is effective and efficient.

- Service Reviews: looking at overall quality of services and ensuring they are future proofed. This strand will provide a framework for how we review current services in terms of benchmarking performance with peers, reviewing customer feedback and agreeing expectations for quality against costs.
- Technology: looking at our hardware and software solutions. This strand will focus on supporting the roll out of Office 365, use of MS Teams as a tool for communication and collaboration and ensuring staff have the right equipment to undertake their roles

2.11 The report was considered by the Overview and Scrutiny Committee at its meeting on 18 January 2022. Comments and recommended actions are shown at Appendix B.

3.0 Reason(s)

3.1 The report

4.0 Options

4.1 N/A

5.0 Risks

5.1 None

6.0 Implications/Consultations

6.1 The annual consultation on what residents think of East Herts Council services concluded shortly before Christmas and the results can be found within the budget papers.

Community Safety

No

Data Protection

No

Equalities

The SEED framework supports the delivery of East and Equal – the Council's Equality, Diversity and Inclusion strategy

Environmental Sustainability

The SEED framework outlines the Council's proposed actions towards meeting its sustainability commitments

Financial

The priorities can only be delivered with investment and details concerning spending are contained within the budget papers

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

No

Specific Wards

No

7.0 Background papers, appendices and other relevant material

Appendix A – One page plan

Contact Member

Councillor Linda Haysey, Leader of the Council

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Appendix A: Comments from the Overview and Scrutiny Committee

Comment from Committee	Reasons from the Committee	Executive Member/Officer Comment	Recommended Action
The council's role in tree planting is made more explicit than is currently suggested in the Sustainability at the Heart of Everything we do theme	An action with the "S" theme mentioned working with HCC and others to promote tree planting. The Committee felt that the Council's role in tree planting should be as much about direct planting as it is about working with others to do so	Executive Members did note that in other projects East Herts has been active in tree planting and that this should be acknowledged	Executive consider amending the wording
That digital exclusion is considered as an area of focus in the Digital by Default theme	The Transforming East Herts programme focuses on channel shift and Committee Members are keen to ensure that no residents are left behind and supported appropriately	There is an item on the Committee forward plan on digital exclusion on the 22 March and this can be debated further, with any recommendations being shared with Executive in due course	Executive consider this and any recommendations from the 22 March meeting

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East Herts: A Place to Grow

DRAFT Corporate Plan Refresh for 2022/ 2023

The Council's Corporate Plan (2020/21 – 2023/24) was agreed in January 2020 and sets outs a range of actions and objectives against 4 overall, 'SEED' priorities. Whilst the aspirations in that plan are still relevant Covid-19 has changed local, national and global priorities for public service delivery and impacted how and where East Herts Council is deploying its resources. This refreshed plan outlines amended objectives for the 2022/ 2022 year which better reflect the needs of the district in this context.

Each of the 'one page plans' for the 4 themes have been updated. New priorities have been included where relevant and actions which have either been completed or are now less relevant compared to one year ago have been removed. Please note that for each theme there is a wider set of actions and measures which sit underneath the one page plan.

Sustainability at the heart of everything we do 2022/ 2023

The council's work towards achieving its nine commitments for tackling climate change has continued at pace in 2021/22. Over the last 12 months the council has completed the redevelopment of Grange Paddocks Leisure Centre, minimising the building's carbon emissions by installing solar PV panels and a combined heat and power system, commissioned the installation of 59 additional e-vehicle chargers in council car parks (which will be ready to use by summer 2022) and run a food waste minimisation publicity scheme.

In 2022/23 we will publish an overarching Climate Change Strategy which will pull together how we are working with key partners in the county and beyond to promote sustainability in a cost effective way. In addition, we will focus on supporting residents to make positive changes to their behaviour.

Strategy/ objectives	Actions/ key projects
1. We will make changes to The Council's own premises, people and services we deliver	1a. Switch the council's fleet of diesel vans to electric vehicles. 1b. Publish a Climate Change Strategy including a proposed route map to the council's services being carbon neutral by 2030. 1c. Deliver sustainability upgrades at the remodelled Hartham Leisure Centre in Hertford.
2. Use our regulatory powers to promote action by others	2a. Publish revised Parking Standards Supplementary Planning Document covering new development, including provision for e-v charging points at new residential properties and locations. 2b. Incorporate the findings of the Hertfordshire-wide Biodiversity Baseline Study into planning guidance. 2c. Implement stricter taxi emission requirements for all new vehicle applications and renewal applications.
3. Influence and encourage others to do things	3a. In partnership, seek external funding to introduce e-v chargers in more rural locations in the district. 3b. Promote domestic energy efficiency improvements supported by the national Local Authority Delivery 2 scheme and the domestic energy efficiency assessment. 3c. Work with Hertfordshire County Council and community groups to promote or directly undertake tree planting as part of the national Queen's Green Canopy initiative 3d. Promote The Council's E-car pool scheme to the public

Enabling our communities 2022/ 2023

Over the past 12 months we have kept up momentum on delivery of our capital programme demonstrating on-going commitment to the wellbeing of our communities. This includes the opening of our brand new £30m leisure centre at Grange Paddocks in Bishop's Stortford and working with community groups to co-design and open the new play area at Hartham Common. The Council has also created a new portfolio for Communities and adopted an Equalities, Diversity and Inclusion Strategy in the summer of 2021 highlighting the need to understand and address the disproportionate impact that things like Covid has had in East Herts.

In a survey residents informed us that parks and open spaces are the service that they are most satisfied with and a major priority for 2022/23 will be the delivery of a new strategy reviewing use of these assets and ensuring their public health and leisure benefits are maximised where possible. We will also continue to focus on delivering our capital programme, whilst still delivering services to our most vulnerable residents. This will of course include supporting partners with Covid recovery efforts and rolling out the national vaccination programme.

Strategy/ objectives	Actions/ key projects
1. We will invest in our places	1a. Complete refurbishment of Hartham Leisure Centre 1b. Deliver £20m investment in Hertford Theatre 1c. Deliver the Castle Park project 1d. Deliver the Cultural Strategy
2. We will ensure all voices in the community are heard	2a. Grow our digital communications channels (Instagram, Twitter, Facebook and Linked in) 2b. Deliver the Equalities, Diversity and Inclusion Strategy
3. We will support our vulnerable residents	3a. Further establish the East Herts Healthy Hub to promote access to health, social, wellbeing advice and support 3b. Provide specialist support to those facing or recovering from homelessness
4. Keeping communities safe	4a. Support national vaccination roll out with East Herts assets where possible 4b. Support national and county led communications campaigns on vaccine roll out and vaccine hesitancy 4b. Provide regulatory advice and support to businesses with post Covid recovery

Encouraging economic growth 2022/ 2023

Since the start of the pandemic we have given out £53m in grants to businesses affected by Covid. Our High Streets are under enormous pressure to recover and remain relevant and with changing patterns of workplace distribution we will face additional pressure on viability of commercial development. However this may also bring opportunities for the district and the 33 businesses that have opened up new premises in the last 6 months with our support indicates a healthy demand for economic growth.

Over 2022/23 we will continue to focus on delivery of major projects such as Old River Lane and our European Funded Launchpad 2 business support programme. Working in partnership with the County Council, Town Councils, police and businesses will be an important means of ensuring residents feel comfortable and confident when visiting their town centres. Continuing to work with developers on delivery of growth sites across the district and supporting communities with neighbourhood planning will be key to ensuring East Herts remains a vibrant place to live.

Strategy/ objectives	Action/ key projects
1. We will continue to support businesses and business growth	1a. Deliver the match funded ERDF Launchpad 2 project and continue to grow the Launchpad in Bishop's Stortford and Ware 1b. Continue to provide grant funding to businesses affected by Covid *(Nb. This is contingent upon further government announcements on restrictions)*
2. We will support town centres with post Covid recovery	2a. Learning from the 20/21 pilot work in Hertford on developing a town centre vision and action plan in conjunction with stakeholders, support similar approaches in other towns
3. We will ensure development is viable	3a. Support the Herts Growth Board with presenting a case for additional infrastructure investment in Hertfordshire 3b. Complete construction of the multi-story car park on the Old River Lane site 3c. Deliver an SPD and Masterplan for the Old River Lane site 3d. Delivery of the strategic sites allocated in the District Plan in accordance with the housing trajectory.

Digital by default 2022/ 2023

Global changes in behaviour following the pandemic have accelerated the take up of digital services and this has been evident with the 92.5% take up of green waste by the website, 100% take up of business grant applications via webform and the increasing use of our appointment booking and web chat software. We will build on this impetus to further enhance the digital offer to residents and businesses aswell as internally to all our employees and elected representatives.

The Transforming East Herts programme is designed to save the council £1m over the next 3 years by automating more processes, streamlining the customer experience, being more commercial in our mindset and more creative with our office space and ways of working.

Strategy/ objectives	Action/ key projects
1. We will encourage greater use of the website and self-service for customers	1a. Expand use of the appointment booking system for customers who need to see us 1b. Expand use of the chatbot to help customers resolve their queries
2. We will work with partners to ensure our communities are digitally enabled	2a. Ensure fibre to the premise (FTTP) is provided on all new developments 2b. Support joint delivery of Harlow and Gilston Garden Town as a fully sustainable and digital 'place' 2c. Support the Digital Innovation Zone to lobby for investment in our towns and villages
3. Deliver the Transforming East Herts programme	3a. Creating modern workspaces 3b. Creating a modern workforce through new blended working arrangements 3c. Developing a more commercial approach to service delivery 3d. Investing in modern technology and software

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East Herts Council Report

Executive

Date of meeting:	8 February 2022
Report by:	Councillor Geoffrey Williamson, Deputy Leader & Executive Member for Financial Sustainability
Report title:	Budget 2022/23 and Medium Term Financial Plan 2022/23 – 2026/27
Ward(s) affected:	All

Summary –

The report sets out proposals on the following:

- the Medium Term Financial Plan 2022/23 – 2026/27
- the 2022/23 – 2026/27 Capital Programme
- the 2022/23 schedule of charges

All decisions and recommendations will be considered within the national context of continued financial uncertainty arising from the pandemic, the lack of a multiple year Comprehensive Spending Review and risks for local government, particularly the impact of Local Council Tax Support on the Council Tax base. Going forward questions remain over the total funding for local government and how this will be shared between authorities including the Fairer Funding review and the review of Business Rates as a tax and its potential replacement.

RECOMMENDATIONS FOR EXECUTIVE:

a) Consider the comments from Audit & Governance Committee, as shown at Appendix H, and endorse the recommended actions shown.

b) To **recommend to Council**:

I. that the East Herts share of the Council Tax for a Band D property in 2022/23 be set at £184.09, an increase of £5, the maximum permitted within the Council Tax Referendum principles;

II. The Budget 2022/23 and the Medium Term Financial Plan 2022 – 2027 is approved;

III. The savings plans summarised in Appendix B are approved for implementation and that Council require that compensating savings, delivered to the same timescales, have to be put in place and reported to the next Council meeting should the Executive decide that any savings proposals should not proceed, or are reduced by 10% or more

IV. The capital programme set out in Appendix C is approved; and

V. The schedule of charges for 2021/22 set out in Appendix G, with an average increase of 5%, is approved.

c) Note the results of the consultation on how the public value services that are provided by the council.

d) Note the Equalities Impact Assessment at Appendix F

e) Note the savings due to be delivered from the Transforming East Herts Programme and note that a full business case and benefits realisation plan will be presented to Executive in June 2022.

1.0 Proposal(s)

1.1 The report sets out proposals for East Herts Council's budget and element of the Council Tax for 2022/23 and a five year Medium term Financial Plan (MTFP) which members of Audit and Governance are asked to scrutinise and make any recommendations on the budget for consideration by the Executive prior to putting it to Council.

2.0 Background

2.1 The council has undergone significant change over recent years, facing pressures linked to the UK economic and wider global downturns and more recently Brexit uncertainty and Covid19.

2.2 The budget is built around the corporate priorities, which are **S**ustainability, **E**nabling our communities, **E**conomic growth, and **D**igital by design. This underpins the organisation's direction of travel.

2.3 The Executive approved the following guidance for the 2022/23 budget and Medium Term Financial plan, on 28 September 2021:

- Council Tax increase of £5
- contract inflation up to 4%
- no inflation in other goods and services budgets
- provision for the national pay award will be up to 3%

The MTFP has been updated for these, this can be found at appendix A.

2.4 A report including a revised MTFP was taken to Audit and Governance Committee and the Executive in September 2021, which detailed the changing financial position since the MTFP approved by members in March 2021. The cumulative effect of the changes to planning assumptions was an improvement on the Councils financial position of £0.375m. Despite this improvement this still left savings to be identified of £0.967m in 2022/23 rising to £1.901m in 2026/27.

2.5 During October and November 2021 the Leadership Team considered a range of options to reduce the net cost of services. A total of £239k was removed from the budget for items which did not affect front line services such as reducing staff travel budgets by 25% and removing vacant posts that had not been recruited to. Further potential savings have been considered by Leadership Team and are shown in Appendix B for member scrutiny and approval. These savings are in addition to the three year savings plan which was agreed at Council in March 2021 and which will be implemented alongside the additional proposed savings. Members should also note that the budget and MTFP also contains savings projections from the transforming East Herts Programme. A summary of the savings proposed are shown in the table below

	2022/23	2023/24	2024/25	2025/26	2026/27
	£'000	£'000	£'000	£'000	£'000
Three Year Savings Plan	(1,801)	(2,987)	(2,987)	(2,987)	(2,987)
Leadership Team budget reductions	(238)	(254)	(277)	(277)	(277)
New savings proposals for approval	**(481)**	**(780)**	**(790)**	**(790)**	**(790)**
Transforming East Herts Programme	(100)	(900)	(1,000)	(1,000)	(1,000)
Total	**(2,620)**	**(4,921)**	**(5,054)**	**(5,054)**	**(5,054)**

2.6 Members will note that these are significant reductions in net cost (representing a 33% reduction in the net cost of services) The Transforming East Herts Programme will now need to

move from the discovery to the implementation phase and start to deliver substantial savings from modern ways of working which will require investment in technology to deliver end to end digital services.

2.7 The office accommodation requirement moving forward will be for less space than the current Wallfields campus provides. Officers are awaiting figures from the County Council for the cost of co-location at County Hall and officers will need to evaluate what works would be required at Wallfields to modernise the building to be able to rent out space. The running costs of Wallfields are relatively low and far below commercial letting rates for the equivalent space. However the building is in need of works and adaption for climate change and future pandemics (notably the lack of a ventilation system) and once this work has been completed a decision can be taken as to whether East Herts remains at Wallfields.

2.8 Officers are investigating a number of potential shared services opportunities with neighbouring authorities as part of the Transforming East Herts Programme which include potential expanded shared outsourced contracts, new and expanded shared service provision and also the potential appetite of neighbours for a shared management team.

2.9 Members will appreciate that officers will increasingly be internally focused on delivering the Transforming East Herts Programme during 2022/23 and the minimum savings target of £1 million will need to be delivered as a key part of balancing the council's budget over the medium term.

2.10 The 2022/23 provisional Local Government Finance settlement was issued by the Department for Levelling Up, Housing and Communities (DLUHC) on 16th December 2021. This was a one year settlement in order that changes to the local government finance system can be introduced for the 2023/24 draft

settlement. The Secretary of State announced an average 4% increase in core spending power for local government and made available a one off Services Grant to cushion the impact of COVID 19 worth £822 million. The proposed referendum limit for Council Tax is 2% or £5, whichever is the higher, for shire districts. Despite consulting on changes to New Homes Bonus the secretary of state surprised local government by making a one off payment based on the old methodology. Lower tier support grant was paid again and over 50% of the amount allocated to East Herts is effectively floor protection to ensure that the Council is not worse off in cash terms. The draft settlement was better than expected but still results in East Herts core spending power rising by only 0.03%. Members will recall that core spending power includes resources raised through Council Tax and that, even after the £5 proposed increase, the council's cash resources have effectively been frozen.

2.11 As DLUHC update the data and methodology for allocating government funding it is highly likely that East Herts will see reductions in resources for the medium term. Much will depend on how DLUHC design the system to protect losers, presumably through a floor protection mechanism which limits reductions. The MTFP is constructed on the council being worse off each year of the MTFP by around £50k per annum after floor protection. There is a risk that this assumption is optimistic and that the floor could be set much lower, especially as resources will be redirected to less affluent areas in order to deliver levelling up. As a result there are new net cost reductions to be met in future years of £1.7 million by 2025/26. The council has to date, been able to deliver net cost reductions without any significant reduction in the service offer to residents and minimising redundancies. However, this will become increasingly difficult to achieve in the context of further on-going reductions in government funding. Members will be faced with hard decisions in the coming years. The council has

insufficient reserves to bridge the current projected funding gap and using reserves to put off difficult decisions results in higher savings requirements in later years.

2.12 The report was considered by Audit & Governance Committee at its meeting on 25 January 2022. Comments and recommended actions are shown at Appendix H.

2.13 The report contains the following sections and Appendices:

Report Sections	
3.0	Budget Components
4.0	Net cost of services
5.0	Corporate budgets
6.0	Contributions to/from reserves
7.0	External funding
8.0	Council Tax
9.0	2022/23 Revenue budget
10.0	Consultation
11.0	Capital
12.0	Prudential Code
13.0	2022/23 schedule of fees and charges

Appendices	
A	Medium Term Financial Plan (MTFP)
B	Savings Proposals
C	Capital Programme
D	Reserves
E	Residents' Survey
F	Equalities Impact Assessment
G	Schedule of Charges for 2022/23
H	Comments from Audit & Governance Committee

3.0 Budget Components

The council's revenue budget consists of five major building blocks as follows:

3.1 **Net Cost of Services:** these are the direct costs incurred by the council in delivering services, less any specific income generated. Any use of reserves to fund these services is included in the contributions to and from reserves.

3.2 **Corporate budgets:** these are the costs incurred and income received by the council that are not service specific, for example pension fund deficit contributions, interest income and payments.

3.3 **Contributions to and from reserves:** this represents funding within the revenue budget from earmarked reserves which has been allocated to fund specific purposes and funding received that is to be transferred into reserves. The impact of the use of reserves is a reduction on the total income demand on council taxpayers. Reserves are a finite source of funding and their use should represent value for money.

3.4 **External Funding:** these income budgets are general and non-service specific income sources. They include funding from Central Government and Non Domestic Rates income.

3.5 **Council Tax:** this income is also a general and non-service specific source of income.

4.0 Net Cost of Services

4.1 The proposed net cost of services for 2022/23 is £16.179 million. All budgets, with the exception of salaries, major contracts and business rate costs, have been capped at 2021/22 levels.

4.2 Salary inflation of 3% has been included in the net cost of services. Budgets for contracts have been increased by 4% for outsourced contracts such as refuse and grounds maintenance. These both reflect current increases in inflation which will result in higher contract indexation.

4.3 The table below shows the net cost of services broken down by service area:

Table1: Net Cost of Services

2021/22		2022/23	2023/24	2024/25	2025/26	2026/27
£'000		£'000	£'000	£'000	£'000	£'000
401	Chief Executive & PA's	378	349	359	370	381
1,386	Communications, Strategy & Policy	1,416	1,450	1,484	1,520	1,556
578	Human Resources & Org Development	534	546	531	542	553
2,653	Strategic Finance & Property	2,933	3,435	3,679	3,930	4,186
1,426	Legal & Democratic Services	1,484	1,507	1,546	1,587	1,629
2,571	Housing and Health	2,398	2,417	2,483	2,554	2,627
238	Capital Expenditure Charged to a Revenue Account	238	238	238	238	238
1,202	Planning & Building Control	1,954	2,014	2,076	2,139	2,204
3,058	Operations	2,282	2,082	1,604	1,616	1,695
709	Shared Revenues & Benefits Service	931	975	1,021	1,067	1,115
2,151	IT Shared service	2,213	2,313	2,313	2,313	2,313
-	Transforming East Herts savings	(100)	(900)	(1,000)	(1,000)	(1,000)
-	Savings proposals	(481)	(780)	(790)	(790)	(792)
-	Contract renewals cost pressures	-	50	100	550	50
16,374	**Net Cost of Services**	**16,179**	**15,693**	**15,643**	**16,635**	**16,754**

5.0 Corporate budgets

5.1 The proposed income and expenditure budgets shown in table 2 cannot be directly attributed to specific services and relate to the authority as a whole.

Table 2: Corporate budgets

Corporate Budgets

2021/22		2022/23	2023/24	2024/25	2025/26	2026/27
£'000		£'000	£'000	£'000	£'000	£'000
-	Fees & Charges Annual Review	(50)	(100)	(150)	(200)	(250)
-	Minimum Revenue Provision	20	943	1,636	2,240	2,286
-	Interest Payable on Loans	459	757	1,067	1,223	1,231
(750)	Investment Income	(750)	(750)	(750)	(750)	(750)
734	Pension Fund Deficit Contribution	754	800	800	800	800
-	Savings to be identified	-	(393)	(874)	(1,880)	(1,880)
(16)	**Total corporate budgets**	**433**	**1,257**	**1,729**	**1,433**	**1,437**

5.2 Fees and charges are being reviewed in line with the Council's Fees and Charges policy agreed at Full Council in December 2021. This sets out that the Council's fees and charges should normally fully recover the cost of providing the service. The income included is the estimated value of the increases to fees and charges. Further work to ensure that charges recover cost will be undertaken during the course of the year.

5.3 The capital programme will be largely funded by external borrowing going forward. Borrowing impacts the revenue account through the requirement to pay interest and also by the requirement to set aside Minimum Revenue Provision (MRP) to meet the repayment of the principal amount of loans. Generally loans are repayable over 30 years so for every £1 million borrowed, the revenue account is charged £33,334 a year as well as the interest at the rate set for the life of the loan

by the Public Works Loans Board (PWLB). The new format of the capital programme will enable Members to connect the programme and it's financing explicitly to the impact on the revenue budget.

5.4 Investment income includes interest received from the Councils investment in Millstream and in the property funds that the Council holds.

5.5 The Hertfordshire Local Government Pension Fund assets are approximately 114% of the fund liabilities. It is anticipated that with the triennial actuarial reviews of the local government pension scheme in 2023/24 and 2026/27 additional contributions for past service deficit payments may be required from the Council but these have been substantially reduced to reflect the 114% funding in the scheme. Under the LGPS Regulations contribution holidays are no longer permitted as experience of contribution holidays in the 1980s were the root cause of the substantial fund deficits that occurred following asset volatility in the markets. The intention going forward is that local government will continue to make contributions and that excess assets will provide a cushion from market volatility and prevent the return of large contribution increases to ensure that the fund meets its liabilities over the 3 year actuarial valuation period.

6.0 Contributions to/from reserves

6.1 The budget process invariably includes items that are not annually re-occurring and that require finance from the council's reserves. The proposed reserves contributions are summarised in the table below and include new movements for the irrecoverable losses in the collection fund grant. See Appendix D for more detail.

Table 3: Reserve contributions

Reserves

2021/22		2022/23	2023/24	2024/25	2025/26	2026/27
£'000		£'000	£'000	£'000	£'000	£'000
3,369	Contributions to Earmaked Reserves	438	190	190	190	35
(769)	Contributions from Earmarked Reserves	(1,555)	(1,585)	-	-	-
-	Planned Use of General Fund Balance	-	-	-	(265)	205
299	New Homes Bonus Cont to Reserve	1,383	-	-	-	-
2,898	**Total reserves**	**265**	**(1,395)**	**190**	**(75)**	**240**

6.2 The reserves are an important part of the budget setting process, there are minimum levels of reserves which the section 151 officer sets out in his statutory report on the adequacy of reserves. Authorities are also expected to maintain a level of Earmarked Reserves to fund one-off projects and initiatives. The emphasis for this Medium Term Financial Plan is to protect a healthy minimum reserves position that provides sufficient cover for unforeseen events and provides resources to deliver the transformation programme at the fastest possible speed. Another key element of reserves is to provide cash flow for the council, particularly in early April and January to March when the council has less cash available. Earmarked Reserves are shown in Appendix D.

6.3 Contributions from reserves relate to the Business rate deficit and the NNDR compensation grant, in line with accounting regulations.

6.4 As announced in the provisional 2022/23 Local Government Finance Settlement the Council will receive New Homes Bonus in 2022/23, it is not anticipated that this will continue beyond 2022/23. It is proposed that the total New Homes Bonus grant is transferred to reserves to protect the Councils financial

position and for use in implementing transformation plans. The section 151 officer advises that the whole of the one off New Homes Bonus grant is taken to earmarked reserves to provide an important cash liquidity cushion. At present the council will need to temporarily borrow for cash flow purposes in order to pay staff, Members and suppliers. It would be imprudent to anticipate income for future years when there are no proposals from government to model any potential awards, so no income has been assumed for New Homes Bonus allocations going forward.

7.0 Sources of External Funding

7.1 The 2022/23 Provisional Local Government Finance Settlement was published on 16th December 2021, this provides details of provisional grant allocations and baseline figures within the Business Rate Retention scheme. Full details can be found on the DLUHC website. The table below shows the forecast funding.

Table 4: Funding

Funding

2021/22		2022/23	2023/24	2024/25	2025/26	2026/27
£'000		£'000	£'000	£'000	£'000	£'000
(150)	Capital Salaries	(150)	(150)	(150)	(150)	(150)
(2,721)	NDR	(3,616)	(5,000)	(4,950)	(4,900)	(4,850)
(4,666)	Section 31 Grants	(1,900)	-	-	-	-
2,455	(Surplus)/Deficit on Collection Fund	2,386	1,585	-	-	-
(874)	Government Grant	(689)	-	-	-	-
(2,244)	New Homes Bonus	(1,383)	-	-	-	-
(8,200)	**Total Funding**	**(5,352)**	**(3,565)**	**(5,100)**	**(5,050)**	**(5,000)**

7.2 The Collection Fund is made up of two elements – Council Tax and Business Rates. Each one of these taxes can make a surplus or deficit for the year and those surpluses deficits are

shared between East Herts and Principal Preceptors for Council Tax and the County Council and government for business rates. The deficit shown relates Business Rates.

7.3 Final business rates figures will not be available until the end of January once the council has completed the NNDR1 return to DLUHC. Once that is completed we will have definitive business rates and section 31 grant figures which at this stage are best estimates from officers. Members should be aware that there is a risk that the Business Rates do not yield the funding level assumed in the budget and MTFP.

7.4 In 2022/23 East Herts will be part of the Hertfordshire business rates pool. The benefits of being in the Pool is that the use of the provisions built up, when released, will result in additional rates income being retained in Hertfordshire, benefitting both the district and county council and also providing resources to the Hertfordshire Growth Board. Being outside the Pool has allowed the council to build strong provisions and some councils currently in the Pool will leave in order that they can build up provisions which they did not have the flexibility to do whilst delivering the growth amounts for retention in Hertforshire. Pool membership is for a year and then the make-up of the Pool (should Pooling be permitted once the settlement mechanism is changed) will be reviewed. The council would be releasing provisions anyway to manage the carried forward collection fund deficit and being in the Pool ensures we can retain a greater element of the increased rates income than would be possible outside the Pool.

7.5 In line with the assumptions in the MTFP and the government's consultation on changing the formula to allocate News Homes Bonus there was no expectation for receipt of New Homes

Bonus. The 2022/23 provisional Finance Settlement announced a strictly one-off payment of New Homes Bonus of £1.38m for East Herts. This will be paid with the last legacy amount for 2019/20 plus the allocation for 2022/23. The 2020/21 and 2021/22 'in year' allocations did not have future years legacy payments included. Members should note that the 2022/23 new award is a single year payment only and there will be no legacy amount payable in the future. There is no guarantee that New Homes bonus will be received in future years and therefore is not included in the MTFP.

8.0 Council Tax:

8.1 The Provisional 2022/23 Finance settlement published in December 2021, confirmed that district councils will be allowed to apply the higher of the referendum limit of 2% or £5.

8.2 In setting the council's proposed budget, the maximum of £5 has been used in all years of the MTFP, giving a band D equivalent Council Tax of £184.09 for 2022/23. This maximum increase was guidance approved by the Executive in September 2021. The £5 amount represents a 2.8% increase which is below the rate of inflation of 5.1% for the year to November 2021.

9.0 Revenue Budget 2022/23

9.1 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. The proposed budget for 2022/23 is shown below:

Table 5: 2022/23 Revenue budget

	2022/23
	£'000
Net Cost of Services	**16,179**
Total corporate budgets	**433**
Total reserves	**265**
Funding	
Capital Salaries	(150)
Non Domestic Rates	(3,616)
Section 31 Grants	(1,900)
(Surplus)/Deficit on Collection Fund	2,386
Government Grant	(689)
New Homes Bonus	(1,383)
Total Funding	**(5,035)**
Demand on Collection Fund	**11,526**

10.0 Consultation

10.1 No consultation has taken place with the public on the overall budget proposals. Individual savings proposals which have a significant impact will be subject to consultation exercises on their implementation.

10.2 The Council has repeated the same resident's survey about council services as last year. Further detail is given in Appendix E.

11.0 Capital Programme

11.1 During October and November 2021 re-phasing of the capital programme has been undertaken to reflect the slippage from 2020/21 and changes to programming in 2021/22. The five year Capital programme from 2022/23 can be found in Appendix C and continues to deliver the substantial capital ambitions of the council with major investments in leisure, culture, and the revitalisation of Bishop's Stortford.

11.2 Going forward, the capital programme will need to be financed predominately 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 principal and Council will be requested to approve the MRP Policy as part of the Capital Strategy. It is proposed that MRP will be on the asset life method which has several advantages. Firstly, MRP is not payable whilst the asset is under construction which can take two to three years. Once the asset is brought into use the asset life must be set and once set it is fixed and cannot be changed. MRP then becomes payable only in the first full year the asset is in service. Asset lives have to have regard to the statutory guidance and are set by the s.151 officer. We will usually phase loan repayments to utilise the MRP accrued and to create borrowing headroom. Generally the useful asset life will be 30 years for buildings. Whilst this might, on the face of it, seem too short for a building, the various components of the building are likely to need substantial replacement after 30 years (windows, wiring, plumbing, roof, fixtures and fittings and so on.). When undergoing major refurbishment, the building is often stripped back to the core structural elements therefore a useful life of 30 years covering loan debt structured to be paid down over 30 years is a prudent method. The 30 year life is strongly mandated in government guidance on MRP and any

attempts to use longer asset lives will involve long and protracted discussion with the external auditor and DLUHC.

11.3 Members will also note that Revenue Expenditure Funded as Capital Under Statute (REFCUS) is now charged to the revenue account. Borrowing is not a suitable financing method for REFCUS because it results in no asset for the council. Home Improvement Grants are now offered as loans secured against the equity in the property going forward and the loan and interest only becoming due on the sale of the property. The funds returned represent capital receipts and over the next five years the council should start to see this funding starting to return to the council where it can be reused to offer further home improvement loans reducing the revenue costs in the budget.

12.0 Prudential Code implications

12.1 The council is required under the Local Government Act 2003 to 'have regard' to the requirements of the CIPFA Prudential Code which requires that certain performance indicators and limits known as Prudential Indicators are calculated.

12.2 The Prudential Indicators must be approved by Council before the beginning of each financial year. Their purpose is to help the council ensure that its capital investment plans are affordable, prudent and sustainable.

12.3 In the opinion of the Head of Strategic Finance and Property the capital programme being proposed in this budget report is affordable, prudent and sustainable. However, it should be noted that the Minimum Revenue Provision Policy, is subject to validation with the Council's external auditor. The policy contains a proposed treatment of historic set aside capital receipts which can only be utilised for repaying borrowing. The Policy utilises receipts to repay borrowing but there is a risk that if the external auditor does not agree with the treatment of

the historic set aside receipts that the council will need to revisit the capital programme and its financing

13 2022/23 Revenue schedule of fees and charges

13.1 Fees and charges have been increased by a minimum of 5% and some have been increased in line with the Council's fees and charges policy approved at Council on 15th December 2021. Further work will be undertaken during the year to ensure that charges are fully recovering costs. A detailed Fees and Charges Schedule is shown in Appendix G.

14. Reason(s)

14.1 The council is required to set a balanced budget in advance of the beginning of each financial year in accordance with the provision of the Local Government Finance Act 1992.

15. Options

15.1 The budget process has required further savings options to be developed and the number of options available that do not affect the service offer have now dwindled and Leadership Team have presented the only viable options deliverable for the next financial year. Work continues on savings for the Transforming East Herts Programme and the minimum £1 million saving targeted from modernising the way the council works

16 Risks

16.1 The council's Medium Term Financial Plan is a complex model subject to many factors and the forecasts are, by necessity, subject to continuous review and refinement to reflect the

latest information as it emerges.

16.2 The budget report considers emerging risks to the funding the council receives and issues are set out in the appropriate parts of the report.

16.3 Section 25 of the Local Government Act 2003 requires the Statutory s151 Officer (Head of Strategic Finance and Property) to give advice to Council on the level of reserves held and the robustness of the budgets of the budgets at the time Council makes its decision on the budget proposals

16.4 COVID-19 – remains a risk to the council's income and operational costs. The Omicron variant appears to be much milder than the Delta variant but there remains a risk that a further mutation can occur which is more deadly and would probably result in a full lockdown. Once COVID has made the transition from pandemic to endemic disease there remains the acknowledged risk that a new pandemic may emerge, particularly as animals are displaced from remote habitats as a result of climate change.

16.5 Climate change continues to present a risk to the council's operations and consideration will need to be given to achieving net zero targets by 2030 alongside adaption of buildings and working practices, e.g. refuse and recycling rounds may need rethinking to respond to extreme weather events.

17.0 Implications/Consultations

17.1 An on-line residents' survey was conducted to inform Members of the current levels of satisfaction with the services provided by East Herts Council. The full results are included in Appendix F. A summary of the results is detailed in the paragraphs below.

17.2 Number of respondents this year was significantly lower than last year: 207 responses, 174 of which were fully completed. This compares to 853 and 696 respectively last year.

17.3 % of those satisfied or very satisfied with the way we run things has decreased from just under 55% last year to just under 35% this year

17.4 Awareness of the East Hert's element of council tax has increased from 32% last year to just under 40% this year. However at the same time those satisfied or very satisfied that East Herts provides value for money has decreased from just over 45% last year to just under 33% this year. Free text comments are varied. Some relate to potholes/ pavements and highways led Covid changes to town centres (HCC functions). A number of comments also point out that not knowing exactly what the district council does makes it hard to determine whether value for money is provided. There is a strong theme around street cleanliness and litter. Only 7 of the 70 comments mentioned green waste charging.

17.5 Waste and recycling services had satisfied or very satisfied ratings of over 85% last year. This has dropped to a little under 62% this year. Looking at the comments in the free text this does not appear to be driven by the introduction of the green

waste charge. Only 6 of 130 comments mention this whereas many more refer to overall street cleanliness and litter bin emptying (likely to have been influenced by lockdown behaviours). Given this is still the most popular service there are also a number of positive and supportive comments about the service, specifically waste collection.

17.6 Satisfaction for Parks and open spaces has also decreased from just over 71% satisfied or very satisfied to just over 55%. However, dissatisfaction has only increased marginally whereas the % of people who answered “neutral” or “don’t know” has increased from 17% to 27%. There are very few comments about parks so we are unsure what is driving this trend, other than some comments linking anti-social behaviour to parks.

17.7 Satisfaction with leisure services has stayed broadly similar to last year (Just over 36% satisfied or very satisfied last year compared to just over 35% this year). To some extent this is surprising given the council’s £30m investment in Grange Paddocks however it is only likely to be residents in the North and East of the district who are likely to be aware of the new facility. There some comments related to delays with the Hartham Leisure project.

17.8 Responses to satisfaction with business support, housing and homelessness support and anti-social behaviour remain broadly similar to last year with most respondents saying “neutral” or “don’t know”. As specialist services that relatively few residents interact this is to be expected.

17.9 Satisfaction with planning services has dropped slightly from 18% last year, to 13.5% this year. However the % of people responding “neutral” or “don’t know” has increased from almost 46% last year to almost 58% this year. Dissatisfaction has also marginally decreased. This year’s survey asked a pre question on planning about whether the respondent has had any direct dealing with the planning department and this may be responsible for the changes which is likely to have driven this change (43% said they hadn’t). It is a possible that those respondent’s who have had no interaction have gone on to answer don’t know or neutral. There are several comments regarding planning in the free text, mostly negative and mostly drawing on individual examples of where residents have not been happy with a planning decision or their interaction with planning. Equally there are comments related to housing growth and the pressure on local infrastructure which could have come from those same individuals who answered don’t know or neutral.

17.10 Satisfaction with parking services has decreased from just over 32% last year to just under 25% this year. However dissatisfaction has also decreased (from 38% last year to 29% this year) and the % of those answering “neutral” and “don’t know” has gone up from 30% last year to over 46% this year. As with planning we asked a screening question to see who regularly used a council car park or lives in an RPZ (65% said they don’t). This may have influenced the increase in don’t know or neutral answers and the reduced levels of dissatisfaction. There are lots of references to parking in the free text section. This is mostly a mixture of residents who want more enforcement of parking violations and/ or whom

have not been happy at being ticketed (indicating even if the respondent is does not use a council car park or live in an RPZ they may have still have reported dissatisfaction).

Community Safety

The budget underpins delivery of the council's policies and priorities in relation to community safety.

Data Protection

The costs of monitoring and complying with Data Protection regulations are included in the base budget. There are no resources set aside to meet any possible fines and these would have to be funded from reserves.

Equalities

The council has a number of statutory duties under the Equality Act 2010. These 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.

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 at the implementation phase to assess and ensure compliance with this duty.

Environmental Sustainability

The budget underpins policies and priorities in relation to the environmental and sustainability areas e.g. it provides staffing and capital investment resources.

Financial

All financial implications are included in the report.

Health and Safety

The council's budget provides resources to discharge its health and safety duties in relation to staff as employer and to the public as service users.

Human Resources

The budget will provide a provision for a pay award of up to 3% but the actual award is subject to national NJC negotiations. Progression up the incremental scale has been included in the base budget salary costings.

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

Budget 2022/23 and Medium Term Financial Plan 2022 -2025 Preparation - Executive – 28th September 2021

Appendices	
A	Medium Term Financial Plan (MTFP)
B	Savings Proposals
C	Capital Programme
D	Reserves
E	Residents' Survey
F	Equalities Impact Assessment
G	Schedule of Charges for 2022/23
H	Comments from Audit & Governance Committee

Contact Member

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GENERAL FUND REVENUE BUDGET AND MEDIUM TERM FINANCIAL PLAN

2021/22		2022/23	2023/24	2024/25	2025/26	2026/27
£'000		£'000	£'000	£'000	£'000	£'000
401	Chief Executive & PA's	378	349	359	370	381
1,386	Communications, Strategy & Policy	1,416	1,450	1,484	1,520	1,556
578	Human Resources & Org Development	534	546	531	542	553
2,653	Strategic Finance & Property	2,933	3,435	3,679	3,930	4,186
1,426	Legal & Democratic Services	1,484	1,507	1,546	1,587	1,629
2,571	Housing and Health	2,398	2,417	2,483	2,554	2,627
238	Capital Expenditure Charged to a Revenue Account	238	238	238	238	238
1,202	Planning & Building Control	1,954	2,014	2,076	2,139	2,204
3,058	Operations	2,282	2,082	1,604	1,616	1,695
709	Shared Revenues & Benefits Service	931	975	1,021	1,067	1,115
2,151	IT Shared service	2,213	2,313	2,313	2,313	2,313
-	Transforming East Herts savings	(100)	(900)	(1,000)	(1,000)	(1,000)
-	Savings proposals	(481)	(780)	(790)	(790)	(792)
-	Contract renewals cost pressures	-	50	100	550	50
16,374	**Net Cost of Services**	**16,179**	**15,693**	**15,643**	**16,635**	**16,754**

Corporate Budgets

2021/22		2022/23	2023/24	2024/25	2025/26	2026/27
£'000		£'000	£'000	£'000	£'000	£'000
-	Fees & Charges Annual Review	(50)	(100)	(150)	(200)	(250)
-	Minimum Revenue Provision	20	943	1,636	2,240	2,286
-	Interest Payable on Loans	459	757	1,067	1,223	1,231
(750)	Investment Income	(750)	(750)	(750)	(750)	(750)
734	Pension Fund Deficit Contribution	754	800	800	800	800
-	Savings to be identified	-	(393)	(874)	(1,880)	(1,880)
(16)	**Total corporate budgets**	**433**	**1,257**	**1,729**	**1,433**	**1,437**

Reserves

2021/22		2022/23	2023/24	2024/25	2025/26	2026/27
£'000		£'000	£'000	£'000	£'000	£'000
3,369	Contributions to Earmaked Reserves	438	190	190	190	35
(769)	Contributions from Earmarked Reserves	(1,555)	(1,585)	-	-	-
-	Planned Use of General Fund Balance	-	-	-	(265)	205
299	New Homes Bonus Cont to Reserve	1,383	-	-	-	-
2,898	**Total reserves**	**265**	**(1,395)**	**190**	**(75)**	**240**

Funding

2021/22		2022/23	2023/24	2024/25	2025/26	2026/27
£'000		£'000	£'000	£'000	£'000	£'000
(150)	Capital Salaries	(150)	(150)	(150)	(150)	(150)
(2,721)	NDR	(3,616)	(5,000)	(4,950)	(4,900)	(4,850)
(4,666)	Section 31 Grants	(1,900)	-	-	-	-
2,455	(Surplus)/Deficit on Collection Fund	2,386	1,585	-	-	-
(874)	Government Grant	(689)	-	-	-	-
(2,244)	New Homes Bonus	(1,383)	-	-	-	-
(8,200)	**Total Funding**	**(5,352)**	**(3,565)**	**(5,100)**	**(5,050)**	**(5,000)**
11,056	**Net Expenditure financed by Council Tax**	**11,526**	**11,990**	**12,462**	**12,942**	**13,431**
(11,056)	Demand on Collection Fund	(11,526)	(11,990)	(12,462)	(12,942)	(13,431)
61,734	Council Taxbase	62,610	63,410	64,210	65,010	65,810
179.09	**Council Tax at Band D (£)**	**184.09**	**189.09**	**194.08**	**199.08**	**204.09**
	Percentage Increase in Council Tax	2.78%	2.72%	2.64%	2.58%	2.51%
	£ increase in Council Tax	5.00	5.00	5.00	5.00	5.00

APPENDIX B

BUDGET 2022/23 SAVINGS PROPOSALS

Economic Development

Corporate Priority:	**Economic Growth**
Portfolio Holder:	**Jan Goodeve**
LT Lead:	**Ben Wood**

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
- 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**
Revenue	£0	£0	£15 (BBfA, DIZ and VH)*	£15
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	Potential loss of profile and reputation amongst other organisations who are members (especially with regards to LSCC and DIZ) In the case of Visit Herts some businesses may feel we are not supporting the tourism sector.

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

Resilience Partnership

Corporate Priority:	**Enabling Communities**
Portfolio Holder:	**Cllr Peter Boylan**
LT Lead:	**Jonathan Geall**

Description of Service:
Emergency planning-related contracts – Hertfordshire Resilience Partnership

Description of Transformation/Efficiency Proposal:

Reduce the payment to the Hertfordshire Emergency Planning / Resilience Partnership from £26k per year to £16k to reflect the reduction in hours devoted by the Partnership to East Herts that has already been made. At the same time, incorporate any remaining functions into the work of existing East Herts officers.

What do the public say?:

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2021/22	**2022/23**	**2023/24**	**2024/25**
Revenue	£0	(£10)	(£10)	(£10)
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	**Income:**	**Net Budget:**
£26	£0	£26

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**
• No significant reduction to public services as it believed duties can be absorbed into existing East Herts staff base	• Increased pressures on existing EHC officers •

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS
None

Community Transport

Corporate Priority:	**Enabling communities**
Portfolio Holder:	**Cllr Graham McAndrew**
LT Lead:	**Jonathan Geall**

Description of Service: Grant support to operators of community transport

Description of savings proposal:

Public transport is a county function in a two tier area. In the past, East Herts Council created a budget to assist with the start-up of community transport schemes in the wake of a reduction in some timetabled bus services. A number of schemes, plus a community car scheme, are now established and it arguably time to withdraw council funding.

The proposal:

- During the 2021/22 budget-setting round members approved a staged reduction in resources for grants for operation of community transport from £84k in 2020/21 to £21k in 2023/24.
- This new proposal is to (a) remove £21k from the 2022/23 budget (leaving £21k) and (b) remove the remaining £21k in 2023/24.

Of note:

- Recipients of community transport subsidy have been told for a few years now that the council's funding will reduce with a view it being withdrawn as the schemes become established.
- Recipients of community transport subsidy are all towns/parish councils (apart from the community car club operated by CVS) and so there is an ability for the town/parish to meet any ongoing need for subsidy from precepts.
- From this year, the Lynx demand responsive transport is in operation in the north of the district, arguably reducing the need for community transport schemes.

What do the public say?: No consultation conducted

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2021/22	**2022/23**	**2023/24**	**2024/25**
Revenue	£0	(£21)	(£21)	(£21)
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	**Income:**	**Net Budget:**
£63,000 in 2021/22 £42,000 in 2022/23 £21,000 in 2023/24	£0	£63,000 in 2021/22 £42,000 in 2022/23 £21,000 in 2023/24

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	No

What are the key issues raised in the EQIA?	It is likely that those with protected characteristics are over-presented in the passengers of community transport. If current operators were unable to continue services without council subsidy, these residents would be disproportionately affected. There are, however, potential mitigations (Lynx demand responsive transport in the north of the district, greater support from parish councils, access to the council's community grants to aid the transition to no council subsidy)

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	**NEGATIVE**
1. Reduced revenue expenditure 2.	1. Possible reputational risk should someone wish to criticise the council for withdrawing its funding for community transport at a time of promoting greener travel

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

B&B Charges

Corporate Priority:	**Enabling communities**
Portfolio Holder:	**Cllr Peter Boylan**
LT Lead:	**Jonathan Geall**

Description of Service: Provision of bed and breakfast accommodation as temporary accommodation for single people when the council's hostels are full

Description of savings proposal: Increase the charge from single people in bed and breakfast from £110.40 per week to £129.33 which represents the maximum that can be funded in full from housing benefit funds (from the government rather than East Herts). Based on an estimate of 408 total weeks a year for single people in B&B, this uplift equates to £7,723.44 ***income*** to the council from national housing benefit resources

What do the public say?: Views have not been sought on this

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2021/22	**2022/23**	**2023/24**	**2024/25**
Revenue	£0	(£8)	(£8)	(£8)
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	**Income:**	**Net Budget:**
£128,520 – estimate B&B costs	£45,043 – hb coverage	£83,477

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 – the recipient of the accommodation will not see any impact. The proposal is a means of maximising income to offset the council's costs

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	**NEGATIVE**
1. Increased income 2. 3.	1. 2. 3.

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

Grants

Corporate Priority:	**Engaging communities**
Portfolio Holder:	**Cllr Jonathan Kaye**
LT Lead:	**Jonathan Geall**

Description of Service: Revenue grants to third sector / voluntary organisations to support the council's priorities

Description of savings proposal:

From 2021/22, the funding for both the council's revenue and capital community grants comes from the council's revenue budget. Thus, the two pots can be considered as one with, for the first time, members being able to determine the split between revenue and capital grant expenditure.

Proposals:

- Reduction of 25% in 2022/23 in the combined revenue and capital grants budget, that is £31k.
- Reduction of a further 25% (£31k) in the combined revenue and capital grants budget in 2023/24 giving total saving of £62k (50% in total).
- From 2022/23, replace £8k of the council's revenue spend on the combined revenue and capital grants budget with monies accruing in the East Herts Lottery Community Chest Fund. Note: the Community Chest monies are currently held in a suspense account pending a decision on their use.
- In 2024/25, end the sports development budget of £10k with the transition to potential s106 funding/external funding from 2024/25 enabled by funding from HCC Healthy Hub monies in 2022/23 and 2023/24 thus giving a corresponding saving to the council's revenue budget in these two years.
- Reduction in the council's grants to Citizens Advice (from a total of £152,018 from base budget and homelessness grant in 2021/22) by £13k in 2022/23, then another £10k in 2023/24 (giving a total reduction of £23k) and then another £10k in 2024/25 (giving a total reduction of £33k).

To note:

- The current split of community grants is £45k revenue and £80k capital. It is proposed to reduce the combined pot over the coming two years to then be £63k from 2023/24 onwards. Members now have the freedom to vary the balance of expenditure between revenue and capital grants and so could choose to continue to prioritise the existing level of revenue grant spend while reducing the capital spend.
- Town and parish councils can apply for community grants, although applications and allocations are low (in 2020/21 three capital grants totalling £24k were made and so far in 2021/22 two capital grants totaling £4k and one revenue grant of £200 were made). It is proposed to remove town and parish councils' access to the council's grants pot as they have the ability to raise their precepts to fund expenditure and it could be considered that they are diverting monies from community, voluntary and third sector groups with less ability to raise their own resources.
- With regard to the Citizens Advice Service, officers are aware that a number of authorities are reducing their grant level; Broxbourne BC no longer provides any grant to the local Citizen's Advice Service.
- Until 2020/21, East Herts Citizens Advice used £16k of its funding to pay the council for office space. We understand that they no longer have any office base and so could, in theory, absorb a reduction in council funding from lower office overheads.
- The council does and will continue to provide ad hoc to Citizens Advice. Previously, the

council has funded them to advice with EU citizen settled status applications and Covid work.

- The council will continue to support Citizen Advice's bids for external funding and indeed council officers are facilitating a range of third sector organisations coming together to put a combined bid to national funding sources, notably, the Big Lotto Fund.

What do the public say?: No consultation conducted

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2021/22	**2022/23**	**2023/24**	**2024/25**
Combined revenue and capital community grants	£0	£31k *Giving a revised combined grants budget of £94k*	£62k *Giving a revised combined grants budget of £63k*	£62k *Giving a revised combined grants budget of £63k*
Replacement of council funding for community grants with contribution from the East Herts Lottery Community Chest		£8k *No impact on £94k grants budget as this refers to how the grants pot is funded*	£8k *No impact on £63k grants budget as this refers to how the grants pot is funded*	£8k *No impact on £63k grants budget as this refers to how the grants pot is funded*
Sports development grant		£10k *No impact on £10k grants budget as it will be funded from HCC Healthy Hub monies in this year*	£10k *No impact on £10k grants budget as it will be funded from HCC Healthy Hub monies in this year*	£10k *HCC Healthy Hub support ends; option for continued funding from s106 and/or external sources*
Grant to East Herts Citizens Advice Service		£13k *Revised grant to Citizens Advice of £139k*	£23k *Revised grant to Citizens Advice of £129k*	£33k *Revised grant to Citizens Advice of £119k*
Total revenue saving to the council		**£62k**	**£103k**	**£113k**
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	**Income:**	**Net Budget:**
£287k	£19k – homelessness grant used to fund Citizens Advice	£268k

EQUALITY IMPACT ASSESSMENT

Has an EQIA been completed? (If yes, date to be added)	No
What are the key issues raised in the EQIA?	Given the council's grants policy, a number of recipients with protected characteristics are likely to be disproportionately impacted in an adverse way – notably older people, those with physical disabilities, those with learning difficulties. See discussion above regarding mitigation

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	**NEGATIVE**
1. Reduced revenue expenditure 2. Potential for staff time saving related to the processing of fewer grants 3. Increased drive to self-sufficiency among community groups	1. Some people with protected characteristics likely to be negatively impacted by lower grant giving to groups offering services to them 2. Reputational risk of reducing money for support groups at time of recovery from pandemic 3.

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

Parking – RPZ Permits

Corporate Priority:	
Portfolio Holder:	**Cllr Graham McAndrew**
LT Lead:	**Jess Khanom-Metaman**

Description of Service:
Increase the price Resident Parking Zone (RPZ) permits to reflect full cost recovery in line with new fees and charges policy.

Description of savings proposal:
This proposal seeks to uplift the charge to residents for RPZ permit to ensure full cost recovery to the Council is achieved in line with the pending fees and charges policy.

Resident Permit Parking Permit Charge Calculation 2020/21

15% of patrol time spent in RPZs	2020-21 contract costs		
FY 2020-21 contractor Costs (*excludes P&D and cashless parking target costs*)	£628,000.00		
15% of contractor total costs	£94,200.00		
Permits / Voucher procurement cost (hard copies)	£10,000.00		
Customer Service engagement 5% salary pro rata	£36,610.00		
Parking Service staff engagement (N/A)	£0.00		
Business Support engagement 70% salary pro rata	£66,008.18		
Signing & Lining annual budget RPZ	£8,000.00		
Total Operating Costs	£214,818.18		
Income RPZ Related (Permit & Voucher sales)	£105,431.50		
Net cost of service provision	**£109,386.68**		
2020/21: Total number of Permits in use #	1275		
	£85.79	Net Cost Per Permit to break even	
Current			
# 1st permit	£41.00	1019	
# 2nd permit	£82.00	256	
Proposal			
# 1st permit (revised cost) maintaining current price differential	£72.00	1019	£73,368.00
# 2nd permit (revised cost) maintaining current price differential	£144.00	256	£36,864.00
			£110,232.00

What do the public say?:
No consultation undertaken. Formal consultation is required via Traffic Regulation Order advertisement.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2021/22	**2022/23**	**2023/24**	**2024/25**
Revenue	£0	(£100)	(£105)	(£110)
Capital	£0	£0	0	

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	**Income:**	**Net Budget:**

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	Initial assessment carried out as part of wider proposals
What are the key issues raised in the EQIA?	Low impact

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	**NEGATIVE**
1. Full cost recovery – service not subsidized by Council	1. Perception the proposed charge is unfair

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

Formal consultation is required to implement the change of substance in East Herts car parks via Traffic Regulation Order.

Parking – Standard tariff 7 days

Corporate Priority:	
Portfolio Holder:	**Cllr Graham McAndrew**
LT Lead:	**Jess Khanom-Metaman**

Description of Service:
Introduce standard car park tariff charges on Sundays across Council managed car parks.

Description of savings proposal:
As part of the 2020/21 savings proposals the Council agreed to introduce a flat rate £1 fee on Sundays which will go live in October 2022 to replace the current free Sunday parking. Given that a number of businesses are open on Sundays could be managed in the same way as the rest of the week. This proposal means customers will pay for parking on Sundays in line with the current Monday to Saturday charging structure.

The formula applied to produce the estimated financial returns: car park revenue divided by 6 (number of days currently charged) to produce a typical "daily" value and divided by one quarter on basis 25% of normal charges are achieved.

What do the public say?:
No consultation undertaken as yet. Formal consultation is required via Traffic Regulation Order advertisement.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2021/22	**2022/23**	**2023/24**	**2024/25**
Revenue	£0	(£70)	(£126)	(£138)
Capital	£0	£0	£10	£2

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	**Income:**	**Net Budget:**

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	Initial assessment carried out as part of wider proposals
What are the key issues raised in the EQIA?	Impact low

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	**NEGATIVE**

1. Equitable charging structure applied across the week. Consistent. 2. Ensure practical use of the council's asset 3. Introduce additional revenue stream	1. Perception the proposed charge is unfair 2. Some Members may not be supportive 3. Negative sentiment: local residents, local businesses, media - due the long standing free / subsidized offer

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Car park charge may deter car use	Income generation		

LEGAL IMPLICATIONS

Formal consultation is required to implement the change of substance in East Herts car parks via Traffic Regulation Order.

Parking – Annual price increase

Corporate Priority:	
Portfolio Holder:	**Cllr Graham McAndrew**
LT Lead:	**Jess Khanom-Metaman**

Description of Service:
Annual uplift in parking charges from April 2023

Description of savings proposal:
This proposal seeks to uplift parking charges on an annual basis in line with CPI in September (6 months prior the charge being implemented) but no less than 2.5% per annum from April 2023. Based on a 2.5% increase it is anticipated that this will generate approximately £75,000 per annum (assuming parking behavior does not alter significantly).

It is important to note that the applicable percentage uplift will be applied where it is practical to do so on tariffs and rounded up or down to align to the nearest 10 pence.

What do the public say?:
No consultation undertaken. Formal consultation is required via Traffic Regulation Order advertisement.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2021/22	**2022/23**	**2023/24**	**2024/25**
Revenue	£0	£0	(£75)	(£75)
Capital	£0	£0	0	£5

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	**Income:**	**Net Budget:**

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	Initial assessment carried out as part of wider proposals
What are the key issues raised in the EQIA?	Impact low on protected characteristics

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	**NEGATIVE**
3. Annual uplift in income in line with a number	2. Perception the proposed charge is unfair

of other authorities	

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Increase prices may deter driving			

LEGAL IMPLICATIONS

Formal consultation is required to implement the change of substance in East Herts car parks via Traffic Regulation Order.

Playgrounds

Corporate Priority:	
Portfolio Holder:	**Cllr Eric Buckmaster**
LT Lead:	**Jess Khanom-Metaman**

Description of Service: Parks & Open Spaces – Playground transfer to Town or Parish Councils

There are 63 play areas managed by EHC.

Description of savings proposal:

The proposal seeks to permanently transfer 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 transfer

What do the public say?:

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 generally already in the ownership of Parish Councils in East Herts.

East Herts has maintained a good record of safety across its play areas.

As part of our public engagement exercise to inform the development of a new Parks & Open Spaces Strategy, 179 customers completed an online questionnaire. 43% of respondees listed “opportunities for play” as one of the three most important things that people believe a park should offer. To put this into context, the highest choice was “habitats for wildlife” at 61% then “places to walk” at 45%.
Of the 94 separate comments, eight felt there should be no commercialisation and of these, one reflected that such an approach could alarm residents that play areas might be closed.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2021/22	**2022/23**	**2023/24**	**2024/25**
Revenue		(£5)	(£10)	(£10)
Capital	n/a	n/a	n/a	n/a

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)	Initial assessment carried out as part of wider proposals
What are the key issues raised in the EQIA?	Low impact

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	**NEGATIVE**
4. Small budget saving 5. Offsets inspection pressure for client team monitoring .	1. Prevents closure and need to reduce facilities for young people potentially undermining the Council's corporate objective; "Enabling our communities" to invest in our places, ensure all voices in the community are heard and support our vulnerable residents

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design

LEGAL IMPLICATIONS

Some exit implications with grounds contractor will need to be investigated further

Members should also note that as Town and Parish Council operate play areas then EHC provision represents "double taxation" and should be remedied by either transfer of the asset to Town and Parish Councils, ceasing this provision or levying a special expense for council tax purposes. Generally the special expense route will be more expensive for the local taxpayers than the town or parish council taking over the playgrounds. Further detailed advice to parish councils on double taxation is available by following this link: NALC Guidance on double taxation

Paper Recycling Boxes:

Corporate Priority:	
Portfolio Holder:	**Cllr Graham McAndrew**
LT Lead:	**Jess Khanom-Metaman**

Description of Service:
Paper Recycling Boxes

Description of savings proposal:
Removal of the 45L box option and lids for replacement containers. Standard 55L box offered for replacements.

Residents store 45L boxes inside recycling bin reducing recycling capacity of the bin.

45L boxes are broken and lost more frequently than 55L

45L boxes cost £3.14 more than the standard 55L box

55L boxes provide more recycling capacity

Availability of 45L boxes from manufacturers is increasing unreliable.

55L box is the standard box size in the majority of local authorities.

Lids can help reduce water content of paper – not all households use them.

Saving estimates are based on average purchase costs for 19/20, 20/21 and 21/22 YTD (4133 replacements). Further savings likely due to reduction in loss and breakages and consequently delivery costs.

In order to ensure there is service alignment within the shared service, work will need to be undertaken to achieve the same outcome for this proposal with North Herts where possible.

What do the public say?:
Some residents prefer the smaller box, because it fits inside the recycling bin.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2022/23	**2023/24**	**2024/25**	**2025/26**
Revenue	(£14)	(£14)	(£14)	(£14)
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	**Income:**	**Net Budget:**
47,000 (Actual expenditure 20/21 £110k)	0	47,000

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	An initial assessment has taken place as part of wider proposals
What are the key issues raised in the EQIA?	A full 55L box will be heavier than a full 45L box for elderly or disabled residents.

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	**NEGATIVE**
6. Reduction in loss/breakages (therefore waste) 7. Reduction in purchase & delivery costs 8. Increased capacity for recycling	3. Collected paper could have a higher water content if boxes are stored outside 4. Larger boxes are heavier 5.

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Reduction in waste and increase in recycling capacity			

LEGAL IMPLICATIONS
None

Charging for bin delivery

Corporate Priority:
Portfolio Holder: Cllr Graham McAndrew
LT Lead: Jess Khanom- Metaman

Description of Service:
Charging for new bin delivery at new developments and for replacement wheeled bins.
(Please note we are charging for delivery and not the bin which remains the property of the council). Where a replacement bin is required due to the contractor having lost or damaged the bin, then delivery will be free.

Description of savings proposal:
In 20/21 we replaced over 16,500 bins and boxes. The cost of replacing bins, boxes amounts to circa £200,000 across the services. This proposal is to charge for the delivery of replacement residual (black) bins only at a cost of £40 for a new 240L bin and £25 for a refurbished 240L residual (black) bin based on 40% of bins being refurbished and a 20% reduction in black bin replacement. Refurbished bins will be offered only when available. Other bins principally blue lidded recycling bins will also be refurbished but not charged to continue to encourage recycling participation.

What do the public say?:
Chargeable services are not popular, however we currently receive requests for replacements when they are not warranted.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2022/23	**2023/24**	**2024/25**	**2025/26**
Revenue	(£20)	(£40)	(£40)	(£40)
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	**Income:**	**Net Budget:**
170,000 (Expenditure in 20/21 was £197k)	0	170,000

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	Initial assessment as part of wider proposals
What are the key issues raised in the EQIA?	Impact low

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	**NEGATIVE**
9. Reduction in waste 10. Reduction in purchase & delivery costs 11. Income generation	6. Chargeable services unpopular 7. Online payment functionality would be required. 8. Longer call times at the Customer Service Centre

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Reduction in waste due to more repairs and less unnecessary replacement			Online payment systems need to be developed to facilitate contact handling.

LEGAL IMPLICATIONS

EPA 1990 S.46 allows local authorities to specify the receptacle for waste and make a charge.

Public convenience and CTS

Corporate Priority:
Portfolio Holder: Cllr Graham McAndrew
LT Lead: Jess Khanom- Metaman

Description of Service:
Transfer or closure of provision of public conveniences in Buntingford and cessation of the Community Toilet Scheme.

Description of savings proposal:
The proposal is for the transfer or 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?:
It is unknown at this stage if the toilets are of value to the community.

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)				
	2022/23	**2023/24**	**2024/25**	**2025/26**
Revenue	(£40)	(£40)	(£40)	(£40)
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	**Income:**	**Net Budget:**
£40,000	0	£40,000

EQUALITY IMPACT ASSESSMENT	
Has an EQIA been completed? (If yes, date to be added)	Initial assessment as part of wider proposals
What are the key issues raised in the EQIA?	The closure of Buntingford would likely impact on elderly, disabled or pregnant visitors to the town as the more likely primary users of the facilities.

KEY ISSUES/ RISKS/ IMPACT OF PROPOSAL	
POSITIVE	**NEGATIVE**
1. Reduction in revenue costs 2. Reduced need for Capital costs associated with refurbishment	1. Reduced availability of facilities for residents

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
Facility is old in design with no consideration of sustainable design		The provision of toilets is seen as necessary by some users. However toilets are not provided in other towns.	

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.

Internal Audit Days

Corporate Priority: All
Portfolio Holder: Councillor Williamson
LT Lead: Steven Linnett

Description of Service:
Internal Audit Services provided by Hertfordshire Share Internal Audit Services (SIAS)

Description of savings proposal:
To reduce the number of audit days purchased from SIAS whilst still ensuring appropriate assurance is received on the Council's services. External audit no longer rely on the work of Internal Audit to reach an opinion on the statement of accounts and given the number of outsourced services the section 151 officer feels it is appropriate to reduce the number of audit days to 250 which would provide coverage of all major systems and with the changeover of audit approach to assurance mapping, Members should not see any reduction in the coverage of internal audit work.

The savings proposal will need to be discussed at Audit & Governance Committee. The Committee previously felt that 300 days was the minimum Internal Audit work required but this was before the introduction of the Assurance Mapping approach to internal audit as recommended by the ICAEW and other professional bodies. For comparison Stevenage BC which has a Housing Revenue Account and in-house services for waste and recycling has a total of 315 audit days.

What do the public say?: 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.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2021/22	**2022/23**	**2023/24**	**2024/25**
Revenue	£0	(£20)	(£20)	(£20)
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	**Income:**	**Net Budget:**
£103k		

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**
12. Cost reduction will not impact on direct service provision 13. 14.	9. Increased risk of a lack of internal control, or a failure in internal control, being identified and rectified although assurance mapping approach will mean Members and management should be able to identify control gaps and rectify them far more easily than the traditional substantive testing approach. 10. 11.

CORPORATE PRIORITIES ASSESSMENT			
Sustainability	Economic Growth	Enabling Communities	Digital by Design
	Savings can be used to fund revenue budget		

LEGAL IMPLICATIONS

The Council is responsible for ensuring an adequate system of internal audit and the s.151 officer advises that an adequate system of internal audit can be delivered in 250 days, rather than the current 300, without affecting the adequacy of the system of internal audit.

Gilston Planning Costs Pressure Reduction

Corporate Priority:
Portfolio Holder: Jan Goodeve
LT Lead: Sara Saunders

Description of Service:

The Gilston Area is identified in the District Plan as providing 10,000 new homes to 2033 and beyond. It forms a significant part of the Council's development strategy for the district and will provide a large contribution to the Council's overall housing supply. It also forms part of the Harlow and Gilston Garden Town which involves four new garden neighbourhoods in and around Harlow delivering 16,000 homes by 2033; Five local authority partners working together; a sustainable transport vision to achieve a 60% shift to sustainable modes of transport; and £172m of government support through the Housing Investment Grant (HIG) to help fund infrastructure and accelerate delivery. We are signed up, with partners, to deliver an ambitious programme of transformative development and healthy new places through the Garden Town Vision.

Description of savings proposal:

The planning of the Gilston Area is at a critical stage with the outline applications and river crossing applications due to be determined over the coming months. Other related work streams including masterplanning are already underway and require significant input in order to shape the detailed proposals. At the same time, the governance of the Harlow and Gilston Garden Town is being reviewed reflecting the shift in emphasis from the policy stage to the delivery stage.

Support for the planning of the Gilston area has been flagged an ongoing budget pressure. This includes an additional £247,000 to support the planning function for Gilston area. Having reviewing the planning support required this could be reduced by £40k bringing the planning costs down to £207,000.

What do the public say?:

Planning is an open and transparent service which can attract a significant amount of public interest.

VALUE OF PROPOSAL(S) PER YEAR (ESTIMATED)				
	2021/22	**2022/23**	**2023/24**	**2024/25**
Revenue	£0	(£40)	(£40)	(£40)
Capital	£0	£0	£0	£0

CURRENT REVENUE BUDGET (NET DIRECT SERVICE COSTS)		
Expenditure:	**Income:**	**Net Budget:**
£620		£620

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**
15. Continued proactive and positive engagement in the planning of the Gilston Area.	12. Vision and ambitions for the Gilston area and the Harlow and Gilston Garden Town may not be realised.

CORPORATE PRIORITIES ASSESSMENT			
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 and open and transparent way.	Continues to support sustainable development in line with the District Plan.

LEGAL IMPLICATIONS

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EAST HERTS DISTRICT COUNCIL CAPITAL PROGRAMME 2022/23 TO 2026/27

APPROVED SCHEMES	Major Schemes expenditure to 31/03/21 £000	2021/22 Forecast Outturn £000	2022/23 Original Budget £000	2023/24 Original Budget £000	2024/25 Original Budget £000	2025/26 Original Budget £000	2026/27 Original Budget £000	Scheme Total £000
Land and Buildings								
Investment in operational assets		205	250	250	250	250	250	1,455
Buntingford Depot		-	208	-	-	-	-	208
Grange Paddocks Leisure Centre	13,795	10,019	853	-	-	-	-	24,667
Hartham Leisure Centre - Extension	1,440	3,273	6,358	-	-	-	-	11,071
Ward Freman Joint Use Facilities		-	1,100	-	-	-	-	1,100
Temp Accom -Hostels		614	-	-	-	-	-	614
Car Park Resurfacing		491	134	-	-	-	-	625
Hertford Theatre	1,575	1,400	8,558	8,558	-	-	-	20,090
Northgate End Regeneration (MSCP, domestic and non-domestic units)	11,704	9,068	1,890	-	-	-	-	22,662
Old River Lane Regeneration and Arts Centre	2,815	500	2,000	9,000	9,077	-	-	23,392
Elizabeth Road Redevelopment		-	1,080	1,080	-	-	-	2,160
Pinehurst Community Centre		-	200	-	-	-	-	200
Total Land and Buildings	**31,329**	**25,570**	**22,631**	**18,888**	**9,327**	**250**	**250**	**108,244**
Vehicles and Equipment								
LED Lighting Upgrades		170	60	-	-	-	-	230
Council Chamber AV System		60	-	-	-	-	-	60
Heat Detection Unit at Buntingford Depot		-	305	-	-	-	-	305
ICT Rolling programme		470	612	450	450	450	450	2,882
Total Vehicles and Equipment		**700**	**977**	**450**	**450**	**450**	**450**	**3,477**

APPROVED SCHEMES	Major Schemes expenditure to 31/03/21 £000	2021/22 Forecast Outturn £000	2022/23 Original Budget £000	2023/24 Original Budget £000	2024/25 Original Budget £000	2025/26 Original Budget £000	2026/27 Original Budget £000	Scheme Total £000
Community Assets								
Open Space Improvements:								
The Wash, Hertford		-	50	-	-	-	-	50
Cannons Mill Lane, Bishops Stortford		-	30	-	-	-	-	30
Trinity Close - Open Space Project		57	-	-	-	-	-	57
Phisiobury Park - HLF		100	-	-	-	-	-	100
Replacement play equipment across the district		-	50	50	50	50	50	250
Play Area and other projects, Hartham Common		105	-	-	-	-	-	105
Castle Park - HLF - Delivery Phase		50	1,500	83	-	-	-	1,633
Total Community Assets		**312**	**1,630**	**133**	**50**	**50**	**50**	**2,225**
Revenue Expenditure Funded as Capital Under Statute (REFCUS)								
Home Improvement Loans		20	120	120	120	120	120	620
Community Capital Grants		127	65	50	50	50	50	392
Green Deal Loans		20	20	20	20	20	20	120
Rivers and Watercourse Maintenance		48	48	48	48	48	48	288
Land Management Asset Register & Associated Works		50	50	50	50	50	50	300
Historic Building Loans		20	20	20	20	20	20	120
Total REFCUS		**285**	**323**	**308**	**308**	**308**	**308**	**1,840**
TOTAL CAPITAL EXPENDITURE	**31,329**	**26,867**	**25,561**	**19,779**	**10,135**	**1,058**	**1,058**	**115,786**
FUNDED BY:								
Borrowing (Internal)		(1,658)	(368)	-	-	-	-	(2,026)
Borrowing (External)		(19,979)	(19,394)	(17,938)	(9,577)	(500)	(500)	(67,887)
Capital Receipts		(1,600)	(3,160)	(1,450)	(250)	(250)	(250)	(6,960)
Capital Grants Applied		(3,185)	(2,276)	(83)	-	-	-	(5,544)
Capital Expenditure Charged to a Revenue Account		(445)	(363)	(308)	(308)	(308)	(308)	(2,040)
TOTAL CAPITAL PROGRAMME FUNDING	**(31,329)**	**(26,867)**	**(25,561)**	**(19,779)**	**(10,135)**	**(1,058)**	**(1,058)**	**(115,786)**

APPROVED BUT NOT YET COMMITTED			2022/23 Original Budget £000	2023/24 Original Budget £000	2024/25 Original Budget £000	2025/26 Original Budget £000	2026/27 Original Budget £000	Scheme Total £000
Schemes approved not yet committed								
Transformation Programme			1,000	2,000	2,000			
Capital Contingency - Major Projects			2,500	-	-	-	-	-
TOTAL APPROVED BUT NOT YET COMMITTED			**3,500**	**2,000**	**2,000**	**0**	**0**	**0**
Funded by:								
Borrowing			(2,500)	-	-	-	-	-
Capital Receipts			-	-	-	-	-	-
Capital Grants Applied			-	-	-	-	-	-
Use of Earmarked Reserves			(1,000)	(2,000)	(2,000)			
Capital Expenditure Charged to a Revenue Account			-	-	-	-	-	
TOTAL APPROVED BUT NOT YET COMMITTED			**(3,500)**	**(2,000)**	**(2,000)**	**0**	**0**	**0**

NOTE:
Schemes Approved but not yet Committed are those schemes where past experience has indicated there are traditionally underspends or there are specific issues with a scheme proceeding that is outside the control of the Council. Approval by Council provides protection for the budgeted scheme for the year(s) indicated. Schemes are Committed by the Head of Strategic Finance in consultation with the Executive Member for Financial Sustainability. Virements are forbidden from these budgets without the authority of Council to prevent these budgets being committed to cover overspends or for immediate transfer to new schemes that do not have Council approval.

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PROJECTED BALANCES ON RESERVES

	2020/21 Balance 31 Mar '21 £000	2021/22 Balance 31 Mar '22 £000	2022/23 Balance 31 Mar '23 £000	2023/24 Balance 31 Mar '24 £000	2024/25 Balance 31 Mar '25 £000	2025/26 Balance 31 Mar '26 £000	2026/27 Balance 31 Mar '27 £000
General Fund	3,854	3,854	3,854	3,854	3,854	3,854	3,854
General Reserve	974	560	560	560	560	560	560
Other Earmarked Reserves							
Risk Reserves							
Interest Equalisation Reserve	1,980	1,980	1,980	1,980	1,980	1,980	1,980
Insurance Fund	908	943	943	943	943	943	943
Emergency Planning Reserve	36	36	36	36	36	36	36
HB Subsidy Volatility	50	50	50	50	50	50	50
Waste recycling income volatility reserve	103	103	103	103	103	103	103
Sinking Fund - Leisure utilties / pension	228	228	228	228	228	228	228
Collection Fund Reserve	2,554	5,364	5,364	5,364	5,364	5,364	5,364
	5,859	8,704	8,704	8,704	8,704	8,704	8,704
Elections Reserves							
Provision for future whole Council elections	28	63	98	0	35	70	105
IER grant	106	106	106	106	106	106	106
	134	169	204	106	141	176	211
Service Reserves							
LDF - Public Exam / Green Belt Review	62	62	62	62	62	62	62
Housing Condition Survey	90	90	90	90	90	90	90
Performance reward grant	10	10	10	10	10	10	10
Footbridge over the River Stort	150	150	150	150	150	150	150
DCLG Preventing Repossessions	18	18	18	18	18	18	18
New Homes Bonus Priority Spend	6,068	5,718	7,226	7,381	7,536	7,691	7,691
NNDR Compensation grant	0	3,111	1,556	0	0	0	0
DEFRA Flood Support for Local Businesses Grant Reserve	4	4	4	4	4	4	4
Neighbourhood Planning Grant	64	64	64	64	64	64	64
MTFP Transition Funding Reserve	413	413	413	413	413	413	413
Flexible Homelessness Grant	354	354	602	602	602	602	602
Preventing Homelessness New Burdens	31	31	31	31	31	31	31
Rough Sleeping Initiative Grant	0	16	16	16	16	16	16
Healthy Lifestyle Promotions	33	33	33	33	33	33	33
Land Charges New Burdens	30	30	30	30	30	30	30
	7,327	10,104	10,305	8,904	9,059	9,214	9,214
Total Earmarked Reserves	**13,320**	**18,977**	**19,213**	**17,714**	**17,904**	**18,094**	**18,129**
Total Reserves	**18,148**	**23,391**	**23,627**	**22,128**	**22,318**	**22,508**	**22,543**

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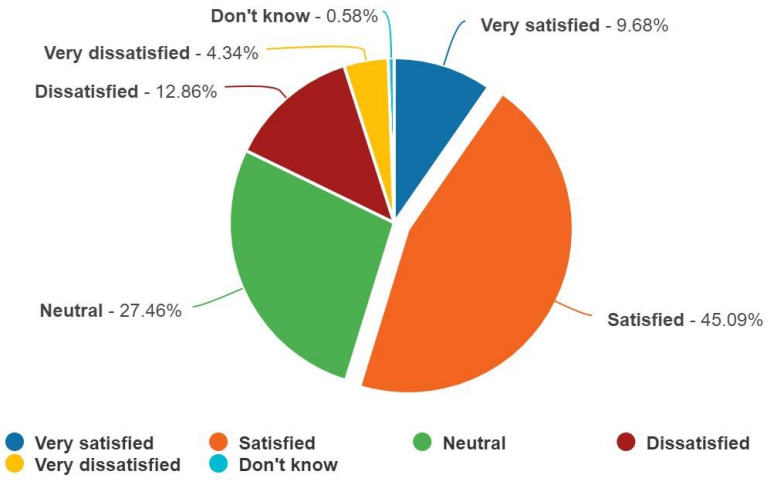
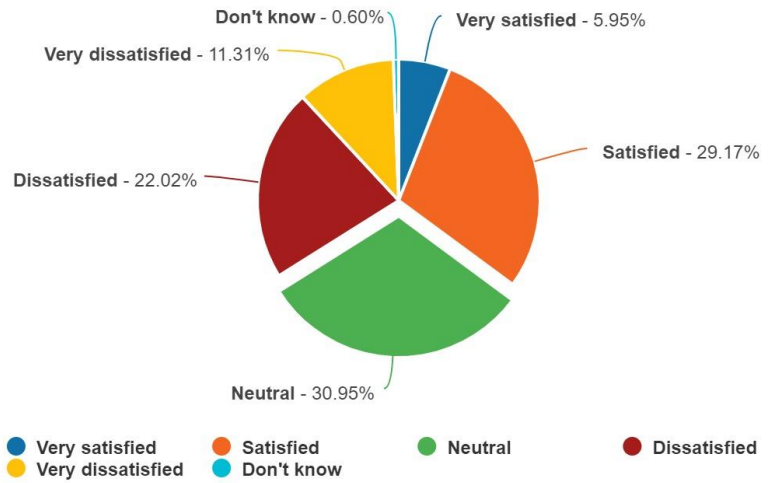
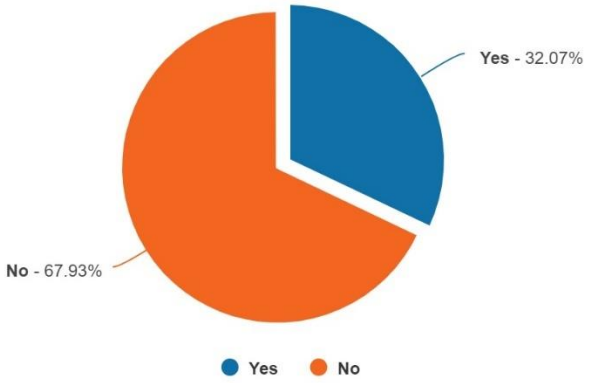
APPENDIX E

What do residents think of East Herts Council? Survey comparison between December 2020 and December 2021

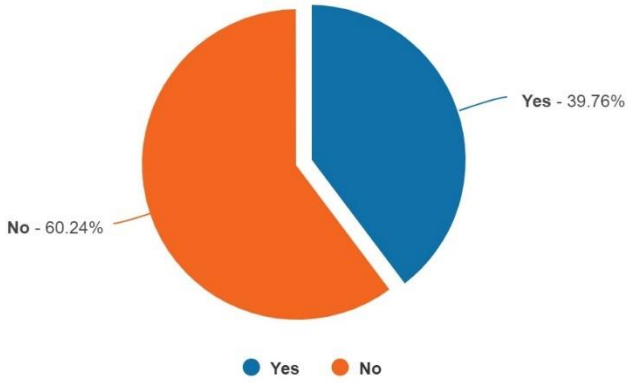
December 2020 Survey	December 2021 Survey
Overall, how satisfied or dissatisfied are you with the way East Herts Council runs things? 	Overall, how satisfied or dissatisfied are you with the way East Herts Council runs things? 

APPENDIX E

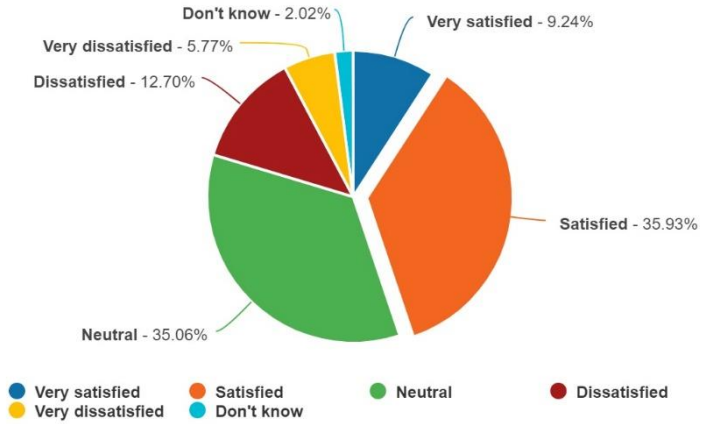
Did you know that for every £1 of council tax collected, East Herts only gets to keep 10p of it? Around the same amount is kept by the police and the majority (around 75p in every £1) goes to the County Council.



Did you know that for every £1 of council tax collected, East Herts only gets to keep 10p of it? Around the same amount is kept by the police and the majority (around 75p in every £1) goes to the County Council.



To what extent are you satisfied or unsatisfied that East Herts Council provides value for money?



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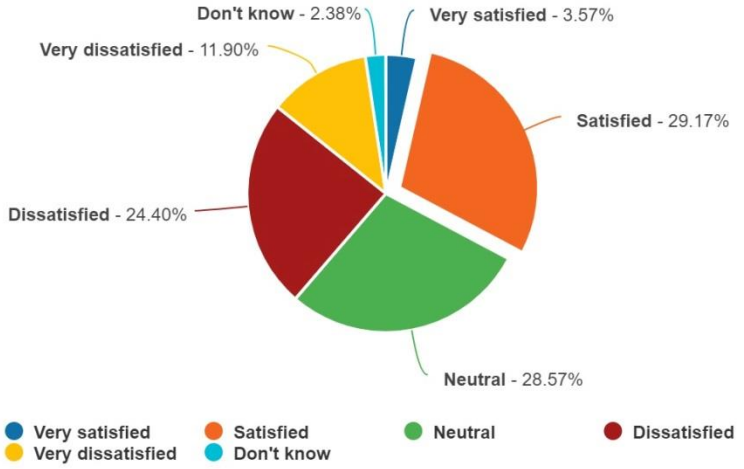

4. Recycling and waste collection? We collect black bins, blue lidded bins, brown bins and paper boxes from outside your homes. Please note the household waste centres are not run by East Herts Council.

Answer Choices		Response Percent	Response Total
1	Very satisfied	44.73%	310
2	Satisfied	40.69%	282
3	Neutral	6.06%	42
4	Dissatisfied	6.78%	47
5	Very dissatisfied	1.88%	13
6	Don't know	0.29%	2
		answered	693
		skipped	3

4. Recycling and waste collection? We collect black bins, blue lidded bins, and paper boxes from outside your homes. For those who have opted to pay for an additional service we also undertake green waste collection. Please note the household waste centres are not run by East Herts Council.

Answer Choices		Response Percent	Response Total
1	Very satisfied	18.93%	32
2	Satisfied	42.60%	72
3	Neutral	13.02%	22
4	Dissatisfied	13.02%	22
5	Very dissatisfied	13.02%	22
6	Don't know	0.59%	1
		answered	169
		skipped	5

APPENDIX E

5. Parks and open spaces? East Herts Council owns and manages around 120 open spaces including “village greens”, formal gardens, woodland and naturalised areas. We own and manage 45 main parks and 56 equipped play areas.

	Answer Choices	Response Percent	Response Total
1	Very satisfied	20.12%	139
2	Satisfied	50.94%	352
3	Neutral	17.37%	120
4	Dissatisfied	7.67%	53
5	Very dissatisfied	1.74%	12
6	Don't know	2.60%	18
		answered	691
		skipped	5

5. Parks and open spaces? East Herts Council owns and manages 45 main parks, 56 equipped play areas and a number of other spaces including village greens, formal gardens and woodlands.

	Answer Choices	Response Percent	Response Total
1	Very satisfied	8.88%	15
2	Satisfied	46.15%	78
3	Neutral	27.22%	46
4	Dissatisfied	10.06%	17
5	Very dissatisfied	4.73%	8
6	Don't know	3.55%	6
		answered	169
		skipped	5

6. Leisure services? East Herts Council funds or partially funds facilities including Hartham Leisure Centre in Hertford, Grange Paddocks Leisure Centre in Bishop@SQ@s Stortford, Fanshawe swimming pool and gym in Ware, Leventhorpe pool and gym in Sawbridgeworth and Ward Feeman swimming pool in Buntingford.

Answer Choices		Response Percent	Response Total
1	Very satisfied	6.66%	46
2	Satisfied	29.67%	205
3	Neutral	34.01%	235
4	Dissatisfied	11.14%	77
5	Very dissatisfied	3.33%	23
6	Don't know	16.21%	112
		answered	691
		skipped	5

6. Leisure services? East Herts Council funds facilities including Hartham Leisure Centre in Hertford and the new Grange Paddocks Leisure Centre in Bishop@SQ@s Stortford. East Herts Council also partially funds Fanshawe swimming pool and gym in Ware, Leventhorpe pool and gym in Sawbridgeworth and Ward Feeman swimming pool in Buntingford.

Answer Choices		Response Percent	Response Total
1	Very satisfied	5.92%	10
2	Satisfied	29.59%	50
3	Neutral	31.95%	54
4	Dissatisfied	10.06%	17
5	Very dissatisfied	8.28%	14
6	Don't know	14.79%	25
		answered	169
		skipped	5

APPENDIX E

7. Housing advice and support for homeless people?

Answer Choices		Response Percent	Response Total
	2.76%	19	
	7.70%	53	
	28.20%	194	
	6.54%	45	
	2.47%	17	
	52.33%	360	
		answered	688
		skipped	8

7. Housing advice and support for homeless people?

	Answer Choices	Response Percent	Response Total
1	Very satisfied	0.00%	0
2	Satisfied	3.57%	6
3	Neutral	26.19%	44
4	Dissatisfied	4.76%	8
5	Very dissatisfied	1.79%	3
6	Don't know	63.69%	107
		answered	168
		skipped	6

10. Support for businesses? This includes giving out grants to eligible businesses as well as providing advice and guidance for operating safely under Covid-19 restrictions.

	Answer Choices	Response Percent	Response Total
1	Very satisfied	5.07%	35
2	Satisfied	13.62%	94
3	Neutral	29.13%	201
4	Dissatisfied	4.20%	29
5	Very dissatisfied	3.48%	24
6	Don't know	44.49%	307
		answered	690
		skipped	6

8. Support for businesses? This includes giving out grants to eligible businesses as well as providing advice and guidance on operating safely under Covid restrictions.

	Answer Choices	Response Percent	Response Total
1	Very satisfied	2.98%	5
2	Satisfied	10.71%	18
3	Neutral	26.19%	44
4	Dissatisfied	5.36%	9
5	Very dissatisfied	2.38%	4
6	Don't know	52.38%	88
		answered	168
		skipped	6

APPENDIX E

11. Dealing with anti-social behaviour and nuisance?

	Answer Choices	Response Percent	Response Total
1	Very satisfied	2.17%	15
2	Satisfied	19.57%	135
3	Neutral	31.30%	216
4	Dissatisfied	19.57%	135
5	Very dissatisfied	9.13%	63
6	Don't know	18.26%	126
		answered	690
		skipped	6

9. Dealing with anti-social behaviour and nuisance?

Answer Choices	Response Percent	Response Total
Very satisfied	0.00%	0
Satisfied	11.24%	19
Neutral	28.40%	48
Dissatisfied	24.26%	41
Very dissatisfied	12.43%	21
Don't know	23.67%	40
answered		169
skipped		5

9. Parking services? This includes resident's permits zones, running town centre car parks and parking enforcement.

	Answer Choices	Response Percent	Response Total
1	Very satisfied	5.92%	41
2	Satisfied	26.16%	181
3	Neutral	25.29%	175
4	Dissatisfied	25.29%	175
5	Very dissatisfied	12.86%	89
6	Don't know	4.48%	31
		answered	692
		skipped	4

10. Parking Services - do you live in a Residents Parking Permit Zone and/ or regularly use a council owned car park?

	Answer Choices	Response Percent	Response Total
1	Yes	35.12%	59
2	No	64.88%	109
		answered	168
		skipped	6

11. How satisfied are you with Parking services?

	Answer Choices	Response Percent	Response Total
1	Very satisfied	4.14%	7
2	Satisfied	20.71%	35
3	Neutral	33.73%	57
4	Dissatisfied	14.20%	24
5	Very dissatisfied	14.79%	25
6	Don't know	12.43%	21
		answered	169
		skipped	5

APPENDIX E

8. Planning services? This includes dealing with planning applications and planning enforcement.

	Answer Choices	Response Percent	Response Total
1	Very satisfied	3.47%	24
2	Satisfied	14.60%	101
3	Neutral	26.01%	180
4	Dissatisfied	20.66%	143
5	Very dissatisfied	15.46%	107
6	Don't know	19.80%	137
		answered	692
		skipped	4

12. Have you had any contact with the planning service? (eg. applying for planning permission or commenting on a planning application)

	Answer Choices	Response Percent	Response Total
1	Yes	43.45%	73
2	No	56.55%	95
		answered	168
		skipped	6

13. How satisfied were you with the planning service?

	Answer Choices	Response Percent	Response Total
1	Very satisfied	2.45%	4
2	Satisfied	11.04%	18
3	Neutral	19.63%	32
4	Dissatisfied	11.66%	19
5	Very dissatisfied	17.18%	28
6	Don't know	38.04%	62
		answered	163
		skipped	11

Free Text Comments from 2021 survey:

3. To what extent are you satisfied or unsatisfied that East Herts Council provides value for money?				
Answer Choices			**Response Percent**	**Response Total**
1	Very satisfied		4.59%	9
2	Satisfied		29.08%	57
3	Neutral		29.59%	58
4	Dissatisfied		22.96%	45
5	Very dissatisfied		11.22%	22
6	Don't know		2.55%	5
			answered	196
			skipped	6

Comments: (70)

1	Collect garden waste and food waste please.
2	I have no idea of how much they spend and what on
3	The state of some of the road surfaces in Bishop's Stortford are ridiculous. The people who work on them don't seem to have a clue what they're doing, take absolutely forever to complete a task & then have to come back after the job is 'finished' to correct their mistakes.

3. To what extent are you satisfied or unsatisfied that East Herts Council provides value for money?	
4	Over charges and constantly loose services or have extra charges implemented
5	Pavements are not maintained at all which means walking safely is difficult especially with children on school runs or with prams
6	Too many newspeak emails telling me how good you are whilst slashing services across the board. Not entirely your fault, but the council needs to adopt a private model to streamline and improve
7	I live in Hertford and can't fathom why you have decided to close Hartham gym and Hertford Theatre at the same time so they can be redeveloped. This is at a time when the town centre is also closed. There is nothing in the town for young people to do. Also, I question why the redevelopment of these two facilities even needs to happen when they were done not that long ago. It is a waste of money.
8	I have already answered the survey but meant to say that the bin men who collect our rubbish in Hertford are always incredibly friendly and always wave at my young son if we're outside and getting in the car when they come past.
9	Planning permission is given to poor quality developments that are allowed to not comply with the conditions imposed upon them. Eg permission condition included that all construction parking should be on site but developer is allowed to park workforce on residential streets. Planning department 'consults' with the community but decides to exclude parts of the community because they want to give permission
10	Disappointed with brown bin charge
11	Charging for garden waste after a very biased consultation survey was disappointing.
12	East Herts invests heavily in Hertford and Stortford while doing nothing for Ware.
13	The only thing that annoys me is the extra levy for the garden recycling bin. This should not have been brought in.
14	As a resident narrowboat owner I pay council tax but do not have many of the services afforded to other CT payers.
15	Without any figures on expenditure and what services you provide how can we be expected to answer this question accurately
16	opinion has been tainted by one particular service - planning enforcement

3. To what extent are you satisfied or unsatisfied that East Herts Council provides value for money?	
17	Having to pay for brown bin collection, no longer collecting food waste. Playgrounds are not maintain improved or looked after.
18	Everything is funded for town residents. Nothing beyond waste and schools spent on villages. No sports, libraries, arts etc l
19	No interest in providing parking provision to residents or visitors
20	Living in Buntingford spending seems skewed to other towns. We also have the highest council tax in the area, without the services to match.
21	Pot holes in roads are a definite problem though .
22	No bin bags for months, bin men that are rude throw recycling boxes in front garden once emptied. Trees not looked after leaves not cleared up. Stupid planters left in roads in fore street etc where wares have been removed. Could go on but service in areas is shocking.
23	Street cleansing services in Stanstead Abbotts are not being performed to the contract. Many residents are complaining how awful the High St looks. Failure to clear leaves causes flood risk.
24	Even more so now I know the % they receive
25	Rubbish everywhere down the high street, whole place needs more refurb/upkeep, generally looks tatty
26	I just wish EHDC and Broxbourne would get together to provide shared waste collection services, saving all of us money on staff, vehicles and resources, rather than hanging onto small bit of localised control. It really doesn't make sense to have a separate arrangement.
27	Street sweeping, litter and street drain hole clearance woefully insufficient in Stanstead Abbotts
28	Some of the projects will add value but others (Northgate End and ORL) seem very disorganised
29	I don't know exactly what East Herts has to spend all the 10ps on so I can't tell if we are getting value for money or not.

APPENDIX E

3. To what extent are you satisfied or unsatisfied that East Herts Council provides value for money?	
30	If all you get is 10p from every pound, then you are providing a good service for the cost.
31	Think they do the best they can under the difficult times we have had. Must be difficult juggling the cash pot.
32	I find the binmen really friendly & when I moved in I arranged an easy collection of my brown bin
33	There are only two street lights in my road, South Street. We have had no street cleaning for at least 3 years, There is no control over the size of the low loaders carrying boats to and from the marina - who travel along thr pavement on one side because they are so wide.
34	There seems to be little care in the way the services are delivered by the contractors employed by the council, no pride whatsoever
35	Stanstead Abbotts High Street rarely gets swept and I often have to send in complaints about unemptied public bins.
36	Without details it's hard to say but looking at the amount I pay in tax in relation to the quality of services etc. Available I would say it's poor - get the basics right.
37	Very hard to find information about how efficient East Herts Council is. Are services run well? Do tax payers get value for money? Would be nice to see more transparency.
38	We pay more council tax, yet get less service. No more garden waste collection (unless we pay extra), main road hardly ever swept, bins in the village overflowing
39	I now pay extra for by green bin to be emptied.
40	New homes building approval and management has been in my view poor.
41	A lack of bus services ; potholes ; grass cutting on verges; de icing of roads in Winter all could be improved.
42	The parking on Cambridge Road does not appear to be managed well. No clear demarcation line on driveways. Motorists partially blocking access to property, making entry and exit onto busy main road dangerous - blocking visibility of oncoming vehicles.

3. To what extent are you satisfied or unsatisfied that East Herts Council provides value for money?	
43	Stortford Theatre development waste money and proposed 3G pitch Grange Paddocks should be at Woodside
44	Generally satisfied but it would be nice if side roads and litter bins were attended to more often And they did miss empting our bin once On the plus side the new Westmill public refuse site is fantastic so well done there
45	Refuse collection is very efficient. Not happy that Kitchen waste is no longer recycled and goes into land fill.Have noticed that hedge cutting (along roads in the estates) is infrequently done and any dead trees and plants in public areas not cleared up despite contacting the council
46	The grass cutting this year was unacceptable and the contractors seem to get away it, they accept the terms of the contract and therefore should be made to do a decent job.
47	I I have assisted bin collection and on several occasions recently my brown bin has not been emptied.
48	Wasting council taxpayers' money on a horrible multi-storey car park in Bishop's Stortford. Shame on you for ruining the environment and air quality
49	Roads are very bad. Pot holes and worn out road markings. Weeds on the pavements.
50	They don’t do anything they promise to do . They have been in their position so long they just don’t care . While the world is worried about trees and green spaces that are been taken over and covered with houses, art centres, shopping centres. There are enough empty shops that can be refurbished and the same with many empty houses . With all the houses going up the roads are gridlocked already . We were promised more doctors surgeries but nothing as yet , one new school. Bishop’s Stortford is a shambles if I was younger I would definitely move from this awful town . It’s not the town I was born in .
51	Can see the need for grounds men planting flowers and hanging baskets in the area, I object to motor vehicles being parked on footpaths as this is dangerous to pedestrians and obscures the besieged of oncoming traffic for motorists.
52	The Change to the Brown Bin /Garden Waste Charge has brought 2 Problems. Those Not Willing or Able to Pay 1st Burning whether by Bonfire [SMOKE / SMELL] or Incinerator SMELL FOR LONG PERIODS. IN N North West Bishops Stortford. 2nd those who did not Pay but putting Bins Out getting them Emptied without Paying. So Checks are Not Being Made or the system has failed. I

3. To what extent are you satisfied or unsatisfied that East Herts Council provides value for money?	
53	Undertakes costly projects that are not necessary ie:- Theatre upgrade. Money could have been put to better use in other areas.
54	The bin situation is ludicrous. You do one thing - and do it wrong!!
55	Planning is run appallingly. Waste services are nowhere near to contribute sustainability.
56	Insufficient information to make that judgement
57	wasting the money on massive car parks that we be empty for eternaty
58	I reported to the highways department almost two years ago that the grass verges in Stapleford had not been cut, also the trees are overhanging the slip road behind the bus stop had not been pruned for years. It iis an eyesore in a village that seems to have been forgotten. In the summer the grass was at least a foot high. I did report this to the council and was given reference numbers (the grass verge being one department and the trees another). I telephoned about six months later as nothing had been done and was told that this had taken place (evidently the lady on the phone said it was south of the bridge, and there is no grass verge there). The bus stop and verges in question is north of the bridge. She said this would be reported, again. To date nothing has still been done. These works used to be carried out on a regular basis. Why are our taxes still increasing, but the service we pay for is not?
59	The Town centre has been badly affected by the Bircherley Green redevelopment debacle. The continued use of the planters in Fore Street and beyond had had a major negative impact on shoppers who used to pop into town and use local shops - I have heard this in person from several shops keepers on fore street
60	It isn't clear there distinction between the services your provide versus Herts council so it is hard to comment. Planning control has been exceptionally poor, provision of facilities for non-motorized visitors to the town (cyclepaths that cars cannot park on, safe cyclepaths, the speed of traffic next to footpaths -i.e. Bengeo high street) all need attention. Is that East Herts jurisdiction?
61	Too much digging up of roads the re digging up roads I’m a night worker and had to endure over 6 months of this now I learned that it’s getting dug up again for 18 months
62	Where I live our streets are always kept clean and rubbish bins are emptied. We also have gardens and there are always keep immaculate

3. To what extent are you satisfied or unsatisfied that East Herts Council provides value for money?	
63	Litter never seems to be collected or streets swept where I live.
64	Not that happy that the street lights are off at night plus not much gritting payments can cause accidents
65	Overall very good
66	The planning decisions taken in respect of former Green Belt land sacrificed for housing forecasts that are no longer valid will end up costing the council tax payer far more in the long run due to environmental clean-up bills and emissions offsetting in the future.
67	Excellent service collection of bin fantastic they work really hard well done to them always very tidy
68	you waste money very easy
69	It's been a difficult time and sometimes you have been short of staff but still the bins were emptied
70	Money is wasted on rebuilding the theatre and on on town centre

APPENDIX E

14. Please provide any other information here regarding your thoughts on our services.

Answer Choices		Response Percent	Response Total
1	Open-Ended Question	100.00%	130

1	Brown bins for all! Need to manage waste as well as we can - recycle and compost - the opt in cost for brown buns will put people off.
2	We live in area near the train station so have parking restrictions. We only see the parking officer about once a week. Cars regularly park illegally and get away with it. There is a huge increase in drug taking in the local parks, I feel very concerned about my teenage son visiting them as I don't feel he is safe
3	The lack of funding/match funding for community projects is very disappointing, resulting in many organisations delivering district priorities to struggle. Additionally, the lack of support for new initiatives across local parks is frustrating, one particular officer has been blocking a number of great community led initiatives. Regarding traffic management and parking, there is a real issue on Sele Farm since the Ridgeway development, often resulting in buses getting stuck on Thieves lane and constantly beeping their horns to try and get cars to move. More yellow lines need to be implemented on bus routes.
4	Traffic management needs addressing in Hertford. Particularly the Sele Farm area which has become far busier in recent years. This area would also benefit additional facilities for those unable to freely head into town. Regarding sports and leisure in general, Hertford would benefit from more affordable activities for residents. Not enough affordable options when it comes to swimming pools and not enough cycle route around town.
5	On road bin collection could be better Reactive to reports and don’t address issue of regularly overflowing bins and rubbish Door collection service excellent though
6	To many people not paying into the system or paying little for a high return, residential canal boats don’t pay council tax however are happy to moor all summer on Hartham Common leaving litter every where, charge them a mooring fee to cover the costs of cleaning it all up.
7	Having dealt with parking and planning departments I feel they are both run in a shambolic fashion. Neither gives credible customer service parking meters that don’t work when the sun shines on them which are insttalled facinfog the sun (Ware Priory car park). Quote by planning officer “if there’s not

14. Please provide any other information here regarding your thoughts on our services.	
	been an obvious breech of planning regulations we're not going to look into it" shameful
8	I have recently set up a local your basketball team catering for children 9-14 years old. I have funded everything myself & have never heard of any grants or financial support available - what I do hear, is how thousands of pounds are spent on the rugby, cricket and football clubs to upgrade their facilities. What about people like me? Small business owners trying to help the local community.
9	Cut back in services provided in Buntingford yet still paying one of the highest council taxes in East Herts. Recycling at Aspenden gone and police services in the area cut back, why are we still paying a higher premium for reduced services?
10	Roads are shocking and need attention. Traffic is absurd! Too many houses being built without the roads to deal with it. It shouldn't take 40 mins to get from one side of town to the other!
11	Planning is a joke, plans are passed without thought to local community needs and requirements, EH rely too much on car parking charges that still make a loss because they're afraid to put them up, and building unnecessary new car parks (Bishops Stortford) or the stupidity of charging residents for on street parking until 8pm when the restrictions on local roads in town finish at 6.30pm. Allowing high rise developments in the town of Bishops Stortford destroying views across the valley from the higher points in town. Licensing rules for local businesses along the high street and south street in the town are preventing an evening 'cafe culture' that would bring life into the town in the evenings, shut the main high street off to traffic after 7pm and let cafes and bars open until late. Return the public space taken by wetherspoons and Skew back, so the public can enjoy the public space again without being hassled by security or staff from those establishments when all you want to do is congregated with friends by the river after a cycle ride or walk in what was a public space.
12	There is not enough leisure or social provision for young people in Hertford. Apart from sporting activities there is little for them to engage in. If there was more on offer then we might start to see anti social behaviour drop.
13	Anti-social behaviour is a concern. Lack of a visible police presence particularly over the weekend exacerbates this.
14	Pavements!!! Traffic in Bishops Stortford is a nightmare, Jackson Square car park is badly planned and we are all being encouraged to walk yet the pavements are not kept clear at all. It's so dangerous.
15	Reducing recycling is unacceptable. Problems with waste collections, litter collection, civic pride and road/pavement clearances are not good enough
16	I have said I am dissatisfied with a number of items. Firstly the parks and open space situation. Since Hartham play ground has been refurbished it is a lovely facility but it is packed. All the while my closest playground at the castle grounds is old and poorly maintained. If this is under EHDC control I would

	14. Please provide any other information here regarding your thoughts on our services.
	urge you to improve it. I am also concerned about antisocial behaviour being allowed to continue. There is a homeless lady who has been living in the Gascoyne Way car park for many weeks. She needs help herself but equally she is mentally unwell and shouts at people using the car park. How is this allowed to happen? I have had occasions to use the planning system and got planning permission granted but did not speak to a single person the whole time my application was in. That's fine but agents I used have complained bitterly about the lack of communication and delays in decisions. You can't just put a blanket statement on your website and expect people to be okay with that. Finally, get Hertford town back open again and stop businesses fleeing. It is becoming a ghost town and I question why I am sticking around when nothing is open. Thank you!
17	Finally, your car parking wardens are incredibly rude and give no one the benefit of the doubt and just slap tickets one cars left right and centre. I've even seen one standing and waiting by a car until the time ticks down so he can issue a ticket. Disgusting!
18	1. Another poorly worded questionnaire from east Herts council. Same as the recycling and waste questionnaire which didn't enable residents to properly comment on your proposed changes without bias in the questions. The questions were written in such a way that you generated the answers you wanted to enable you to push through your changes. Very poor communication strategy if this is the way you're going to continue with your survey design. 2. Not to mention that you are now not appropriately disposing of household food waste. It's disgusting that you don't have a better recycling service in 2021. You should be doing everything to make the county greener not introducing policies that back track on progress. 3. District counsellors should be more visible to the public. Let's have some flyers round introducing them all and telling people what they can contact them for. 4. Invest in your environmental health teams as they are the boot leather of public and environmental health. They are understaffed, underpaid and under-appreciated. We need them to keep doing their preventative health work to keep the county in better physical and mental health. Food safety, housing conditions and noise all have huge impacts on peoples health and well-being. Bolster these services to help with pandemic recovery.
19	Parking department has unilaterally decided not to consult on a Residents parking Zone in Tamworth Road based on a couple of hours of survey, in June 2021 when many businesses had not fully resumed and ignoring developers intention to 'considerately' (sic) park 40 to 60 vehicles on local residential streets despite only 20k of S106 money out of over £1.5 mill being allocated to an RPZ
20	Great service, quick to respond when I reported muddy slippy dangerous long section of pavement. Thank you.
21	You take money from Southern Maltings while spending on other centres. You refuse to repair Fanshawe Pool while spending millions in other towns. There are no EV charging points in your car parks in Ware, plenty in Hertford. Your parking people are predatory in car parks, but ignore traffic violations on roads. Can't wait for your abolition for a unitary authority.
22	I thought it was an absolute disgrace when the brown recycling bin collection became chargeable - you cannot take something away and then expect people to pay for it to retain the service. Furthermore, the charging of this is ridiculous and inflexible. Why not adopt a PAYG scheme or the opportunity

14. Please provide any other information here regarding your thoughts on our services.	
	to pay monthly ? Not everyone can afford £50 up front.
23	On the whole I think the council are doing a good job.
24	We need a New gym / swimming pool asap
25	Planning allows too many (not very affordable) homes without sufficient parking allocated leading to exacerbation of already chronic traffic problems getting through Hertford especially at rush 'hour' which runs from late afternoon through early evening. Developers alolowed to make chnages to agreed plans which leads me to believe the agreements were there as a sop to residents objections - not worth responding as nothing is done.
26	With the amount of properties being built in the town there doesn't seem to be enough infra-structure being provided to accommodate this. I have a neighbour that couldn't get her child into any school in Hertford and it is practically impossible to get a doctors appointment.
27	Please rethink food waste collection. Most of it must now go in the black bin. How is this good for the environment? Your planning enforcement team is very slow to respond and reluctant to take action. Please sort it out.
28	Planning search could be improved. Enforcement of parking in ACCESS ONLY areas is poor with always the argument 'Is it HCC or EHDC'?
29	There seems to be an increase in street rubbish and overflowing public bins.
30	Grange paddocks new leisure center car park is a joke. Not enough spacea for the amount of new people.
31	Bin collectors are efficient and helpful. The car parking wardens are helpful and cheery.
32	Planning service department is run ragged it is so busy it has had to cut some services offered. Please get more staff in to support the workload.
33	Maintenance of footpath, pavements and parks (public spaces in general) is poor if non existing. Lighting of footpaths is poor or non existing. Walking and cycling during the cooler months is often seen as too unsafe by too many people, increasing car usage. Public transport is limited, unreliable and expensive.

14. Please provide any other information here regarding your thoughts on our services.	
34	You seem to represent developer wishes and not the people of East Herts
35	Residents in villages should pay reduced rates, we have virtually no bus services, and can't access sports or art facilities in towns. We have no local library service nor arts yet we pay for those, which are only accessible by car . And council refusing to put e charging points in villages. Soon if petrol cars banned we will be totally isolated. But paying just as much council tax as town residents. And single people are discriminated against as we are charged 50% more per head than a couple are. So unfair and unjust. Parents with kids should pay more council tax , stop overcharging those of us on their own, who use little and produce little waste. Council should be encouraging local commerce and shopping facilities and prevent any commercial property being changed to residential use. Councils are responsible for dormitory state of some villages, reduce businesses rates! Tax large families!!
36	Planning not linking with licensing, planning state a time on decision notices for businesses to operate but then planning make no comment when the same business applies for an alcohol licence past the planning times. Even though planning are consulted as part of the licensing application. Its confusing for businesses.
37	You introduced no parking on bull plain Hertford, this is poorly enforced. Cars are often parked either side making it difficult for Folly Island residents to get through. You do not provide enough pink sacks for Folly Island residents waste, I really think it's about time we are given a bin to place our rubbish in, we are still having to place rubbish in bags outside our properties which get attacked by cats and foxes which results in food waste being all over the roads. Why is the residents parking in folly island not 24 hours (including Sundays)? On Sunday people who are not used to driving and parking in the tight roads end up hitting residents car's. This could be easily avoided by introducing 24 hour residents parking which should be enforced
38	My bin collection was missed last week despite putting the bin in the usual place at the boundary. Could have been a one off but I was very dissatisfied. I use the car park at grange paddocks leisure centre regularly at 10:30am on Thursdays for me and my daughter and since the new opening, have found there are not enough spaces. I am driving round like it's Christmas Eve at the supermarket every week and once the fields are complete there will be even more users. I am dissatisfied that parking was not a priority. It's all very well trying to be green, but you can't travel on a bike with a family.
39	I live on Southmill Road in Bishop's Stortford and would like the permit times to be extended to lo ger during the week and also for peak times over the weekend. Other than that, having moved from a London Borough I love living here and think East Herts give great value for money if they are only getting 10p out of the £1
40	A lot of people raised valid concerns regarding the new Lea Wharf development and none of them were addressed. Parking services are a joke run by people who don't actually know Hertford town centre
41	Poor decision to charge for garden waste. No provision for recycling or household waste disposal despite the increasing size of Buntingford, instead expecting residents to drive to Ware

14. Please provide any other information here regarding your thoughts on our services.	
	Poor planning decisions, resulting in inadequate schooling numbers, doctors etc.
42	I like being able to see and comment on planning applications online.
43	Just problem with pot holes on various roads.
44	Your environmental health service and support for residents is very poor
45	It would be useful to have more published updates on progress with major initiatives in the District e.g. Hertford Theatre, it has been closed now for over 6 months and not a great deal seems to be happening on site, have there been delays? I am supposed to receive updates but nothing has arrived recently.
46	Bin collections - waste is left all over the roads and is down to the residents to clear up. Planning - ridiculous amount of new houses and lack of public services. East Herts should leverage their power to gain meaningful facilities through Section 106 agreements rather than accept the bare minimum and shutting facilities. We do not need any more balancing ponds, we need another high st, in the village development, another doctors, dentist etc. Simply to service all the extra people you have bought to the town through greedy development!
47	Street and other rubbish bins need more regular emptying.
48	Shocking service live in permit area but have blue badge almost a ticket from over zealous warden as winter screen mister up/ice and he wanted to issue a ticket as he couldn't see badge ?
49	There is an increase in antisocial behaviour particularly around play parks in Hertford. We have also been without a swimming pool for years now at Hartham as a result of works beginning the week after COVID restrictions were lifted.
50	Litter bins need emptying more often
51	Parking is terrible on my road, partly because we live next to a residents parking scheme that hardly anyone seems to use. We offered to pay so we could get a parking permit but we don't live on the correct street.

14. Please provide any other information here regarding your thoughts on our services.

	Can't wait for Hertford Theatre to be open again! :)
52	Flytipping is not being tackled systematically. It is a huge issue. Withdrawing food waste collection is a backward step for the planet.
53	Not sure where street cleaning including street bins comes within this survey! I feel there is lack of such service within the Stanstead Abbotts Village. Bins constantly overflowing, which we know is largely due to the boating community who have limited facilities. Why not remove high street bins to encourage people to take their rubbish home or use recycling facilities?
54	Lived in my home for 28 year. Seen the road swept once. Drains need clearing out to prevent flooding in areas prone to flooding. More gritting on busy rural roads
55	Information is knowledge, great to see and hear more of what your doing
56	Generally very slow at everything
57	Rubbish bins have been taken away from Stanstead Abbotts both in the high street and along the river. The few remaining ones get filled up too fast and spill over in the street. It is a disgusting mess all spring and summer. The large Amwell roundabout has the most ridiculous road markings to force traffic to use use it differently but it has made the problems worse. This roundabout needs traffic lights. Stopping the brown bin collection in this way has led to difficulties. If it was too expensive, try once a month rather than once a fortnight. There has been no moves to collect the unwanted brown bins months after collection stopped.
58	I think the policy decision to start charging for green waste removal was a very poor choice. For those of us with a need for green waste but with limited disposable income, we're now forced to feel guilty about putting everything in landfill. More innovation required on balancing your books I think. I'd be happy to make some suggestions. Also, please can you try a little harder to encourage a more consistent approach to recycling, especially plastics? The advice is unclear and standalone, so us residents are confused about what exactly can go in and what needs to stay out. Again, I'd be happy to work with you to develop this from a citizen's perspective.
59	No waste food collection, worst council in the country for green belt destruction

14. Please provide any other information here regarding your thoughts on our services.	
60	Green spaces: too much emphasis on ‘tidiness’ and nowhere near enough on biodiversity and the environmental benefits of vegetation. Planning: consultations are just box ticking exercises abd green washing without listening to public opinion or what is necessary to combat climate change and biodiversity loss. Any housing should prioritise social housing and not line developers pockets.
61	East Herts feels like a quiet council - would be good to see more initiatives
62	The only visible services we see you providing are bin collections - which have been late / missing ever since we had to start paying for the brown bins which is certainly not value for money and car parks where the card machines aren't working properly half the time. It's been a long time since I've seen anyone maintaining/emptying bins in the parks (and we use them daily) and the people cutting grass verges are ridiculous - can't we cut the budget by letting the grass grow a little longer before reducing the daisy's and dandelions to patches of mud - come on, we're in a climate emergency we need all the plants we can get!
63	I have always found East Herts Council very helpful when dealing with queries and any issues and reporting any problems the response is usually very quick and problems resolved quickly. Your bin men are great too so pass on my thanks.
64	You do the best you can with limited funds.
65	We live in a cul de sac & my neighbours said they don't salt the roads here Cm234px (we moved here in January)
66	Weed spraying and the mowing of grass alongside roads and around roundabouts, if this comes within your remit, is appalling. Apart from the refuse collection and street lighting I am not satisfied with our level of service.
67	I live in Stanstead Abbotts and the council is meant to empty the bins and sweep the paths . This is not being done to any kind of acceptable standard . Dirty high street and overflowing bins
68	You just wave planning applications through and are destroying east Herts when will you stop!
69	Road/pavement cleaning pretty poor in Stanstead Abbotts, particularly in Autumn when leaves fall

APPENDIX E

14. Please provide any other information here regarding your thoughts on our services.	
70	Enforcement of basic double yellow lines is non existent. Bin collection is in frequent and whilst most collections are very good you can tell some people can't be bothered as they just chuck bins around which is a struggle for those who have disabilities.
71	I live in Stanstead abbotts on the high street and regularly have to contact the council as litter bins are not emptied frequently enough and the high st is deep in litter and rubbish particularly in the summer when people visit to use river and walks
72	Would like more transparency - money used more efficiently.
73	Cleanliness & emptying bins in stanstead abbotts not happening village not being regularly cleaned
74	Our village (Stanstead Abbotts) high Street Looks a mess. Broken railing by the traffic lights not repairs in almost two years. Rubbish on the street (although they are supposed to be swept several times a week, I have yet to actually see someone do it), rubbish bins overflowing regularly
75	I think high street bins could be emptied more regularly in the towns and villages. I think waste collection including the green bin service are good! I think there's too much fly tipping and it'd be nice to see more action taken to clean it up and stop it happening. Planning permission department are very hard to contact for simple "free" advice on what types of works need permissions (from the perspective of living in a g2 listed property) There are a lot of local businesses in the village so if these are supported by EHC then I think that's great
76	Planning - 2 weeks to get a phone appointment to ask a single question, appalling. Leisure facilities - swimming pools are very expensive so I'm not clear how you 'fund' them. Open spaces- you don't bother to cut trees on my road or clear leaves and gutters and leave residents to do it.
77	New homes building approval and management has been in my view poor.
78	Two major issues: (1) failure to regularly empty waste and dog bins (although same may be Parish Council); and (2) failure to weed treat kerbs/pavements on estate roads. Many have considerable growth and look very unsightly
79	see previous entry

14. Please provide any other information here regarding your thoughts on our services.	
80	Very disappointed by the unexplained delays in re-opening Hartham LC and specifically the pool. There seems to be a view in the ruling party that EHDC should not have to be accountable to council tax payers.
81	I believe there would not be a huge cost involved in painting demarcation lines on driveways to ensure safety of motorists an pedestrians on Cambridge Road.
82	Fix the pot holes in the road in Stortford by Jackson Square Parking. Sort out traffic flow out of JS Parking.
83	Overall very satisfied with services offerded
84	Generally satisfied with services but it would be nice if you banned and enforced parking on footpaths and installed double yellow lines on junctions on more residential roads
85	The Councils Development Management process is not fit for purpose. There is an overall lack of focus on customers; lack of communication and customer care, and severe delays that has caused substantial financial losses to local businesses and residents alike. Harm is also being caused to the environment because of these delays. The system needs overhauling urgently.
86	Some of the street cleansing leaves something to be desired. I regularly have to complain about overflowing bins, especially by the riverside in Ware. Why are they not on a rota, or even replaced by BIGGER bins.
87	Very pleased that through these last 2 years with covid the wheelie bins have been emptied on time with no collections missed I commend the council and workers for this. Well done!
88	Planning appears to be a shambles, have had a application for planning permission since June and we are still waiting, have not had a e-mail or phone call informing us at which stage our application has reached. Paying for emptying Brown Bins, all this has down I would imagine is increase the waste going to land fill.
89	An underpass ref:401002288386, 401001909642, 401002402299 has been flooded for 18 months and despite reminders and emails it has still not been sorted. So some of the services provided are not satisfactory.

APPENDIX E

14. Please provide any other information here regarding your thoughts on our services.	
90	Planning, too many flats without adequate parking. Our county town is a disgrace, too many weeds growing through barriers, on and around fences and paths, the whole area looks run down.
91	My planning application was quickly and professionally dealt with
92	Always a problem when a council is almost a one party state - whatever the political colour. A strong opposition is necessary to ensure accountability
93	Bus service is poor from Thorley. No direct bus to Stansted or Harlow.
94	The planning department is a joke , they just don't listen to the people living in the affected areas.
95	I think you do your best in difficult circumstances, on the whole.
96	I don't have an especial understanding that any particular service I am using might be provided by EHC. When I am benefiting from such a service (whether with or without knowing it), I generally won't have an opinion as to its quality - it is just that - a service. Perhaps more awareness is needed on my part!
97	Council tax should be calculated on individuals earnings why should two retired people pay as much as four working people living in a similar property. Planning sort should be on an individual basis with planning officers in attendance where necessary to make informed decisions and not read from a script.
98	Recycling services have gone backwards. t
99	Parks and open Spaces NEED MORE WASTE BINS. More Action in Parking Scheme Areas to Stop Driving School Cars Parking Across Peoples Drives and Parking in Scheme Areas in General by People who ignore the Signs. Speed Enforcement in these and other Areas is VERY LAX. The Humps in Rye Street B/S should be RIGHT ACROSS THE ROAD TO STOP LARGE CARS AND LORRIES IGNORING THEM WHILE SMALL CAR OWNERS HAVING THEIR VEHICLES DAMAGED BECAUSE OF THEIR SMALL WHEELBASE SUFFERING RIPPED TYRES / BUCKLED WHEEL RIMS / BROKEN SPRINGS AND SHOCK ABSORBERS DESTROYED BY THE BROKEN EDGES OF PARTIAL HUMPS MY COSTS ARE APPROACHING [£3K] SINCE THEIR INTRODUCTION.;; YOU WOULD SAVE MONEY BY GOING STRAIGHT ACROSS ON MAINTAINANCE AND COMPLAINTS BECAUSE TOTAL COVERAGE WOULD ELIMINATE THIS.

14. Please provide any other information here regarding your thoughts on our services.	
100	The company that deal with the waste service seem to be ridiculous i hear the staff are very unhappy
101	Commented on Tamworth Road Re-Development but it was a complete waste of time. The Government has laid down a set of rules and, as long as the application is within the rules, then nothing else matters or is taken into account. Local consultation is a con.
102	Flytipping and litter isn't dealt with effectively, it ruins our country roads and footpaths. Also bins are not emptied along the high street (Stanstead Abbotts) regularly enough and are often overflowing as a result. The same goes for litter picking and street sweeping, sometimes the same piece of litter remains on the street for weeks!
103	Need to keep road works more up to date. A road near us was recently re-tarmaced after probably more than 2 years in the waiting, and the Disabled parking box has still to be repainted in.
104	Charging extra to use the parking app vs ydibg cash is madness. Other councils do not.
105	Parks: I'd like to see a lot more focus on biodiversity and natural spaces, rather than formal parks. Planning: the EH dept does not appear to have the staff and expertise to deal with the fog of misinformation presented by large developers. I know EH planning is not to blame here - it is just far too under-resourced.
106	Lack of enough genuine engagement with rresidents. Poor approach to planning, insufficient good staff not gough enough on developers..
107	Very difficult to understand the difference between East Herts and the County Council
108	There are never EO patrols in residential areas always in town centre where the EOs pair up! If you contact EHDC you are treated like a fly to be swotted away as soon as possible!
109	I think stopping recycling of food waste was a very bad decision, particularly when garden waste still gets recycled in the same way as before, so why can't those who use the garden waste facility still be encouraged to add their food waste? Most people do not have room for compost facilities and now food waste goes directly to landfill, how can this be accepted by the Council?
110	I'm generally happy, but disappointed in the brown bin service now being chargeable and the sub contracted company has not done a good job. I asked for the sticker for a housing association bin to be sent to my address and only by chance discovered it had been delivered to a resident who had thrown

14. Please provide any other information here regarding your thoughts on our services.	
	it away.
111	The council is not doing enough to combat climate change and it is putting money before it's environmental obligations. Firstly there needs to be more parking in council run car parks that has chargers for electric cars. I'm thinking particularly of Bishops Stortford. Those spaces should be for electric car drivers only with parking penalties for anyone else using them. It's easy revenue for the council. Secondly, the change of the successfully run brown bin scheme for both food and garden waste to a chargeable garden waste system is disgraceful. This is not because of the charge, but because of the lack of provision of a separate food waste service now. Telling even the people that pay for the brown bin to put their food waste in to the black bins again, even though it can still be collected alongside garden waste and composted in the same way as it always was, is criminal. We know that this is because you can't officially tell them they can still recycle food waste in there, because you then can't legally charge for the garden waste. EHDC knows the cost to the environment, hasn't listened to the consultation where people even said they would now fly tip their garden waste, but has pressed ahead regardless. Saying you hope to bring in a separate food waste collection sometime in 2023 (when the government says all councils must provide one) is simply not good enough. Yes other local councils charge for garden waste collections, but those same councils also provide separate food waste collections. 2023 is not good enough, everyone in East Herts produces food waste and it could be making you money like it does other councils by turning it into biofuel instead of rotting in landfill and causing one of the worst greenhouse gasses - methane. As Boris Johnson told the worlds leaders at COP26 “Humanity has long since run down the clock on climate change. It’s one minute to midnight on that doomsday clock and we need to act now.” You are a Conservative Council, this is what our Conservative Prime Minister is telling the world, yet EHDC instead of prioritising the environment at a time we all have to do much more, has taken a huge step backwards.
112	There never seems to be drain clearance on the main roads, a problem in some areas when we have heavy rains. This would held to eliminate a lot of problems in some areas.
113	Please don't use surveys with leading questions that give you the answer you want e.g. the recent one on the continued use of the planters in Fore Street
114	Poor service by the planning department not supporting tax paying residents from inappropriate home improvements even after action paid for.
115	Parking charges for open spaces (no not happy) gas works cadent (not happy) Amount of new build houses being put up (not happy) pot holes in roads (not happy) poorly lit streets (not happy) I’d love to come and speak to some of you regarding several issues and offer solutions
116	I think that pot holes in the roads need attention before they are allowed to get too big

14. Please provide any other information here regarding your thoughts on our services.	
117	The contractors are not doing their job satisfactory, grass is left in a mess, litter bins not emptied regularly, where are the inspectors, they should be chancing the contractors to make sure their work is done properly. Weeds not removed around footpaths and verges, Hertford is looking like a third world town.
118	There is no enforcement of conservation areas. When was the last time anyone checked on the large number of satellite dishes on the front faces in these areas. Start with Port Vale for a start. There is around 20 there.
119	Dropping food collection from brown bins is awful in the summer, with food waste only collected fortnightly.
120	Refuse collection is excellent wish all depts were as good
121	The recent road retarmacing was excellent. Very efficiently delivered at night. Easy to understand announcements about it. Big improvement on the old surface and was much needed.
122	The developments in Sawbridgeworth are causing big problems for the local residents. How some of these developments got planning permission, lord only knows. They have been foisted on us and beginning to have families move into them but the school expansion to enable children who have moved into the local area has not started. Why was this not a provision to be in place early so that school places were available. I could go on and on about what I feel about these developments getting planning permission but there is plenty of information about how local people feel in the public domain already an no one in East Herts take any notice so what is the point.
123	Planning process for the so called "Gresley Park" development was inherently flawed, and already the developer is effectively removing bridle paths in the area from use by equestrians by planning to reduce their width and run access roads for earth movers right next to them. Ever tried to control a horse being ridden next to a backhoe? I wouldn't recommend it. The bund has also been marked for destruction along 30% of it's length, which was not in the planning proposal. The whole project was based on an outdated and overinflated forecast for housing needs in East Herts, and will lead to overburdening of services in Stevenage (not East Herts) thereby making it neatly "Somebody Else's Problem".
124	Hartham Pool has been closed for too long.
125	I would like to mention the dust men. I think they do an excellent job.
126	All I use is the bin collection service which is excellent

APPENDIX E

14. Please provide any other information here regarding your thoughts on our services.	
127	it always comes across to me that as a council tax payer we never get value for money and that the council has no one to answer too, every year our council tax goes up but the service is less, then to top it all we have to pay extra to have our brown bins emptied. as for the planning in east herts its a joke having objected to a small development in our road a few years ago ,it got turned down on first application when back few months later in hear second one,it was done deal ,waste of time turning up
128	Recycling collection staff are amazing, they have done a great job this year. More money could be spent on leisure in Buntingford
129	With friends that have contact with Heritage all 3 couples have gone through hell they are very hard to get hold off and take forever to make a decision. Which I'm does not make any sense whatsoever
130	Feels like Hertford loses out to the rest of the district while the district seems to give carte blanche to new developments like Blakemore Manor, Gilston, NE Ware and Birchall village

answered	130
skipped	72

APPENDIX F

EQUALITY IMPACT ASSESSMENT

EAST HERTS COUNCIL

BUDGET SAVING PROPOSALS

Summary

This report sets out the approach taken to consider the cumulative equality impact of East Herts Integrated Plan proposals for 2022.

The process for Equality Impact Assessments is an evolving one, with assessments updated as projects and proposals develop. This cumulative assessment assesses potential equality impacts on the new savings targets for 2021 - 2022.

East Herts sets out guidance and support for staff on taking a proportional and meaningful approach to paying due regard to equality duties both in the design and delivery of policies, services and staff restructures.

1. Equality approach

- The Public Sector Equality Duty also requires the District to foster good relations and promote equality of opportunity between those with a protected characteristic and others. This work is implicit in all of our services.

- During formative stages of the budget planning process, and as part of business case development, individual Equality Impact Assessments (EqIAs) are required to be presented with each major policy proposal to help decision makers consider the impact that would be felt by the community if a service change was implemented. Available data from national and local sources is used to inform decision-making - in particular, community profile and staff diversity data

- The appropriate consultation, monitoring and review process for each project has been planned or carried out with stakeholders, staff, partners and the public where appropriate. This information has been used to feed into the equality analysis.

- Specific guidance on equality impacts is available as part of this.

The table below summarises the equality impact analysis of individual projects that collectively deliver the savings East Herts Budget Proposal.

APPENDIX F

2. Potential equality impacts identified by East Herts Budget proposals and the mitigating action either carried out or proposed.

Service area and potential for impact on people from protected groups	Impact Level	How we will mitigate against any possible impacts
ECONOMIC DEVELOPMENT: Membership fees		
The focus of this budget proposal looks to withdrawing funding from various schemes and activities including the London Stansted Corridor, the Digital Innovation Zone, Central Zone Alliance, and Visit Herts.	Low	In consultation between the Equalities Officer and the Head of Communications, Strategy and Policy the equalities impact of a reduction to membership fees was discussed. The Dragon's Apprentice Programme works directly with younger people at primary and secondary school ages to develop business and entrepreneurial skills. Withdrawing funding means the scheme is likely to stop unless the CVS can find alternative provision through private sector partners. However overall numbers taking part in the scheme is relatively low (usually one group from 10-12 schools per year so perhaps up to around 40 young people a year would be affected). However, the programme is delivered within school time so this would be replaced by other learning/ activities within the relevant school curriculum. No data on the characteristics of those who take part are collected. The Dragon's Apprentice Programme does enable young people to work with a local charity and raise funds on their behalf. In the past this has been relatively successful and has included the Muscle Warriors (who support people with muscular dystrophy), Breathe Easy and Bury Rangers (All Inclusive). Total funds raised

		over the past years are around £3k for these groups. Withdrawing funding from the scheme will mean some groups have less capacity to undertake fundraising however the amounts are small and do not affect any core funding or fundraising activity (the Dragon's Apprentice scheme is effectively an "extra" means of generating money).
Housing and Health		
RESILIENCE PARTNERSHIP: Emergency Planning-related contracts – Hertfordshire Resilience Partnership		
This efficiency proposal looks to reducing payment to the Hertfordshire Emergency Planning/ Resilience Partnership from £26,000 to £16,000 to reflect the reduction in hours devoted by the Partnership to East Herts that has already been made. At the same time, incorporate any remaining functions into the work of already existing East Herts Officers.	Low	In consultation between the Equalities Officer and the Head of Housing and Health, the equalities impact of a reduction in payment to Emergency Planning and Resilience Partnership was discussed. From the impacts and external reports and findings below, it was found that the impact on residents as a result of this change is likely to be minimal. This is due to the mitigation of East Herts Officers taking up the responsibility where the partnership is reduced and therefore no equalities impacts were identified from reducing the budget. After consulting the Hertfordshire Risk Register published by Hertfordshire Resilience, the Equalities Officer assessed any impact of this budget cut across the nine protected characteristics and raised that there could potential age-based

		impact. Hertfordshire Resilience Partnership describes some of the risks to the County on their Risk Register: 'Infectious outbreaks and diseases, such as a flu crisis, could have a significant impact on health, particularly amongst the young and elderly' One of the positive impacts of the proposal was that there were no significant reductions to public services foreseen, due to the prediction that these duties can be absorbed into the existing East Herts Staff base. One of the negative impacts of this proposal was the potential increase in pressure on existing East Herts District Officers. The 'Opinions and Wellbeing Survey' from the Office for National Statistics describes that 45.8% of adults over 70 have their wellbeing affected by the COVID-19 pandemic, compared with all adults at 53.1%. (Coronavirus and the social impacts on Great Britain - Office for National Statistics (ons.gov.uk) However, due to the sharing of resources across the district officers, any external impacts of this budget reduction should be mitigated.

COMMUNITY TRANSPORT: Grant support to operators of community transport		
This budget reduction looks to reduce council funding towards the start-up of community transport schemes.	Low	In consultation between the Equalities Officer and the Head of Housing and Health, the equalities impact of a reduction towards community transport schemes was discussed. Prior to this consultation, the Equalities Officer undertook research with the Community Protection Manager, who shared that data on community transport via resident protected characteristic was not held centrally in their department. It was also discussed that those with protected characteristics could be over-represented in the passengers of community transport, however mitigations to these issues were discussed, such as: the Lynx bus service, a demand responsive transport service in the north of the district, greater support from parish councils and access to the council's community grants to aid the transition to no council subsidy.
BED AND BREAKFAST CHARGES		
The current service provision includes bed and breakfast accommodation as temporary accommodation for single people when the council's hostels are full. The budget change here is to increase the charge for single people in bed and breakfast from £110.40 per week to £129.33, which represents the maximum	Low	In consultation between the Equalities Officer and the Head of Housing and Health, the equalities impact of a subsidised fee for bed and breakfast charges was discussed. It was recognised that the increase in housing benefit coverage would not be visible to anyone placed in bed and breakfast accommodation as the housing benefit payment, which is

that can be funded in full from government housing funds.		funded from resources made available by national government, is paid directly to the Housing Service to in part cover the charges levied by the bed and breakfast hotels to the council. When a member of the public is placed in bed and breakfast, the cost is met in full from the council, with, as noted above, some of the cost recovered from housing benefit, although the amount recoverable is capped by government. Moreover, the number of households in the UK that are now. In East Herts there are 2,039 households on the waiting list for social housing.
GRANTS: Revenue Grants to third sector/voluntary organisations to support the council's priorities		
For 2021/2022 the funding for both the council's revenue and capital community grants comes from the council's revenue budget. Thus, the two pots can be considered as one with, for the first time, members being able to determine the split between revenue and capital grant expenditure.	Low/Medium	In consultation between the Equalities Officer and the Head of Housing and Health, the equalities impact of reduced revenue grants to third sector and voluntary organisations were discussed. It was concluded that given the council's grants policy, a number of recipients with protected characteristics could be disproportionately impacted in an adverse way, notably older people, those with physical disabilities and those with learning difficulties. The mitigating actions discussed for this were; (a) for Council to consider further prioritising those with protected characteristics with the council's grant giving policy so as to minimise such residents' exposure to grant reductions, (b) for officers to further publicise grant availability among community

		group serving those with protected characteristics so as to maximise awareness of future funding grants. Other actions discussed with the Head of Housing and Health involve the council continuing to support the Citizens Advice Service's bids for external funding.
Operations		
BUDGET ADJUSTMENTS TO PARKING		In consultation between the Equalities Officer and the Head of Operations, the potential equalities impact of the following were discussed: • Increasing the price of Resident Parking Zone permits • The introduction of standard car park tariff charges on Sundays across Council managed car parks • An annual uplift in parking charges from April 2023
PARKING – RPZ PERMITS	None	In consultation between the Equalities Officer and the Head of Operations, the potential equalities impact of an uplift on RPZ permits were discussed. There are approximately 1200 permits in the district currently compared to around 60,000 households in East Herts. Therefore the impact will only be felt by a relatively small proportion of residents. No equalities data is collected on the residents. Price increases are not considered significant compared to the overall cost of running a vehicle compared to the benefit of being able to park more conveniently closer to home.

		However, the increase in charges will be implemented via a Notice of Variation and will be effective on the 1st April 2022. This will ensure adequate communication to all effected residents in good time.
PARKING – SUNDAY CHARGING	Low	In consultation between the Equalities Officer and the Head of Operations, the potential equalities impact of introducing a standard car park tariff charge on Sundays across Council managed car parks was discussed. Due to the timing of the proposal on a Sunday, the Equalities Officer noted that there could be an equalities impact on those for whom religion or religious belief is a protected characteristic of the Equality Act 2010. An additional group who may be effected are town centre workers who use council car parks and work in businesses that operate on a Sunday. Generally speaking those in the retail sector tend to earn less than other sectors which could mean an additional financial burden. There is some data at a national level which links protected characteristics to likelihood of being employed in the retail sector. This includes work from the Princes Trust that suggest 16-29 year olds are most likely to be employed in wholesale and retail (see Princes Trust report, "Facing the Future – prospects for young people in employment" 2021) There is also some national research that indicates those from an Asian/ "other Asian" and Pakistani and Bangladeshi backgrounds are over-represented in the retail sectors. https://www.ethnicity-facts-figures.service.gov.uk/work-pay-and-benefits/employment/employment-by-sector/latest

		However there is no similar data at a county or district level for age, ethnicity or other protected characteristics to identify this would be the case in East Herts. Given we do not collect data about Sunday car park users we are unable to identify any specific impacts on different groups locally. Pregnant women and women with babies younger than 6 months old are more likely to be reliant on cars for travel. They may therefore be negatively impacted by increased charges and maternity pay. However, the increase in permit charges is relatively low when compared to the overall cost of keeping and using a car As we do not collect data about the users of our car parks we are unsure about any potential disproportionate impacts of the proposals. However, a formal consultation is required to implement a change of substance in East Herts car parks via a Traffic Regulation Order and has not been carried out. This consultation would also assist the identification of equalities impacts amongst residents. The Equalities Impact Assessment will be further updated following feedback from the statutory consultation process as part of the Off-Street Parking Places Order.
PARKING – ANNUAL PRICE INCREASE	None	In consultation between the Equalities Officer and the Head of Operations, the potential equalities impact of an annual uplift in parking charges from April 2023 was discussed.

		The Equalities Impact Assessment will be further updated following feedback from the statutory consultation process as part of the Off-Street Parking Places Order. Pregnant women and women with babies younger than 6 months old are more likely to be reliant on cars for travel. They may therefore be negatively impacted by increased charges and maternity pay. However, the increase in permit charges is relatively low when compared to the overall cost of keeping and using a car It was concluded that the uplift may cause a socioeconomic issue for some residents, however as socioeconomic factors are not protected characteristics under the Equality Act 2010, then no legal equalities issues were forecasted in this instance. However, the increase in charges will be implemented via a Notice of Variation and will be effective in April 2023 ensuring communication to those who use the car parks is undertaken in good time.
PLAYGROUNDS	Low	In consultation between the Equalities Officer and the Head of Operations, the potential equalities impact of transferring 6 play areas in East Herts was discussed. The Equalities Officer consulted the Head of Children's Services for research data on any impacts, which were not found, and looked at the Parks and Open Spaces Strategy, which states, 'We will focus on our parks being: Attractive & Accessible to all Promoting equality and access for all whether its walking in our

		open spaces, accessible equipment in play areas or learning more about historic monuments in our parks and open spaces'. A transfer would have no impact.
PAPER RECYCLING BOXES	None	In consultation between the Equalities Officer and the Head of Operations, the potential equalities impact of removing 45 litre paper recycling boxes and replacing them with 55L recycling boxes were discussed. Due to the larger capacity that this may impact elderly due to the box being heavier. The mitigation is our assisted collection scheme
CHARGING FOR BIN DELIVERY	None	In consultation between the Equalities Officer and the Head of Operations, the potential equalities impact of charging for new bin delivery and for the replacement of wheeled bins were discussed. It was concluded that the uplift may cause a socioeconomic issue for some residents, however as socioeconomic factors are not protected characteristics under the Equality Act 2010, then no legal equalities issues were forecasted in this instance.
PUBLIC CONVENIENCE AND CTS	Medium	In consultation between the Equalities Officer and the Head of Operations, the potential equalities impact of transferring the Buntingford toilets to a third party or closing and ceasing the community toilet scheme. The Equalities Officer raised the challenge of accessibility issues for people with disabilities, older people and pregnant women,

		who would be likely to rely on the community toilet schemes in these areas. Public awareness of the community toilet scheme is low and no data on users is collected. Despite the small impact due to the limited public awareness of the scheme, there could be an equalities implication here, unless the mitigating action of signposting and wayfinding to alternative nearby public conveniences is provided.
Head of Strategic Finance and Property		
This is a proposal to reduce the number of audit days purchased from the Hertfordshire Share Internal Audit Service (SIAS).	None	No equalities implications were foreseen for this proposal.
Head of Planning and Building Control		
This is a proposal to reduce the planning support required for the Gilston Area within the District Plan.	None	In consultation between the Equalities Officer and the Head of Planning and Building Control, the potential equalities impact of reducing the planning budget for the Gilston Area were discussed and no equalities implications were foreseen for this proposal.

3. An analysis of any potential cumulative impacts that spans services

The potential for compounded impacts on particular groups are identified in individual equality impact assessments, which generally involve engagement and consultation with a wide range of stakeholders. The process uses available data from national and local sources identified as relevant to the individual equality impact assessment as well as the results from any local consultation. Action planning and monitoring is part of the process, with the impact of any new policy or service only realised following implementation.

Project / Review	Age	Race	Gender Reassignment	Disability	Carers	Religion and Belief	Pregnancy and Maternity	Sex	Marriage and Civil Partnership	Sexual Orientation	Impact after mitigation
Key: ✓ = Potential impact: x = No impact; NK = Not known – insufficient evidence											
ECONOMIC DEVELOPMENT											
Resilience Partnership	✓	x	x	✓	x	x	x	x	x	x	Low
HOUSING AND HEALTH											
Resilience Partnership	✓	x	x	x	x	x	x	x	x	x	Low
Community Transport	x	✓	x	x	x	x	x	x	x	x	Low
Bed and Breakfast	x	✓	x	x	x	x	x	x	x	x	Low
Grants	✓	x	x	x	✓	x	x	x	x	x	Low/Medium

APPENDIX F

Project / Review	Age	Race	Gender Reassignment	Disability	Carers	Religion and Belief	Pregnancy and Maternity	Sex	Marriage and Civil Partnership	Sexual Orientation	Impact after mitigation
Key: ✓ = Potential impact: x = No impact; NK = Not known – insufficient evidence											
OPERATIONS											
Parking - RPZ Permits	x	x	x	x	x	x	x	x	x	x	None
Parking - Tarrif alignment	x	x	x	x	x	✓	x	x	x	x	Low
Parking – Price Increase	x	x	x	x	x	x	x	x	x	x	None
Playgrounds	x	x	x	✓	x	x	x	x	x	x	Low
Paper Recycling Boxes	x	x	x	x	x	x	x	x	x	x	None
Charging for Bin Delivery	x	x	x	x	x	x	x	x	x	x	None
Public Convenience and CTS	✓	x	x	✓	x	x	✓	x	x	x	Medium
STRATEGIC FINANCE AND PROPERTY											
Audit Days - SIAS	x	x	x	x	x	x	x	x	x	x	None

APPENDIX F

Project / Review	Age	Race	Gender Reassignment	Disability	Carers	Religion and Belief	Pregnancy and Maternity	Sex	Marriage and Civil Partnership	Sexual Orientation	Impact after mitigation
Key: ✓ = Potential impact: x = No impact; NK = Not known – insufficient evidence											
PLANNING AND BUILDING CONTROL											
Gilston Area	x	x	x	x	x	x	x	x	x	x	None

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Housing and Health

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Environmental Health Licences					
Animal licences - Grant or renewal cost of one licensable activity	Cost Recovery	Every 1 to 3 years	364.00	382.00	OS
Animal licences - Grant or renewal cost per additional licensable activity	Cost Recovery	Every 1 to 3 years	231.60	243.00	OS
Animal licences - Additional annual inspection fee for the hiring of horses, where a renewal inspection is not due (invoiced annually after each inspection)	Cost Recovery	Every 1 to 3 years	201.40	211.00	OS
Animal licences - Minor variation of a current licence (no site visit)	Cost Recovery	per variation	33.10	35.00	OS
Animal licences - Variation of a current licence (involving site visit)	Cost Recovery	per variation	201.40	211.00	OS
Animal licences - Re-evaluation of a licenced premises star rating	Cost Recovery	per inspection	201.40	211.00	OS
Animal licences - Re-evaluation of a licenced premises star rating per additional licensable activity	Cost Recovery	per inspection	201.40	211.00	OS
Animal licences - Additional charge for businesses found to be operating without a valid licence	Cost Recovery	per premises	49.50	52.00	OS
Zoos - New Licence (excl. vet fees)	Cost Recovery	per 4 year registration	2,326.10	2,442.00	OS
Zoos - Year 3 renewal licence inspection (excl. vet fees)	Cost Recovery	per inspection	1,798.50	1,888.00	OS
Zoos - Year 6 renewal licence inspection (excl. vet fees)	Cost Recovery	per 6 years	1,798.50	1,888.00	OS
Zoos - Transfer of Licence	Cost Recovery	per transfer	913.20	959.00	OS
Dangerous Wild Animals (excl. vet fees)	Cost Recovery	per 2 years	285.40	300.00	OS
Registration for Skin Piercing (Static/Home Business)	Cost Recovery	per business	228.30	240.00	OS
Registration for Skin Piercing (Person)	Cost Recovery	per person or premises	143.20	150.00	OS
Registration for Peripatetic Skin Piercing	Cost Recovery	per business	228.30	240.00	OS
Update to an existing Skin Piercing registration	Cost Recovery	per update	143.20	150.00	OS
Street Trading: Occasional Registered Charity (up to one month)	Cost Recovery	per month	65.60	69.00	OS
Street Trading: Occasional (up to one month)	Cost Recovery	per month	129.00	135.00	OS
Street Trading: Peripatatic (e.g. ice cream van)	Cost Recovery	per annum	371.90	391.00	OS
Street Trading: Static (e.g. burger van)	Cost Recovery	per annum	377.70	397.00	OS
Street Trading: Occasional (up to one month)	Cost Recovery	per month	26.20	28.00	OS
Strret Trading: Annual	Cost Recovery	per annum	290.00	305.00	OS
Transfer of street trading consent	Cost Recovery	per transfer	25.60	27.00	OS
Variation of street trading consent	Cost Recovery	Per variation	25.60	27.00	OS
Street trading consent refund - greater than 6 months left on consent	Cost Recovery	per consent	25% of fee paid	25% of fee paid	OS
Street trading consent refund - between 3 and 6 months left on consent	Cost Recovery	per consent	10% of fee paid	10% of fee paid	OS

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Additional Licence fee for second reminder letter	Cost Recovery	per letter	26.90	28.00	OS
Additional Licence fee for chasing applications after the expiry of current licence	Cost Recovery	per licence	58.00	61.00	OS
Replacement of any environmental health licence, FHRS sticker or registration certificate	Cost Recovery	per licence	21.50	23.00	OS
Training Courses					
Foundation Level Food Safety Training	Cost Recovery	per person	43.00	45.00	OS
Foundation Level Food Safety Training (Online Course)	Cost Recovery	per person, per course	15.80	17.00	OS
Foundation Level Food Safety Training (up to 10 places at customer's premises)	Cost Recovery	per course	387.70	408.00	OS
Cancellation Fee (less than 10 working days before course)	Cost Recovery	per person, per course	100% of fee paid	100% of fee paid	OS
Food Hygiene and Safety					
Food register	Cost Recovery	per single entry	14.80	16.00	OS
Food register	Cost Recovery	per category	31.60	33.00	OS
Food register	Cost Recovery	per full copy	91.30	96.00	OS
Issue of certificate following surrender of food (excl. disposal costs)	Cost Recovery	per hour or part	58.00	61.00	OS
Food export health certificate	Cost Recovery	per hour or part	58.00	61.00	OS
Replacement Food Hygiene Rating certificate	Cost Recovery	per certificate	21.50	23.00	OS
Letter confirming food premises registration	Cost Recovery	per letter	21.50	23.00	OS
Food Hygiene Rating Scheme Rescoring Visit	Cost Recovery	per visit	171.25	180.00	OS
Safer Food, Better Business Coaching Visit	Cost Recovery	per visit	171.25	180.00	S
Cancellation Fee for SFBB Coaching Visit (less than 10 working days before course)	Cost Recovery	per visit	100% of fee paid	100% of fee paid	S
Miscellaneous Fees & Charges					
Contaminated Land/ additional land charge enquiry (simple land search)	Cost Recovery	per enquiry	72.00	76.00	OS
Contaminated Land/ additional land charge enquiry (detailed land search)	Cost Recovery	per enquiry	178.60	188.00	OS
Statement of fact for civil cases	Cost Recovery	per hour or part	58.00	61.00	S
Attendance at Exhumations	Cost Recovery	per hour or part	58.00	61.00	OS
Costs associated with public health burials	Cost Recovery	per hour or part	58.00	61.00	OS
Private Water Supplies					
Risk Assessment (smaller supplies - Regulation 10)	Cost Recovery	per hour or part	58.00	61.00	OS
Risk Assessment (larger supplies - Regulation 9)	Cost Recovery	per hour or part	58.00	61.00	OS
Risk Assessment (Desktop)	Cost Recovery	per hour or part	58.00	61.00	OS

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Sampling Visit (excl. analysis costs)	Cost Recovery	per hour or part	58.00	61.00	OS
Investigation (excl. analysis costs)	Cost Recovery	per hour or part	58.00	61.00	OS
Granting of Authorisation	Cost Recovery	per authorisation	105.00	110.00	OS
Granting of Authorisation	Cost Recovery	per hour or part	58.00	61.00	OS
Analysis Costs (Regulation 10)	Cost Recovery	per set of samples	full cost charged by laboratory	full cost charged by laboratory	OS
Analysis Costs (Check Monitoring)	Cost Recovery	per set of samples	full cost charged by laboratory	full cost charged by laboratory	OS
Analysis Costs (Audit Monitoring)	Cost Recovery	per set of samples	full cost charged by laboratory	full cost charged by laboratory	OS
Private Sector Housing					
Standards inspection for immigration	Cost Recovery	per inspection	173.91	183.00	S
Housing Notices (excluding any costs incurred for additional reports required to support notice service eg EICR, Structural Engineering Report, Damp Survey which will be charged separately)	Cost Recovery	fixed charge	390.10	410.00	OS
Fixed penalty for failure to belong to an approved redress scheme		fixed charge	5,000.00	5,250.00	OS
Licence for a HMO with no more than 5 bedrooms (initiated by applicant without LA intervention)	Cost Recovery	per licence	-	-	OS
Licence for a HMO with no more than 5 bedrooms (initiated by applicant with LA intervention)	Cost Recovery	per licence	-	-	OS
Licence for a HMO with no more than 5 bedrooms (initiated by applicant without LA intervention) - Full fee upon application.	Cost Recovery	per licence	950.00	997.00	OS
Licence for a HMO with no more than 5 bedrooms (initiated by applicant without LA intervention)	Cost Recovery	per licence - initial at application	770.00	809.00	OS
	Cost Recovery	per licence - final before issuing licence	230.00	242.00	OS
Licence for a HMO with no more than 5 bedrooms (initiated by applicant with LA intervention) - Full fee upon application	Cost Recovery	per licence	1,300.00	1,365.00	OS
Licence for a HMO with no more than 5 bedrooms (initiated by applicant with LA intervention)	Cost Recovery	per licence - initial at application	1,120.00	11,769.00	OS
	Cost Recovery	per licence - final before issuing licence	230.00	242.00	OS
Additional bedrooms	Cost Recovery	each	17.40	19.00	OS
Variation of licence	Cost Recovery	per variation	-	-	OS
Renewal of HMO Licence	Cost Recovery	per licence	793.90	834.00	OS
Renewal of HMO Licence - Full fee upfront.	Cost Recovery	per licence	795.00	834.00	OS
Renewal of HMO Licence - Two-part fee	Cost Recovery	per licence - initial at application	615.00	645.00	OS

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
	Cost Recovery	per licence - final before issuing licence	230.00	242.00	OS
Confirmation of empty home status for VAT reduction	Cost Recovery	per letter	-	-	OS
HMO Confirmation Letters for licensable HMOs after application has been received	Cost Recovery	per letter	21.00	22.00	OS
Housing Advice Visit	Cost Recovery	per visit	300.00	315.00	S
Miscellaneous Engineering Fees					
Sewer Records/Plans		per item	31.60	33.00	OS
OTHER LICENCES					
Sex Establishments		per annum	2,956.50	3,104.00	OS
Sex Establishments		per renewal	2,617.70	2,749.00	OS
Sex Establishments		transfer	84.80	89.00	OS
Hypnotism Act 1952 - Occasional licensed premises			162.40	171.00	OS
Hypnotism Act 1952 - Occasional unlicensed premises			625.70	657.00	OS
Scrap Metal Site Licence		per licence granted	278.20	292.00	OS
Scrap Metal Site Licence		per licence renewed	207.00	217.00	OS
Scrap Metal Site Licence - Variation, Name Change, Change of Site		per change	49.20	52.00	OS
Scrap Metal Collectors Licence		per licence granted	251.60	264.00	OS
Scrap Metal Collectors Licence		per licence renewed	180.10	189.00	OS
Scrap Metal Collectors Licence - Variation, Name Change		per change	49.20	52.00	OS
TAXI LICENSING					
Private Hire vehicle (new) - 1 year		per new licence	293.00	308.00	OS
Private Hire vehicle (renewal) - 1 year		per renewal	287.00	301.00	OS
Vehicle - either Hackney Carriage or Private Hire (new) HC only - 1 year		per new licence	400.00	420.00	OS
Vehicle - either Hackney Carriage or Private Hire (renewal) HC only - 1 year		per renewal	318.00	334.00	OS
Dual Driver or Private Hire Driver (new) - 3 year PH			393.50	413.00	OS
Dual Driver or Private Hire Driver (renewal) - 3 year PH			284.00	298.00	OS
Dual Driver or Private Hire Driver (new) - 1 year			343.00	360.00	OS
Dual Driver or Private Hire Driver (renewal) - 1 year			233.70	245.00	OS
Private Hire Operator - 5 year (new)			302.00	317.00	OS

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Private Hire Operator - 5 year (renewal)			296.00	310.00	OS
Private Hire Operator - 1 year (new)			269.50	283.00	OS
Private Hire Operator - 1 year (renewal)			269.50	283.00	OS
Each additional vehicle above 6			-	-	OS
Change of vehicle (new vehicle on old plate number)			56.00	59.00	OS
Change of vehicle (courtesy car)			87.00	91.00	OS
Vehicle Inspection (5 year check)			34.00	36.00	OS
Private Hire Driver converted to Dual Driver			52.00	55.00	OS
Private Hire Driver converted to Hackney Carriage			103.00	108.00	OS
Change of vehicle proprietor			39.00	41.00	OS
Change of DVLA details (registration number etc.)			58.00	61.00	OS
Change of Drivers address			11.00	12.00	OS
Knowledge test and training day (all new applicants)			98.00	103.00	OS
Resit of both routes and rules & regulations tests			52.00	55.00	OS
Resit of routes test only			34.00	36.00	OS
Update training for existing drivers			59.00	62.00	OS
Enhanced DBS Online			58.00	61.00	OS
Basic Disclosure Online			41.00	43.00	OS
Roof light (complete)		per light	75.83	80.00	S
Roof light (top cover or base plate)(new cost for top cover only)		per light	37.91	40.00	S
Roof Light (base)			28.66	30.00	S
Replacement badges			25.58	27.00	S
Replacement plate (or additional for a trailer)			42.00	44.00	S
Roof light bulbs			3.08	3.23	S
Magnets (sold as a pair)			6.16	6.47	S
Executive Disc (private hire vehicles only)			11.25	11.81	S
Refund per full calendar month of unexpired drivers licence PH (new)			2.00	2.10	OS
Refund per full calendar month of unexpired drivers licence PH (renewal)			1.00	1.00	OS
Refund per full calendar month of unexpired drivers licence HC (new)			2.00	2.10	OS

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Refund per full calendar month of unexpired drivers licence HC (renewal)			1.00	1.00	OS
Refund per full calendar month of unexpired vehicle licence PH (new)			4.00	4.20	OS
Refund per full calendar month of unexpired vehicle licence PH (renewal)			4.00	4.20	OS
Refund per full calendar month of unexpired vehicle licence HC (new)			4.00	4.20	OS
Refund per full calendar month of unexpired vehicle licence HC (renewal)			4.00	4.20	OS
Refund per full calendar year of unexpired operators licence (new)			11.00	11.50	OS
Refund per full calendar year of unexpired operators licence (renewal)			11.00	11.50	OS
PREMISES LICENCES					
Application for premises, club premises certificate, variations (excluding change of name and address or designated premises supervisor) conversion/variation - Band A - rateable value £0-£4,300	Statutory Fee	per band A premises	100.00	100.00	OS
Application for premises, club premises certificate, variations (excluding change of name and address or designated premises supervisor) conversion/variation - Band B - rateable value £4,301-33,000	Statutory Fee	per band B premises	190.00	190.00	OS
Application for premises, club premises certificate, variations (excluding change of name and address or designated premises supervisor) conversion/variation - Band C - rateable value £33,001-£87,000	Statutory Fee	per band C premises	315.00	315.00	OS
Application for premises, club premises certificate, variations (excluding change of name and address or designated premises supervisor) conversion/variation - Band D - rateable value £87,001-£125,000	Statutory Fee	per band D premises	450.00	450.00	OS
Application for premises, club premises certificate, variations (excluding change of name and address or designated premises supervisor) conversion/variation - Band E - rateable value £125,000 and over	Statutory Fee	per band E premises	635.00	635.00	OS
PREMISES LICENCES (Holders of premises licences and club premises certificate) - Band A - rateable value £0-£4,300	Statutory Fee	per band A premises per annum	70.00	70.00	OS
PREMISES LICENCES (Holders of premises licences and club premises certificate) - Band B - rateable value £4,301-33,000	Statutory Fee	per band B premises per annum	180.00	180.00	OS
PREMISES LICENCES (Holders of premises licences and club premises certificate) - Band C - rateable value £33,001-£87,000	Statutory Fee	per band C premises per annum	295.00	295.00	OS
PREMISES LICENCES (Holders of premises licences and club premises certificate) - Band D - rateable value £87,001-£125,000	Statutory Fee	per band D premises per annum	320.00	320.00	OS
PREMISES LICENCES (Holders of premises licences and club premises certificate) - Band E - rateable value £125,000 and over	Statutory Fee	per band E premises per annum	350.00	350.00	OS
PERSONAL LICENCE	Statutory Fee	per licence	37.00	37.00	OS
OTHER FEES AND CHARGES					
Supply of copies of information contained in register		per black & white A4 sheet	0.11	0.15	S
Supply of copies of information contained in register		per black & white A3 sheet	0.23	0.30	S

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Supply of copies of information contained in register		per black & white A0 sheet	1.25	2.00	S
Supply of copies of information contained in register		per colour A4 sheet	0.23	0.30	S
Supply of copies of information contained in register		per colour A3 sheet	0.56	0.60	S
Supply of copies of information contained in register		per colour A0 sheet	1.91	2.30	S
Application for copy of licence or summary on theft, loss etc. of premises licence or summary	Statutory Fee	per application	10.50	10.50	OS
Notification of change of name or address (holder of premises licence)	Statutory Fee	per change	10.50	10.50	OS
Application to vary or to specify individual as premises supervisor	Statutory Fee	per application	23.00	23.00	OS
Application to transfer premises licence	Statutory Fee	per application	23.00	23.00	OS
Interim authority notice	Statutory Fee	per notice	23.00	23.00	OS
Application for making of a provisional statement	Statutory Fee	per statement	315.00	315.00	OS
Application for copy of certificate or summary on theft, loss etc. of certificate or summary	Statutory Fee	per copy	10.50	10.50	OS
Notification of change of name or alteration of club rules	Statutory Fee	per change	10.50	10.50	OS
Change of relevant registration address of club	Statutory Fee	per change	10.50	10.50	OS
Temporary event notice	Statutory Fee	per notice	21.00	21.00	OS
Application of copy of notice on theft, loss etc. of temporary event notice	Statutory Fee	per copy	10.50	10.50	OS
Application of copy of licence on theft, loss etc. of personal licence	Statutory Fee	per copy	10.50	10.50	OS
Notification of change of name or address (personal licence)	Statutory Fee	per change	10.50	10.50	OS
Notice of interest in any premises	Statutory Fee	per notice	21.00	21.00	OS
Gambling Act 2005					
Bingo Premises		per licence	3,103.20	3,258.00	OS
Bingo Premises		per variation	1,551.90	1,629.50	OS
Bingo Premises		per transfer	1,064.00	1,117.00	OS
Bingo Premises		Annual Fee	886.60	931.00	OS
Adult Gaming Centre Premises		per licence	1,793.70	1,883.00	OS
Adult Gaming Centre Premises		per variation	886.60	931.00	OS
Adult Gaming Centre Premises		per transfer	1,042.40	1,095.00	OS
Adult Gaming Centre Premises		Annual Fee	886.60	931.00	OS
Betting Premises (Track)		per licence	2,217.20	2,328.00	OS
Betting Premises (Track)		per variation	1,109.10	1,165.00	OS

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Betting Premises (Track)		per transfer	842.60	885.00	OS
Betting Premises (Track)		Annual Fee	886.60	931.00	OS
Betting Premises (Other)		per licence	2,665.70	2,799.00	OS
Betting Premises (Other)		per variation	1,330.50	1,397.00	OS
Betting Premises (Other)		per transfer	1,064.00	1,117.00	OS
Betting Premises (Other)		Annual Fee	347.70	365.00	OS
Family Entertainment Centre Premises		per licence	1,773.20	1,862.00	OS
Family Entertainment Centre Premises		per variation	886.60	931.00	OS
Family Entertainment Centre Premises		per transfer	842.60	885.00	OS
Family Entertainment Centre Premises		Annual Fee	665.20	698.00	OS
Temporary Use Notices		per notice	579.50	608.00	OS
Temporary Use Notices		per copy	28.90	30.00	OS
Gaming Machine Permit 10 years (Up to 2 machines)	Statutory Fee	per permit	150.00	150.00	OS
Gaming Machine Permit 10 years (Up to 2 machines)	Statutory Fee	per variation	100.00	100.00	OS
Gaming Machine Permit 10 years (Up to 2 machines)	Statutory Fee	per transfer	25.00	25.00	OS
Notification 2 gaming machines	Statutory Fee	per notice	50.00	50.00	OS
Club Gaming Machine Permit 5 years (Up to 3 machines)	Statutory Fee	per permit	102.50	102.50	OS
Club Gaming Machine Permit	Statutory Fee	Annual Fee	51.20	51.20	OS
Small Lotteries	Statutory Fee	per setup	42.00	42.00	OS
Small Lotteries	Statutory Fee	per renewal	20.50	20.50	OS
CCTV Cameras					
Ware Town Council		per annum	12,285.70	12,285.70	OS
Hertford Town Council		per annum	24,772.00	24,772.00	OS
Bishop's Stortford Town Council		per annum	25,266.00	25,266.00	OS
HOSTELS					
Hostel Single Room (excl. service charges)		per week	200.00	200.00	Z
Hostel Double Room (excl. service charges)		per week	225.50	225.50	Z
Hostel Family Room (excl. service charges)		per week	235.80	235.80	Z
Bed & Breakfast - Single person		per week	110.40	129.33	Z

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Bed & Breakfast - Single person		per day	15.80	15.80	Z
Bed & Breakfast - Single person and one child		per week	146.40	146.40	Z
Bed & Breakfast - Single person and one child		per day	20.90	20.90	Z
Bed & Breakfast - Single person and two children		per week	159.00	159.00	Z
Bed & Breakfast - Single person and two children		per day	22.80	22.80	Z
Bed & Breakfast - Couple		per week	146.40	146.40	Z
Bed & Breakfast - Couple		per day	20.90	20.90	Z
Bed & Breakfast - Couple and one child		per week	171.80	171.80	Z
Bed & Breakfast - Couple and one child		per day	24.50	24.50	Z
Bed & Breakfast - Couple and two children		per week	181.10	181.10	Z
Bed & Breakfast - Couple and two children		per day	26.60	26.60	Z
Bed & Breakfast - Additional children up to 16		per week	15.10	15.10	Z
Bed & Breakfast - Additional children up to 16		per day	2.10	2.10	Z

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
LAND CHARGES					
Registration of a charge in Part II of the register	Statutory	per charge	67.00	67.00	OS
Filing a definite certificate of the Lands Tribunal under rule 10 (3)	Statutory	per certificate	2.50	2.50	OS
Filing a judgement or order, or written request for the variation or cancellation of any entry in Part 11 of the register	Statutory	per item	7.00	7.00	OS
Inspection of documents filed in the register under rule 10, in respect of each parcel of land	Statutory	per parcel of land	2.50	2.50	OS
Office copy of any plan or other document filed pursuant to the rules	Statutory	per copy	Individual Charge	Individual Charge	OS
Standard search fee (LLC1 + CON29)		Fixed	£116.35	£116.35	S
Extra parcel fee with standard search		Fixed	£21.00	£21.00	S
Standard search including all CON29O questions		Fixed	£364.15	£364.15	S
LLC1		Fixed	£22.05	£22.05	Z
CON29		Fixed	£94.30	£94.30	S
Con29O Qu.4 -21		Fixed	£12.60	£12.60	S
Con29o Qu.22		Fixed	£21.00	£21.00	S
Extra parcel fee (LLC1)		Fixed	£5.25	£5.25	Z
Extra parcel fee (Con29)		Fixed	£15.75	£15.75	S
LEGAL CHARGES					
External legal advice (Non Public Law Partnership member)	Discretionary	Per hour		201.00	S
Authorised Guarantee Agreement	Discretionary	Fixed	542.91	570.00	S
Commercial lease assignment	Discretionary	Fixed	735.00	772.00	S
Leases	Discretionary	Fixed	848.16	891.00	S
Licences	Discretionary	Fixed	395.75	416.00	S
Deed of covenants	Discretionary	Fixed	£511.66 PLUS 3%	£511.66 PLUS 3%	S
Landlord licence	Discretionary	Fixed	619.66	651.00	S
Deed of variation (complex)	Discretionary	Fixed	1,130.75	1,187.00	S
Easements	Discretionary	Fixed	1,130.75	1,187.00	S
Drafting Rent Reviews	Discretionary	Fixed	282.75	297.00	S
s.106 TCPA 1990 – simple	Discretionary	Fixed	1,130.75	1,187.00	S
s.106 TCPA – complex	Discretionary	Per Hour		220.00	S
Deed of Surrender	Discretionary	Fixed	678.41	712.00	S
Transfer of Garden Space	Discretionary	Fixed	904.58	950.00	S

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Licence of alterations	Discretionary	Fixed	791.50	831.00	S
Licence to assign leasehold premises	Discretionary	Fixed	791.50	831.00	S
Notice of Assignment	Discretionary	Fixed	92.58	97.00	S
Nomination Agreement	Discretionary	Fixed		750.00	S
Leasehold Enquiry Forms	Discretionary	Fixed		175.00	S
Letter and Consent	Discretionary	Fixed		35.00	S
Residential Lease Extension	Discretionary	Fixed		500.00	S
Notice of charge	Discretionary	Fixed	92.58	97.00	S
Postponement of Charge	Discretionary	Fixed	92.58	97.00	S
Sale of land	Discretionary	Fixed	848.00	890.00	S
Footpath/Bridleway Creation or Diversion Agreement	Discretionary	Fixed	1,696.08	1,781.00	S

Street Name & Numbering

Change/addition of house name	Discretionary	Per property	83.00	87.00	Z
Registering 1 plot	Discretionary	Single properties	83.00	87.00	Z
Registering 2-24 plots	Discretionary	Per plot	55.00	58.00	Z
Registering 25-49 plots	Discretionary	Per plot	44.00	46.00	Z
Registering 50-74 plots	Discretionary	Per Plot	33.00	35.00	Z
Registering 75-99 plots	Discretionary	Per Plot	28.00	29.00	Z
Registering 100+ Plots	Discretionary	Per Plot	16.50	17.00	Z
Naming a new street/block where the Council Chooses a Name	Discretionary	Per road name	220.00	231.00	Z
Naming a new street/block where the developer chooses a name (Subject to consultation**)	Discretionary	Per road name	275.00	289.00	Z
Renaming of street where requested by residents and/or the Town/Parish Council	Discretionary	Per address	83.00	87.00	Z
Change to new addresses due to development changing after the schedule has been issued (applies to all amended plots)	Discretionary	Per plot	55.00	58.00	Z

Electoral Registration Fees

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Fee for sale of the full register and notices of alteration	Statutory	per sale provided electronically	£20.00	£20.00	Z
and an additional	Statutory	per thousand or part thousand entries	£1.50	£1.50	Z
Fee for sale of the full register and notices of alteration	Statutory	per sale printed	£10.00	£10.00	Z
and an additional	Statutory	per thousand or part thousand entries	£5.00	£5.00	Z
Fee for sale of the open Register	Statutory	per sale provided electronically	£20.00	£20.00	Z
and an additional	Statutory	per thousand or part thousand entries	£1.50	£1.50	Z
Fee for sale of the open Register	Statutory	per sale printed	£10.00	£10.00	Z
and an additional	Statutory	per thousand or part thousand entries	£5.00	£5.00	Z
Fee for sale of the list of overseas electors	Statutory	per sale provided electronically	£20.00	£20.00	Z
and an additional	Statutory	per hundred or part hundred entries	£1.50	£1.50	Z
Fee for sale of the list of overseas electors	Statutory	per sale printed	£10.00	£10.00	Z
and an additional	Statutory	per hundred or part hundred entries	£5.00	£5.00	Z
Fee for sale of the marked document (register or absent voters list)	Statutory	per sale provided electronically	£10.00	£10.00	Z
and an additional	Statutory	per thousand or part thousand entries	£1.00	£1.00	Z
Fee for sale of the marked document (register or absent voters list)	Statutory	per sale printed	£10.00	£10.00	Z
and an additional	Statutory	per thousand or part thousand entries	£2.00	£2.00	Z
Photocopies of Election expense returns	Statutory	Per side copied	£0.20	£0.20	Z
Certificate of Registration	Discretionary	per elector per year	£21.00	£22.00	Z

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Freedom of Information Act 2000 / Environmental Information Regulations 2004 / Reuse of Public Sector Information Regulations 2005					
FOI Request	Statutory	Under 18 hours of staff time	No charge other than disbursements	No charge for email response. Other responses are charged disbursements only	
FOI Request	Statutory	In excess 18 hours of staff time	£25 an hour	The Council will not provide information above the statutory requirements	

- However, where possible, we will assist the applicant to refine the request and determine what might be achieved within the £450 limit.

Disbursements (photocopying, copying to different media, postage etc)			Free up to £10, above this will be charged at the full cost	Photocopying monochrome 15p per side. Photocopying colour 30p per side. Postage actual cost incurred	
EIR Request	Statutory	Under 18 hours of staff time	No charge other than disbursements	No charge other than disbursements	
EIR Request	Statutory	In excess 18 hours of staff time	£25 an hour + any additional fees identified in departmental fee structures	The Council will not provide information above the statutory requirements	

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Letting of Council Offices					
Council Chamber - Hertford		per hour	33.80	70.00	n/a
Other Rooms - Hertford		per hour	21.50	50.00	n/a

		Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
				£	£	
Markets						
Street Trading Consent (Static)				387.15	387.15	OS
Street Trading Consent (Static) (registered charity)				193.60	193.60	OS
Street Trading Occasional				132.20	132.20	OS
Street Trading Occasional (registered charity)				67.20	67.20	OS
Street Trading Occasional for one day only				33.00	33.00	OS
Street Food Market - up to 10 stalls		per event (includes electricity / promotion)		205.00	205.00	OS
Group consent - Commercial - up to 10 stalls		per event (excludes electricity / promotion)		36.20	36.20	OS
Group consent - up to 11 - 30 stalls		per event (excludes electricity / promotion)		60.60	60.60	OS
Group consent - up to 31plus stalls		per event (excludes electricity / promotion)		126.00	126.00	OS
Group consent - Charity market		per event (excludes electricity / promotion)		25.00	25.00	OS
Electricity - Cooking per trading day				5.70	5.70	OS
Electricty - Lighting/tills only		per trading day		2.95	2.95	S
Electricty - Lighting/tills only		monthly trader		38.10	38.10	S
Electricty - Lighting/tills only		weekly trader		152.50	152.50	S

VAT Key:
S - Standard (20%)
Z - Zero (0%)
E - Exempt
OS - Outside Scope of VAT

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
ANIMAL CONTROL					
Stray dog with ID chip (unless first offence and dog is collected the same day)		per dog	26.00	26.00	n/a
Stray dog without ID chip	Statutory		25.00	25.00	n/a
Stray dog collected			21.00	22.00	n/a
Kennel Charges		per night	15.00	16.00	n/a
Assistance to third party organisations		per hour	34.41	Price on application	S
Provision of dog waste bag		per box of 5000	34.41	53.00	S
Dog Fouling Sign		per sign	14.58	Price on application	S
Allotments					
Allotments (25.3m^2)		per annum	4.10	4.10	n/a
Pest Control					
Concessionary fee for residents in receipt of income related benefit - waived in cases of hardship at the discretion of the Head of Environmental Services		per job	20.00	20.00	S
Outdoor Exercise Group Activities *					
Charges for personal trainers and organisations are levied to commercial organisations and individuals using EHC owned land for organised group activities where a charge is levied to participants either directly or though a membership scheme. These are ceiling prices and may be reduced at the discretion of the Head of Environmental Services for shorter time periods or where activities are undertaken in partnership with the Council in pursuit of corporate objectives relating to health and well being. These charges do not apply to the Council's own Leisure Services contractor.					
Organisations - per site			1,425.00	1,496.00	n/a
Personal Trainers - per trainer			537.00	564.00	n/a

Parking

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Off Street Resident Season Ticket - Port Vale			251.66	277.00	S
Off Street Resident Season Ticket - Crown Terrace			1,131.66	1,245.00	S
Off Street Resident Season Ticket - Baldock Street - Ware			884.16	973.00	S
Off Street Business Permit - Charrington's House BS Long Stay			1,140.83	1,255.00	S
On Street Resident Season Ticket - 1st Permit			42.00	72.00	n/a
On Street Resident Season Ticket - 2nd Permit			84.00	144.00	n/a
On Street Resident Season Ticket - 3rd Permit (only available where possible in B1 (Stansted Rd, BS), B2 (Dunmow Rd, BS), B3 (Windhill BS), B7 Chantry BS), W2 (Coronation Rd Ware))			84.00	144.00	n/a
On Street Resident Season Ticket - Motorcycle permit			19.00	21.00	n/a
On Street Resident Season Ticket - Contractor permit		per week	15.00	16.50	n/a
On Street Resident Season Ticket - Business permit		per annum	328.00	360.00	n/a
On Street Resident Season Ticket - Carers/ Special permits (discretionary)			36.00	36.00	n/a
On Street Resident Season Ticket - Vistors Vouchers		per hour	0.10	0.11	n/a
On Street Resident Season Ticket - Vistors Vouchers		per hour pensioners	0.05	0.06	n/a
On Street Resident Season Ticket - Charge for Temporary Dispensation from Parking Restrictions			15.00	16.50	n/a
On Street Residents Parking Permits - Folly Island - 2nd Permit			57.00	63.00	n/a
Bishop's Stortford market traders' tariff - Link Road		per Thursday or Saturday	3.00	3.00	S
Bishop's Stortford market traders' tariff - Northgate End		per Thursday or Saturday	3.00	3.00	S
Bishop's Stortford market traders' tariff - Apton Road		per Thursday or Saturday	3.00	3.00	S
Old London Road - Hertford - Market Traders		per day	3.00	3.00	S
Old London Road - Hertford - Coach / Lorry tarriff		per visit	12.50	14.00	S

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Misc Development Management Charges					
Copies of any documents		per black & white A4 side	0.10	0.15	n/a
Copies of any documents		per colour A4 side	0.20	0.30	n/a
Copies of any documents		per black & white A3 side	0.20	0.30	n/a
Copies of any documents		per colour A3 side	0.40	0.60	n/a
Copies of any documents		per black & white A2 side	1.00	1.00	n/a
Copies of any documents		per colour A2 side	2.00	2.00	n/a
Copies of any documents		per black & white A1 side	1.50	1.50	n/a
Copies of any documents		per colour A1 side	3.00	3.00	n/a
Copies of any documents		per black & white A0 side	2.00	2.00	n/a
Copies of any documents		per colour A0 side	4.60	4.60	n/a
Copies of documents provided on an electronic disc		per disc provided	17.90	19.00	n/a
Historical Research (where records available)		per hour (or part)	91.20	96.00	n/a
Legal obligation agreements - confirmation of compliance by third parties or where the monitoring fee has not been paid		per hour (or part of) after first hour	89.10	94.00	n/a
Fee for discharge of or compliance with a condition		per request (any number of conditions) relating to works of extension or alteration to an existing dwelling	34.00	36.00	n/a
Fee for discharge of or compliance with a condition		per request (any number of conditions) all other developments	116.00	122.00	n/a
Retieval of externally stored microfilmed records		per microfilmed record	5.00	5.00	n/a

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
PRE-APPLICATION ADVICE					
Householder proposals		Per meeting	138.33	140.00	S
		Written advice	64.50	140.00	S
Request for informal confirmation that proposed development comprises 'permitted development'. (Not Lawful Development Certificate)		Per request	125.16	130.00	S
Applications 1 dwelling or equivalent, 100-499m2 commercial floorspace including retail and change of use up to 499m2		Per meeting	347.66	350.00	S
		Written advice	-	350.00	S
Applications 2-9 dwellings or equivalent, 500-999m2 commercial floorspace or change of use (excluding retail)		Per meeting	434.16	485.00	S
		Written advice	-	485.00	S
Applications 10-19 dwellings, 1000- 1999m2 commercial floorspace or change of use (excluding retail)		Per meeting	Individually Quoted Price	Individually Quoted Price	S
		Written advice	Individually Quoted Price	Individually Quoted Price	S
Applications 20-99 dwellings, 2000- 4999m2 commercial floorspace or change of use (excluding retail)		Per meeting	Individually Quoted Price	Individually Quoted Price	S
		Written advice	Individually Quoted Price	Individually Quoted Price	S
Applications 100+ dwellings, 5000m2 + commercial floorspace (excluding retail)		Per meeting	Individually Quoted Price	Individually Quoted Price	S
		Written advice	Individually Quoted Price	Individually Quoted Price	S
Application for retail stores 500 – 1499 m2		Per meeting	Individually Quoted Price	Individually Quoted Price	S
		Written advice	Individually Quoted Price	Individually Quoted Price	S
Application for retail stores 1500 – 2999 m2		Per meeting	Individually Quoted Price	Individually Quoted Price	S
		Written advice	Individually Quoted Price	Individually Quoted Price	S
Application for retail stores 3000+ m2		Per meeting	Individually Quoted Price	Individually Quoted Price	S
		Written advice	Individually Quoted Price	Individually Quoted Price	S
Heritage advice		Per hour	125.25	270.00	S
Heritage advice		Site Visit	63.00	470.00	S
Provision of urgent advice		within 5 working days	2 X quoted fee	2 X quoted fee	S

	Basis of Charge	Unit of Charge	2021/22 Charge Ex. VAT	2022/23 Charge Ex. VAT	VAT
			£	£	
Self-build and Custom Housebuilding Register					
Entry onto Part 1 of the Register (Individuals)		per officer rate	252.16	260.00	S
Entry onto Part 2 of the Register (Individuals)		per officer rate	100.66	120.00	S
Entry onto Part 1 of the Register (Groups and Associations)		per officer rate	252.16 + 58.83 per individual	240.00 + 56.00 per individual	S
Entry onto Part 2 of the Register (Groups and Associations)		per officer rate	98.25 + 57.41 per individual	95.00 + 56.00 per individual	S

Appendix H: Comments from the Audit and Governance Committee

Comment from Committee	Reasons from the Committee	Executive Member/Officer Comment	Recommended Action
Could the increased cost of the RPZ permit be phased in over a number of years?	To mitigate the impact on residents facing increased utility bills and a national insurance rise.	The objective is to recoup the full cost for providing the RPZ schemes in line with our updated Fees & Charges Policy, so a phased increase in the fee means that the schemes continue to be subsidised from Council Tax for a period albeit to a lesser degree, and the equivalent saving would need to be found elsewhere within our services budgets.	In order that the council can balance the budget it is proposed to recommend to council the charge increase as set out in the budget proposals.

Comment from Committee	Reasons from the Committee	Executive Member/Officer Comment	Recommended Action
Could the permit system be made entirely paperless?	To reduce costs that are recovered in the permit price.	Permits are largely electronic but there are a “hard core” of residents that insist on paper permits and vouchers. It is not currently policy to insist on applications being entirely electronic and resulting permits being electronic. This is anticipated to be implemented as part of the Transforming East Herts Programme	Will be implemented as part of the Transforming East Herts Programme but will mean a digital by default approach and the end of paper permits and vouchers.

Comment from Committee	Reasons from the Committee	Executive Member/Officer Comment	Recommended Action
Could the hours of enforcement be reduced to reduce costs?	To reduce costs that are recovered in the permit price	The current set up of the RPZs and the enforcement contract means this is not possible. At contract changeover we could consider a light touch approach which would be resident's parking only between 10.30 and 11.30 and 14.30 and 15.30 but this may not suit residents who may find there is no parking available when they return home outside the controlled hours. Residents who have purchased permits will want the reassurance that the zones are being adequately patrolled.	Will be considered as part of the new parking enforcement contract but residents who have an all-day enforcement regime currently are unlikely to support very light touch enforcement for 2 hours of the day.
Could permit costs be different depending on the size of the car or the emissions.	To reduce costs that are recovered in the permit price for smaller, less polluting cars and to promote use of EVs.	The necessary work to explore this scheme cannot be done in time for this budget.	This will be considered as a measure to meet our aspiration of net zero by 2030 for future budgets.

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East Herts Council Report

Executive

Date:	8 February 2022
Report by:	Councillor Geoffrey Williamson, Deputy Leader & Executive Member for Financial Sustainability
Report title:	Capital Strategy Minimum Revenue Provision Policy 2022/23 Onwards
Ward(s) affected:	All

Summary

The report contains the Council's Capital Strategy and Minimum Revenue Provision (MRP) policy for 2022/23 onwards.

RECOMMENDATIONS FOR EXECUTIVE:

(a)To recommend to Council to approve the Capital Strategy and Minimum Revenue Provision policy 2022/23 onwards (Appendix A to this report).

1.0 Proposal(s)

1.1 This report proposes that Council approves the Capital Strategy and the Minimum Revenue Provision policy 2022/23 onwards.

2.0 Background

2.1 The East Herts Council Capital Strategy provides a valuable opportunity for engagement with Full Council to ensure that overall strategy, investment ambition, risk appetite and governance procedures are fully understood by all elected Members and other Council stakeholders.

2.2 The East Herts Council Capital Strategy is intended to be a strategic corporate document which will both be influenced by and in turn influence policy and decision making in respect of capital investment.

2.3 The Strategy will continue to develop and evolve as external influences do and will be updated as required in order that this Strategy is responsive to the challenges, opportunities, priorities and objectives that the Council must consider.

2.4 The current capital programme was formulated over the last two years. As the council continues to deliver, review and update the capital programme, it will do so within the context of the council's Climate Change commitments, most notably the commitment to the council itself becoming carbon neutral by 2030. To that end, the council has devised a carbon assessment tool which it is now beginning to use to assess its existing major projects. As new proposals for capital funding come forward, a carbon assessment will be included as an integral part of the business case to inform decision-making.

2.5 Progress updates on the council's Sustainability Action Plan are posted on the council's website each month, with greater detail on projects' carbon assessments and the overall assessment of progress against the council's schedule to achieve carbon neutrality to be added shortly.

2.6 The report was considered by Audit and Governance Committee at its meeting on 25 January 2022. There were no comments.

3.0 Reason(s)

3.1 Revised reporting was required from the 2019/20 reporting cycle due to revisions of the MHCLG Investment Guidance, the MHCLG Minimum Revenue Provision (MRP) Guidance,

the CIPFA Prudential Code and the CIPFA Treasury Management Code. The primary reporting changes included the introduction of a capital strategy, to provide a longer-term focus to the capital plans, and greater reporting requirements surrounding any commercial activity undertaken under the Localism Act 2011.

3.2 This report includes the fourth capital strategy since the revisions. The first version of the report was welcomed by Members last year and no comments or suggestions for improvement have been received from either internal or external audit.

4.0 Options

4.1 Update the Capital Strategy as required, at least once annually in accordance with statutory requirements.

5.0 Risks

5.1 Risks are discussed in detail, within the Capital Strategy, including the uncertainty around future funding.

6.0 Implications/Consultations

6.1 None

Community Safety

Building and refurbishment schemes design out crime and safety issues and public realm works in particular are required to ensure that the community feel safe.

Data Protection

All investment in IT systems are required to check where data is held and that systems comply with data protection legislation.

Equalities

All capital schemes meet the necessary legislation and are subject to access audits. Design also takes into account dementia friendly design elements particularly around colour.

Environmental Sustainability

The council has established a carbon assessment tool that it is beginning to apply to existing capital projects. In the future, a carbon assessment of proposed capital projects will be included within the overall business case so as to inform decision-making. To date, individual schemes have sustainability features designed into them and may include, for example: meeting BREEAM ratings for buildings and refurbishments; flood resilience and sustainable underground drainage systems; opportunities for renewable energy generation; and carbon reduction such as replacement of the council's internal combustion engine vehicles with battery electric vehicles.

Financial

The strategy guides the capital programme and detailed financial implications are included with that in the budget report

Health and Safety

All contractors are required to have compliant health and safety policies. Where a health and safety issue requires capital expenditure it will be fast tracked to deal with the issue

Human Resources

None

Human Rights

None

Legal

A Capital Strategy is a requirement of the Prudential Code which the council is required to follow under the Local Government Act 2003.

Specific Wards

None

7.0 Background papers, appendices and other relevant material

7.1 Appendix A - East Herts District Council Capital Strategy and Minimum Revenue Policy 2022/23 Onwards

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Capital Strategy and Minimum Revenue Provision Policy 2022 onwards

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Introduction

The East Herts Council Capital Strategy provides a valuable opportunity for engagement with Full Council to ensure that overall strategy, investment ambition; risk appetite and governance procedures are fully understood by all elected Members and other Council stakeholders.

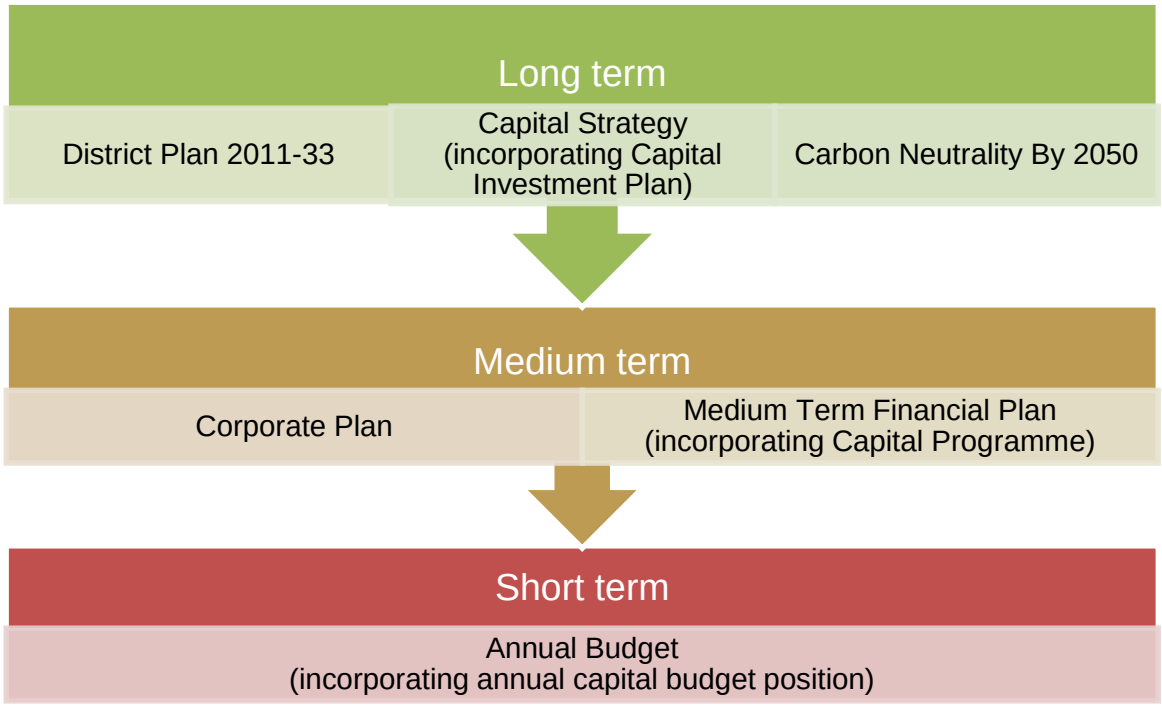
The East Herts Council Capital Strategy is intended to be a strategic corporate document which will both be influenced by and in turn influence policy and decision making in respect of capital investment.

The Strategy will continue to develop and evolve as external influences do and will be updated as required in order that this Strategy is responsive to the challenges, opportunities, priorities and objectives that the Council must consider.

The CIPFA Prudential Code, updated in 2017, includes the requirement for local authorities to produce a Capital Strategy.

The Capital Strategy has not been developed in isolation. The diagram below summarises the relationship between this Capital Strategy and other key corporate strategies and plans.

Figure 1: Long, medium and short term strategic planning at East Herts Council



The Capital Strategy is closely aligned with the priorities and objectives contained within the above, as well as a number of external strategies and plans, which will be explored further in Section 2 of this Strategy.

The East Herts Capital Strategy includes a number of important actions, which will help to implement the Capital Strategy across the organisation and improve overall financial planning in the long term. We recognise the benefits of long term strategic financial planning and therefore this Capital Strategy is seen as key to looking beyond the medium term to fully explore the opportunities which may lie ahead and the role the Council will play in shaping the future for our residents, communities and businesses.

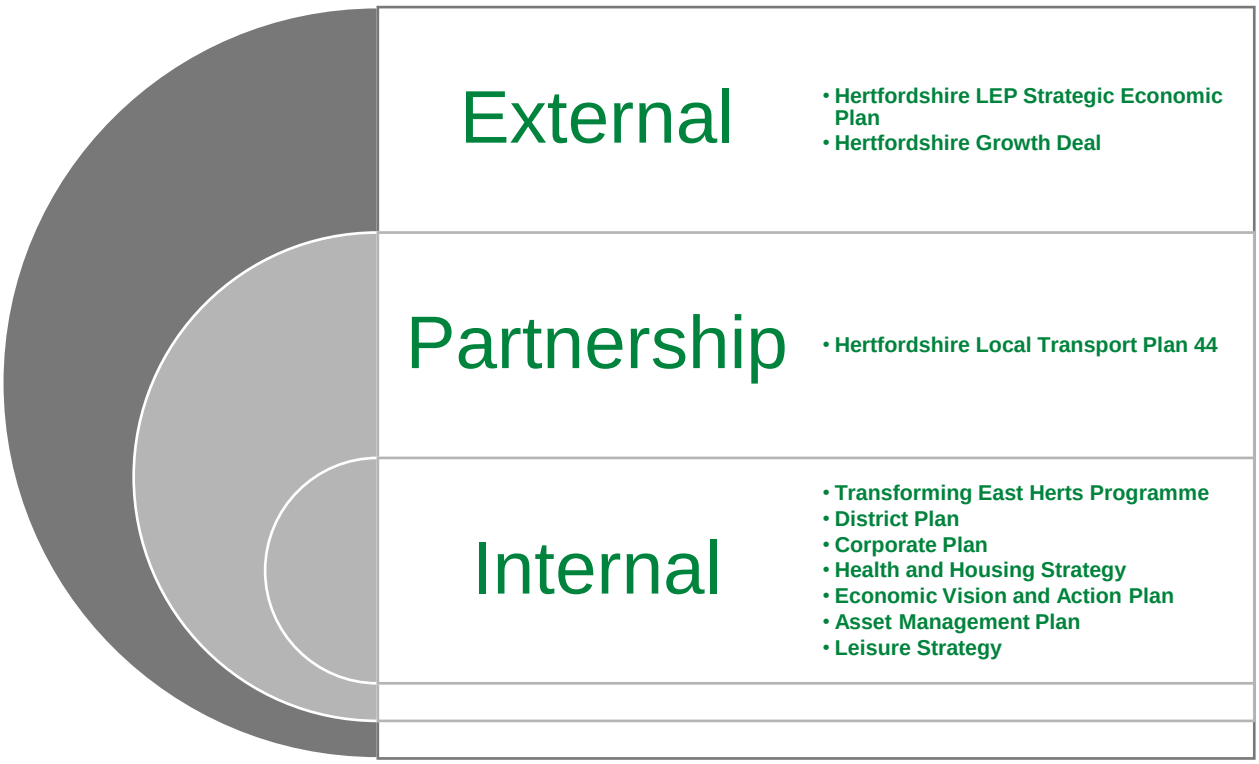
Influences on Capital Investment

The Capital Strategy is influenced by many different factors, which must be taken into account before establishing the appropriate strategy for contributing to the delivery of our corporate priorities.

Our Capital Strategy has considered external, partner and internal influences when shaping our approach. There are many strategies and plans that inform and influence our capital investment plan. It is important to ensure that consideration is given to the aims and objectives that could influence the Council's capital investment ambition over the longer term.

An examination of external and partner influences assists us with supporting decision making on individual capital investment schemes. In future we will therefore use external objectives / targets, alongside our own corporate priorities, to inform decision making when prioritisation needs to be applied to available funding.

Figure 2: Core influences on the Capital Strategy



Our Capital Strategy has taken account of the external, partner and internal influences in shaping our approach. The following sections provide a summary of main points for consideration in each case:

External influences
Hertfordshire LEP Strategic Economic Plan and Hertfordshire Growth Deal
The strategic priorities, as set out in the Hertfordshire Local Enterprise Partnership (LEP) Strategic Economic Plan (SEP), influence the Council's strategic financial planning direction. The Gilston Area Concept Framework is referenced as a key element of the SEP priorities, with the new Garden Town of Harlow & Gilston acknowledged by government as one of three new Garden Towns nationally.

The new Garden Town initiative for Harlow & Gilston, links through to the now adopted District Plan, working to the detailed Gilston Area Concept Framework and the project governance that is in place via the Gilston Steering Group.

The Growth Deal expanded further in 2017, with additional investment of £43.95m. This is on top of £221.5m of government funding already awarded to Hertfordshire to date to invest in its people, places and businesses. The Council made a successful bid for Growth Deal funding for Bishop's Stortford Town Centre, an allocation of £9.6m in the form of grant and loan funding, now fully spent.

Link to Hertfordshire LEP Strategic Economic Plan 2017-30

Link to Hertfordshire Growth Deal

Partnership influences

Hertfordshire County Council Local Transport Plan 4

We acknowledge the Hertfordshire Local Transport Plan and its main objectives.

The relationship with Hertfordshire County Council (HCC) is very important when considering the longer-term Capital Strategy for the Council. As a planning authority and billing authority, the Council is in a very influential position when it comes to setting the scene for the future development and growth in the area and considering the impact on funding streams at both the County and District level.

Each year, we will examine any County capital schemes that are focused in the East Hertfordshire area, in order that the Council has sight of these schemes as they progress and any potential implications they may have for capital schemes being delivered by the Council, particularly related to our property partnership with the County and the green transport plan.

Link to Hertfordshire County Council Local Transport Plan 4, 2018 to 2031

Internal influences

Transforming East Herts Programme

The Transforming East Herts Programme is designed to modernise the council and produce at least £1 million in cashable savings. The overall vision of the programme is that 2025 East Herts Council will be a customer focused, financially sustainable and an effective organisation with flexible and empowered employees.

The vision is delivered through a number of workstrands:

Work strands and constituent work packages	
Commercial skills	
	Commercial strategy
	Charging policy
Lean processes	
	Corporate business support hub
	Customer Insight / Lean processes
Modern workforce development	
	Blended working policy
	Staff development allied to delivery of ***Transforming East Herts***,
Modern workspace	
	Office space needs
	Modern front of house/reception offer
	Asset management strategy
Service reviews – overall work strand	
	Service review framework
	Planning service review
Technology	
	Card payments review
	Microsoft 365 deployment, including MS Teams
	ICT equipment / telephony review and deployment

There are a number of potential capital investments that may be required to deliver the programme, particularly around technology with the replacement of the telephony system with a cloud based solution and the potential investment in software that will enable a single view of the customer and deliver end to end digital services on the web.

It is anticipated that the council's office space requirements will reduce significantly

with the closure of Charringtons, as part of the Old River Lane revitalisation and the freeing up of at least a floor of open plan office space at Wallfields, offering the potential to let out space to earn an income. However, there is a need to invest in modernising Wallfields to make it suitable for letting and to ensure the building is fit for the next 25 years. As the investment costs could potentially be quite large and are still subject to survey work being undertaken, consideration is also being given to co-location with the County Council at County Hall, thus avoiding capital costs and leaving Wallfields vacant for disposal. The costs of remaining and modernising versus moving to county hall will be the predominate factor governing the future of Wallfields and that decision will have a major influence on this capital strategy.

District Plan

The vision and strategic objectives contained within the District Plan influence the Council's investment ambition directly. It is important to provide a good view of the long-term impact of the District Plan in the Capital Strategy and the part that the Council's capital investment will play in contributing to meeting the long term needs of the local population and area.

The strategic objectives link to important regional activity, such as the London Stansted Cambridge Corridor Core Area, working with partner authorities, namely Broxbourne, Epping Forest, Harlow and Uttlesford across Hertfordshire and Essex County boundaries.

The District Plan has strategic influence on the following areas of important investment for the Council:

- Housing
- Town Centres
- Provision of leisure facilities

We will ensure that the Capital Strategy demonstrates the links to the District Plan strategic objectives and specific projects, as part of the capital investment plan.

Link to District Plan 2011-33 (adopted October 2018)

Corporate Strategic Plan, Economic Vision and Action Plan
The Corporate Strategic Plan drives the Council's capital investment ambition. The Corporate Strategic Plan includes reference to strategic projects for each year against the aims that support the four priority areas. When the Corporate Strategic Plan is refreshed we will ensure that the Capital Strategy links the capital investment plan to the relevant strategic projects and will therefore demonstrate how the Council's capital investment will contribute to the achievement of the Plan priorities and more detailed aims. This will help with the evaluation and prioritisation of future capital schemes, where a business case needs to consider the contribution to the achievement of priorities, as well as non-financial and financial benefits. The Economic Vision for East Herts sets out the strategic areas of focus in order to achieve this vision. The Economic Vision is backed up by a detailed action plan, which assists with making links to the Hertfordshire LEP SEP, Corporate Strategic Plan and District Plan. The Economic Vision picks up the thread for major projects, such as the development of a planning framework for Bishop's Stortford Town Centre, which has since resulted in a significant funding package via the Hertfordshire LEP from the Growth Fund. Also, the London Stansted Cambridge growth corridor initiatives, where mention is made of lobbying for the right infrastructure. The Council has already achieved success in lobbying and bidding for regional funding. As the Capital Strategy is developed it will further contribute strong evidence of local need and highlight where the Council cannot deliver as an individual authority and / or has not got sufficient available capital resources. Link to Action Plan Corporate Plan 2020-2024

Health and Housing Strategy

We recognise that it is important for the objectives in the Health and Housing Strategy to be reflected in the Council's Capital Strategy both from a direct capital investment perspective and an enabling perspective. The Council plays a vital role in ensuring that the District Plan is delivered in terms of projects, housing mix, health focus and timescale.

The Health and Housing Strategy highlights the importance of working in partnership, particularly related to affordable and suitable housing to meet identified needs. Any associated capital investment requirement can be put into this context in the Capital Strategy to demonstrate how this investment is contributing to the achievement of important health and housing targets.

Link to Health & Wellbeing Strategy 2019-23

Emerging Leisure Strategy

It is important to consider the Council's Leisure Facilities Strategy in the Capital Strategy to make the direct strategic link to the capital investment plan. This provides strong justification for the significant current investment and demonstrates why this service area is being prioritised.

These are very important initiatives, which are directed at the Council's community, to improve health and wellbeing across the area, working with health partners, town and parish councils, voluntary sector and community groups. This is important context for the significant capital investment by the Council, already included in the Capital Programme.

As the delivery of the Leisure Facilities Strategy progresses, we will reflect the emerging expected outcomes in future Capital Strategy updates, both from a financial and outcome perspective.

Vision for Leisure Facilities

In order to provide the guiding principles for the proposed direction of travel it was

important to work with a vision for leisure centres across East Herts. It is proposed that the vision is one of enabling everyone to have the opportunity to participate. The Council has a pivotal role in providing pay and play opportunities which traditionally are not provided through other sectors. In this context the suggested vision is as follows:

"The Council will provide attractive facilities available to the whole community which complement the wider provision of recreation opportunities in the community and voluntary sector. In addition, it will ensure that leisure facilities contribute fully to the health and wellbeing objectives of the Council."

Grange Paddocks Leisure Centre Development Project

Hartham Leisure Centre Redevelopment Project

Asset Management Plan

The importance of the link between the Asset Management Plan (AMP), and its constituent asset categories, is stressed in the CIPFA Prudential Code. There is no doubt that the Asset Management Plan should inform the Capital Strategy, but this also works both ways. The vision and ambition that is articulated in the Capital Strategy should set the scene for the direction that the asset management, in any particular area of operation, should take.

There is an emphasis on the investment property portfolio in the aims, priorities and ambitions in the AMP. Highlighting the Council's good management of the current portfolio and the approach to due diligence and strong decision making for new property investment. There is also an emphasis on town centre improvements, which links to major projects, such as the work in Bishop's Stortford and the master-planning in the District Plan.

The key improvement priorities have been mapped to corporate priorities, outcomes, key milestones and timescales in the current AMP. We will ensure that this links effectively with the capital investment plan as work gets underway to refresh the AMP over the coming year.

Link to Asset Management Plan

Financial Sustainability Policy

As a result of the changes to the PWLB borrowing rules which prohibit investment principally for yield this section will be updated in due course, once guidance becomes clearer and the Financial Sustainability Committee has had time to consider an alternative strategy, that concentrates on investment in infrastructure which will yield income but is being principally provided to meet targets such as the district being carbon neutral by 2050.

Environmental Sustainability

One of the council's corporate goals is *to put sustainability at the heart of everything we do*. Council unanimously made a Climate Change Declaration in July 2019. This was accompanied by nine specific commitments to tackling climate change including the council becoming carbon neutral by 2030.

As the council continues to deliver, review and update its capital strategy and programme, it will do so within the context of these nine Climate Change commitments. Notably, the council has devised a carbon assessment methodology

which it will use to assess its existing major projects. As new proposals for capital funding come forward, a carbon assessment will be included as an integral part of the accompanying business case to inform decision-making.

Progress updates on the council's Sustainability Action Plan are posted on the council's website each month, with greater detail on projects' carbon assessments and the overall assessment of progress against the council's schedule to achieve carbon neutrality to be added shortly.

Core influences action plan:

Action	Why is this required?	Responsibility	Timescale
The Transforming East Herts Programme will produce business cases for capital investment that will enable at least £1 million of revenue savings per annum	To demonstrate how the Council's capital investment will contribute to the achievement of the Transforming East Herts Programme	Deputy Chief Executive	During 2022/23
We will ensure that the Capital Strategy demonstrates the links to the **District Plan** strategic objectives and specific projects, as part of the development of the capital investment plan	In order to identify how we can strengthen our decision making and prioritisation process, informing what we are doing directly towards these objectives via capital investment	Leadership Team	During 2022/23

Action	Why is this required?	Responsibility	Timescale
When the **Corporate Strategic Plan** is refreshed we will ensure that the Capital Strategy links the capital investment plan to the relevant strategic projects	In order to continue to demonstrate how the Council's capital investment will contribute to the achievement of the Corporate Strategic Plan priorities and more detailed aims	Strategic Finance & Property, S151 Officer	In line with Corporate Strategic Plan refresh timescale
As the delivery of the **Leisure Facilities Strategy** progresses, we will reflect the emerging expected outcomes in future Capital Strategy updates, both from a financial and outcome perspective	In order to demonstrate the importance of this major element of the capital investment plan and the intended outcomes for the future	Strategic Finance & Property, S151 Officer	During 2022/23

Action	Why is this required?	Responsibility	Timescale
The key improvement priorities have been mapped to corporate priorities, outcomes, key milestones and timescales in the current **Asset Management Plan**, we will ensure that this links effectively with the capital investment plan as work gets underway to refresh the AMP over the coming year.	In order to strengthen the influence of the AMP on the Capital Strategy and also enable the Capital Strategy intention and ambition to inform the emerging refreshed AMP	Leadership Team	In line with AMP refresh timescale

Action	Why is this required?	Responsibility	Timescale
In order to deliver the council's Climate Change commitments, the capital strategy will continue to be developed with regard to the nine commitments, including evaluating the carbon impact of existing and emerging capital projects.	This action is integral to achieving the council's Climate Change commitments, notably, that the council will become carbon neutral by 2030	Head of Housing & Health	During 2022/23 and ongoing in line with individual capital project timescales

Capital investment ambition by Corporate Priority

The intention of this section is to set out the long-term ambition for capital investment in terms of the contribution made towards achieving the priorities identified in the Council's Corporate Strategic Plan. The future intention will be to articulate the capital investment plan in terms of achievement of priorities, intended outcomes for all key stakeholders and intended timescales.

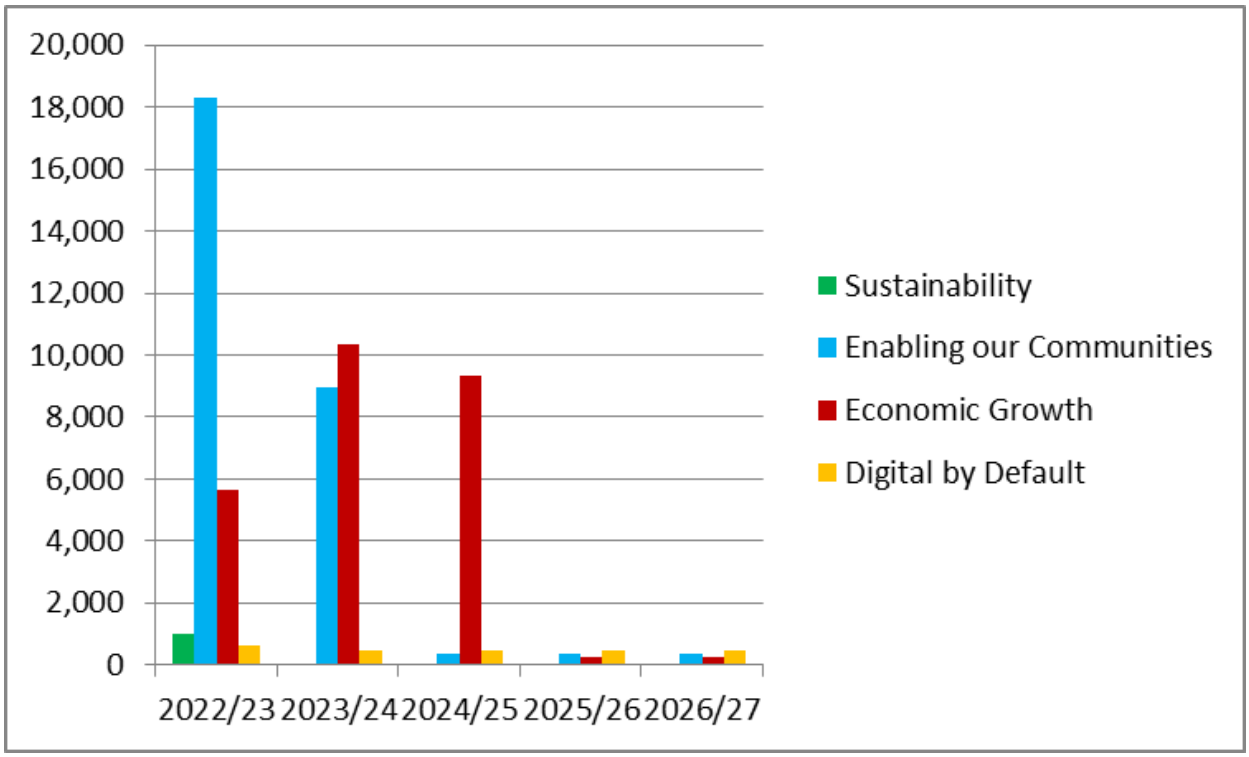
The Corporate Strategic Plan priority initiatives are currently going through the approval process. To demonstrate our current approach ahead of producing a longer-term capital investment plan, we have set out the Corporate Strategic Plan initiatives below which relate to capital investment:

Priority	Aims and initiatives
Priority 1: Sustainability at the heart of everything we do	***We will make changes to our own premises, people and services*** • Making direct investment in energy efficiency schemes: for example, energy efficiency measures in leisure capital schemes; installing/upgrading LED lighting in our buildings and car parks – **Ongoing** ***We will use our regulatory powers to promote action by others*** Installing rapid e-chargers in support of move to more e-taxis – **Ongoing** ***We will influence and encourage behaviour change*** • Providing financial incentives to increase sustainability: for example insulation grants and loans – **Ongoing**
Priority 2: Enabling our	***We will invest in our places*** • Investing £36m in our Leisure Centres in Hertford, Bishop's Stortford and Buntingford – **Ongoing**

Priority	Aims and initiatives
communities	• Investing £20m in Hertford Theatre – **Ongoing** • Delivering improvements in our green spaces (e.g. Castle Park) – **Ongoing** • Providing community grants – **Ongoing** ***We will ensure all voices in the community are heard*** • Growing our digital communication channels (twitter, Facebook, Instagram, network) to keep residents informed – **Ongoing** ***We will support our vulnerable residents*** • Delivering affordable homes – **Ongoing** • Increasing and improving our Homeless Accommodation – **Ongoing**
Priority 3: Encouraging economic growth	***We will develop new sources of income*** • Delivering Financial Sustainability through Green agenda investment purchases – **Ongoing** ***We will support business growth*** • Delivering the Old River Lane project to improve Bishop's Stortford Town Centre – **Ongoing** • Expanding the Launchpad – **Ongoing** ***We will create viable places*** • Delivering the district plan – **Ongoing** • Ensuring developer contributions are used effectively – **Ongoing**
Priority 4: Digital by default	***We will improve the customer experience for those who use council services*** • Increase our investment in digital technology – **Ongoing** ***We will work with partners to ensure our communities are digitally enabled*** • Delivering Harlow and Gilston Garden Town as a fully sustainable and digital 'place' – **Ongoing** • Agreeing a countywide digital infrastructure strategy – **Ongoing**

The planned capital investment programme for 2022/23 onwards, from an expenditure perspective, is undergoing the same approval process as this strategy. At this stage we have undertaken a simple mapping exercise to demonstrate the contribution of planned capital investment to each Corporate Strategic Plan priority. This will be developed further as the Capital Strategy is strengthened during 2022/23.

Figure 3: Capital Programme by Corporate Priority



Links between the 5-year capital programme and the corporate priorities are provided at Appendix 1.

Corporate priority action plan:

Action	Why is this required?	Responsibility	Timescale
As the **longer-term capital investment plan** emerges, we will undertake a more detailed mapping exercise against each capital scheme – initially in the capital programme and eventually in the longer-term capital investment plan	This will assist Members and other key stakeholders recognise the contribution that the capital investment is making towards the achievement of the Council's corporate priorities	Strategic Finance & Property, S151 Officer	During 2022/23
As the refreshed **Corporate Strategic Plan** emerges, we will ensure that the existing capital investment plan is reviewed to ensure that all planned schemes align with the updated	This will ensure that existing investment plans still meet the identified needs of the District and emerging pipeline schemes are aligned to the newly approved priorities	Strategic Finance & Property, S151 Officer	In line with Corporate Strategic Plan refresh timescale

Action	Why is this required?	Responsibility	Timescale
corporate priorities			

Commercial Investment Strategy

Millstream Property Investments Limited

In line with the Council's corporate priorities, and commercial investment ambition, Millstream Property Investments Limited was incorporated in February 2018.

The council, as the company's sole shareholder, has entered into a Shareholder Agreement with the company. The Shareholder Agreement obliges the company to annually review its business plan and produce a revised 30-year business plan, rebasing the forthcoming financial year as the first year of this 30-year period.
The Millstream Business Plan is now to hold its current property portfolio but make no new acquisitions as the returns from the company would be insufficient to meet all the external borrowing costs on a new property.

Capital Investment Plan

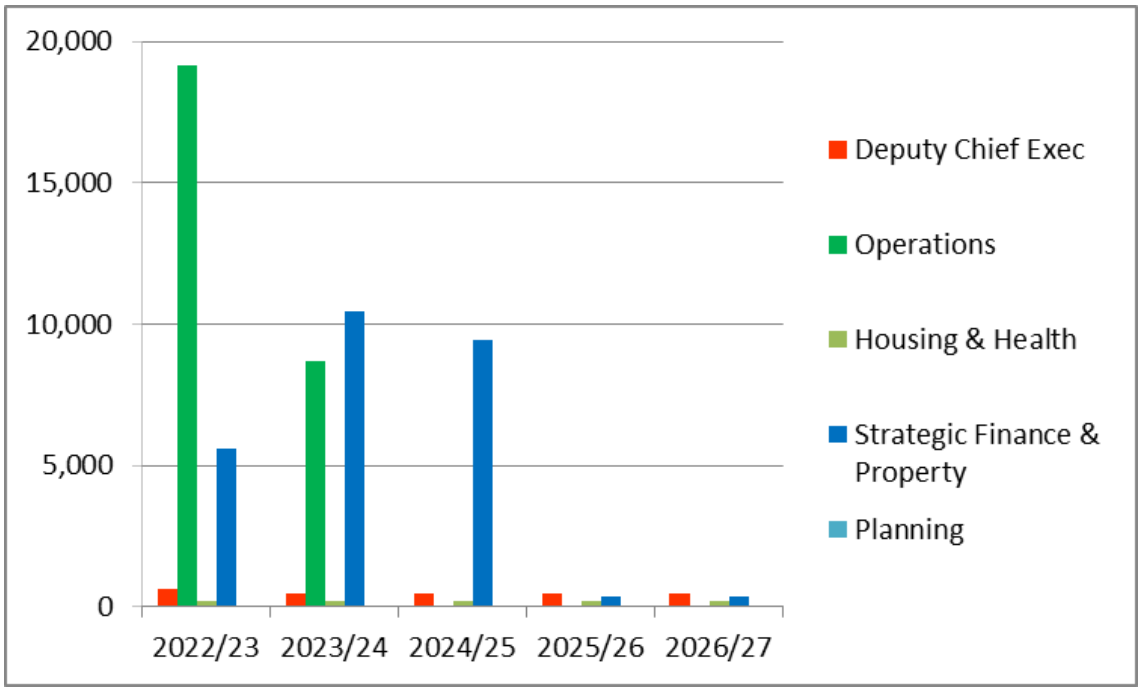
The following sections examine our starting point for a longer-term capital investment plan, the additional analysis that informs our Capital Strategy principles, our capacity to deliver and the potential options for addressing our capital investment ambition gap. We recognise that our Capital Programme currently plans for investment over a five-year period, which is a medium-term view and there is further work to do to extend our plans up to 10 years.

When our strategic planning becomes more mature, and we have identified our plans beyond the four-year horizon, we will update our process for evaluation and prioritisation, to ensure that there is clarity on the level of affordability, based on available capital resources, including a potential borrowing position. It is also important for the Council to establish its potential lobbying position to seek to secure future funding packages from appropriate funding bodies, building on successful bids to date.

We will ensure that our risk assessment examines the risk against the affordability and deliverability assumptions, as the longer-term capital investment plan emerges, and this will inform the ongoing review of performance and update of the capital investment plan to ensure that it is effectively managed.

The following charts provide a view of the current five-year investment plan from an expenditure perspective by Head of Service:

Figure 4: Capital Programme by Head of Service



Approach to capital investment prioritisation

The Medium Term Financial Plan (MTFP) is refreshed annually to accommodate changes in service delivery and financial landscape. Service and financial planning are combined in one report, which demonstrates that we have got an integrated approach to financial planning both from a revenue and capital perspective.

The MTFP is forecast over a 4-year period, in line with the Council's general corporate planning approach. The MTFP sets out the national policy context and describes the impact of this at a local level. It must be recognised that, when looking at a four-year period, the current level of uncertainty makes this an increasingly challenging exercise.

When considering an appropriate long-term period for the Capital Strategy, we are potentially looking at a 20-30 year period but a more realistic period for the capital investment plan, say up to 10 years. This longer-term approach enables a much more robust 5-year Capital Programme forecast and a strong annual budget.

We recognise that the MTFP should be able to articulate the Council's revenue and capital investment plans in the context of a longer-term approach. On this basis, our view is that the MTFP approach needs to be dynamic and aligned to the Council's Corporate Strategic Plan priorities, following an appropriately detailed business planning approach. We feel that the budget setting and service planning process goes a long way towards achieving this approach, however, when it comes to the capital planning process we recognise that we need the process to be less reactive and much more proactive.

As stated in the January 2022 Budget report, the capital programme for 2022/23 onwards contains a number of ongoing major projects and also the rolling capital schemes agreed in previous years.

Currently the review of the Capital programme is undertaken as part of the quarterly health-check report. Any additions to the programme require a funding request to be made through the appropriate governance process. This process is defined by the value of the capital bid.

The council is likely to undertake a further significant capital scheme at the Old River Lane, Bishop's Stortford site, within the medium term. The scope and funding arrangements for this scheme are still in the early stages of project planning. However, it should be noted that East Herts may need to give careful consideration to its reserves provision in the

forthcoming years and will require a borrowing facility within this medium term financial period.

As any new schemes are agreed and the funding requirements become more definite they will be included in the capital programme presented within the quarterly health-check report.

As we develop the Capital Strategy we intend this to become better informed over time and strengthened by the capital investment plan, which will stretch up to 10 years. We recognise that it is important to identify all required capital investment commitments, to ensure that all existing capital commitments are required, particularly in light of any refresh of the Corporate Strategic Plan, and those potential commitments from emerging new proposals and ideas are reflected.
We also recognise that, if we have any business as usual commitment missing from our capital investment plan, capital schemes that will no longer deliver against corporate priorities, known capital investment ambition not reflected and a short to medium term delivery profile, it is difficult for us to have a strong capital financing requirement, which in turn will not give us a good view of our potential borrowing requirement in the future.

As we develop our Capital Strategy further in the coming financial year we will make sure that our capital investment plan is comprehensive and profiled realistically, so that the revenue consequence, both positive and negative, are as robust and risk aware as possible, to feed into the budget and the medium term financial plan.

Capital investment plan action plan

Action	Why is this required?	Responsibility	Timescale
Agree **an appropriate long-term period** for the Capital Strategy – potentially up to 20 years, based on the timeframe of the Council's current strategies, plans and commercial activity	To enable the Council to plan much more effectively for the future – affording time to be clear about risk appetite, management of risk and management of financial resilience	Council	During 2022/23
Develop a **longer-term capital investment plan** – potentially up to 10 years, based on an appropriate timescale to suit the agreed period of the Capital Strategy	To enable the Council to improve its capital planning process, strengthen the Capital Programme and assist the effectiveness of delivery against plan	Leadership Team	During 2022/23
Improve the **integration with the Council's financial plans and**	To enable an overall view of the Council's delivery of a prudent, affordable and sustainable capital	Strategic Finance & Property, S151 Officer	During 2022/23

Action	Why is this required?	Responsibility	Timescale
strategies – particularly the MTFP, Treasury Management Strategy, Annual Investment Strategy and Reserves Strategy	investment plan that contributes positively to the achievement of the Council's corporate priorities		

Minimum Revenue Provision (MRP) policy statement

Minimum Revenue Provision

Where the council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the council to have regard to the MHCLG Guidance on Minimum Revenue Provision, the most recent edition of which was issued in 2018.

The council is legally obliged to “have regard” to the guidance, which is intended to enable a more flexible approach to assessing the amount of annual provision than was required under the previous statutory requirements. The guidance offers four main options under which MRP could be made, with an overriding recommendation that the Council should make prudent provision to redeem its debt liability over a period which is reasonably commensurate with that over which the capital expenditure is estimated to provide benefits. The requirement to ‘have regard’ to the guidance therefore means that:

1. Although four main options are recommended in the guidance, there is no intention to be prescriptive by making these the only methods of charge under which a local authority may consider its MRP to be prudent; and
2. It is the responsibility of each authority to decide upon the most appropriate method of making a prudent provision, after having had regard to the guidance.

There is no requirement to charge MRP where the Capital Financing Requirement (CFR) is nil or negative at the end of the preceding financial year.

The guidance also provides for the ability to reclaim any charges made over the statutory minimum revenue provision (MRP), voluntary revenue provision (VRP) or overpayments, if deemed necessary or prudent. A detailed analysis of the council's Capital Finance Requirement and the balance sheet, in preparation for the Capital Financing Requirement turning positive and therefore MRP becoming payable, indicates that there is an historic set aside from capital receipts to repay debt of £117,406,522.84 as of 1 April 2007. This balance is fully cash backed and is evidenced by matching cash and investment balances each year in the balance sheet.

In order for this sum to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment position each year. It is also necessary to adjust this balance to take into account financing of capital expenditure and long term investment decisions made prior to 1 April 2020. This position is shown in the table below is tracked from 2007/08 when the Capital Adjustments Account was established. The table includes estimated capital expenditure to be financed from borrowing in 2021/22:

Year	Bfwd	Borrowing	Investment	Cfwd
2007/08	117,406,522.84	-7,894,055.77		109,512,467.07
2008/09	109,512,467.07			109,512,467.07
2009/10	109,512,467.07			109,512,467.07
2010/11	109,512,467.07			109,512,467.07
2011/12	109,512,467.07	-483,360.33		109,029,106.74
2012/13	109,029,106.74	-1,942,095.36		107,087,011.38
2013/14	107,087,011.38	-1,886,443.19		105,200,568.19
2014/15	105,200,568.19	0.00		105,200,568.19
2015/16	105,200,568.19	-18,815,490.41	-19,999,996.01	66,385,081.77
2016/17	66,385,081.77	0.00		66,385,081.77
2017/18	66,385,081.77	0.00		66,385,081.77
2018/19	66,385,081.77	0.00		66,385,081.77
2019/20	66,385,081.77	-4,531,075.15		61,854,006.62
2020/21	61,854,006.62	-24,650,000.00		37,204,006.62
2021/22	37,204,006.62	-21,640,000.00[1]		15,564,006.62
2022/23	15,564,006.62	-19,960,000.00[1]		-4,395,993.38

[1] Projected expenditure

The £7.894 million of historic debt brought forward has been deducted from the total set aside balance in 2007/08 and £6 million was repaid on the loan maturity date in 2019/20 using the set aside allowance.

The council's Capital Financing Requirement became positive in 2020/21 therefore the council's policy is to repay internal borrowing incurred on capital expenditure between 2011/12 and 2021/22 from the set aside balance in order that no MRP is required to be set aside. For external borrowing from 2021/22 and future years the Council will assess MRP in accordance with the main recommendations contained within the guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003. The options available to the Council are as follows.

Option 1: Regulatory Method

Under the previous MRP regulations, MRP was set at a uniform rate of 4% of the CFR on a reducing balance method (which in effect meant that MRP charges would stretch into infinity). This historic approach requires the council to operate as if the 22088must continue for all capital expenditure incurred in operate as if the 2008 amending Regulations had not revoked Regulation 28 and is only really advantageous to those authorities operating a Housing Revenue Account (HRA) to allow them to take advantage of adjustments relating to HRA debt. It can also only be used for new capital expenditure up to the amount which is deemed to be supported through the Supported Capital Expenditure annual allocation which is no longer published by the Government.

Option 2: Capital Financing Requirement Method

This is a variation on option 1 which is based upon a charge of 4% of the aggregate CFR without any adjustment for Adjustment A, or certain other factors which were brought into account under the previous statutory MRP calculation. The CFR is the measure of an authority's outstanding debt liability as depicted by their balance sheet.

Option 3: Asset Life Method

This method may be applied to most new capital expenditure, including where desired that which may alternatively continue to be treated under options 1 or 2.

Under this option, it is intended that MRP should be spread over the estimated useful life of either an asset created, or other purpose of the expenditure. There are two useful advantages of this option:

1. Longer life assets e.g. freehold land can be charged over a longer period than would arise under options 1 and 2 subject to a maximum life of 50 year for undeveloped land but developed land can have the same life as the asset on it and that can exceed 50 years; and

2. No MRP charges need to be made until the financial year after that in which an item of capital expenditure is fully incurred and, in the case of a new asset, comes into service use (this is often referred to as being an 'MRP holiday'). This is not available under options 1 and 2.

There are two methods of calculating charges under option 3:

1. equal instalment method – equal annual instalments; or
2. annuity method – annual payments gradually increase during the life of the asset.

Option 4: Depreciation Method

Under this option, MRP charges are to be linked to the useful life of each type of asset using the standard accounting rules for depreciation (but with some exceptions) i.e. this is a more complex approach than option 3. The same conditions apply regarding the date of completion of the new expenditure as apply under option 3.

Annual Minimum Revenue Provision Statement 2022/23

The Council's policy is to first utilise the available set aside capital receipts and will repay in full the internal borrowing debt relating to fully incurred capital expenditure or new assets brought into use in the first full year after they are brought into use. Once the available set aside capital receipts balance has been fully utilised to repay internal borrowing debt the Council, having evaluated the options for its MRP policy in respect of capital expenditure incurred, considers that the Asset Life - Equal Instalment Method is the most appropriate for it to use. This provides for a reduction in the borrowing need over approximately the useful life of the asset.

Estimated life periods will be determined by the Head of Strategic Finance and Property. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be

adopted by the council. However, the council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

As some types of capital expenditure incurred by the Council are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

Repayments included in finance leases are applied as MRP.

Risk Management

Risk Management Strategy

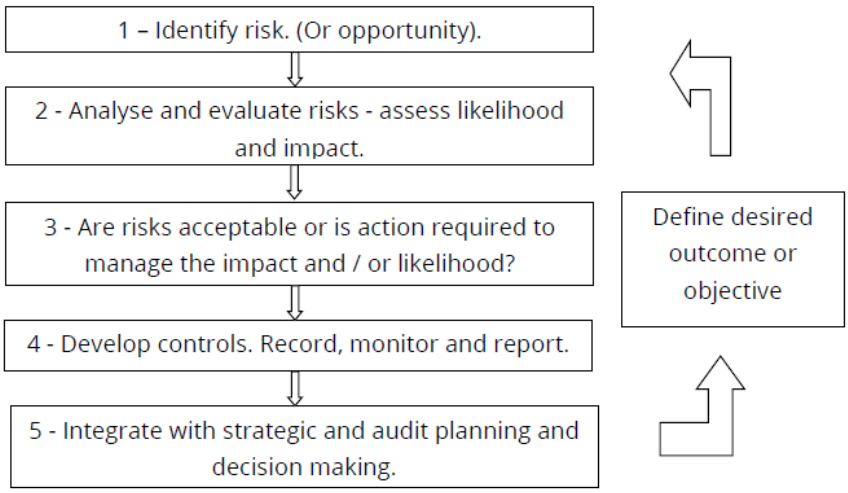
The Council's Risk Management Strategy was last reviewed in spring 2019 and is reviewed on an annual basis.

The Strategy contains a clear definition of risk management as follows:

The process which aims to help organisations understand, evaluate and take action on all their risks with a view to increasing the probability of their success and reducing the likelihood of their failure. (Source: The Institute of Risk Management).

The five stages of risk management are summarised in the diagram below, extracted from the Risk Management Strategy.

Figure 5: Stages of Risk Management



Risk Evaluation and Risk Appetite

The Risk Management Strategy includes a scoring matrix to be used in analysing and evaluating risks as outlined in the image overleaf.

Figure 6: Risk Scoring Mechanism

4 - HIGH >£300,000 and / or national criticism and / or catastrophic fall in service quality				
3 – MEDIUM £150,000 to £300,000 and / or regional criticism and / or major long term fall in service quality		CONTINGENCY	CRITICAL	
2 – LOW £50,000 to £150,000 and / or long term local media criticism and / or minor long term or major short term fall in service quality		CONTROL	CAUTION	
1 - NEGLIGIBLE <£50,000 and / or short term local media criticism and / or short term fall in service quality				
IMPACT / LIKELIHOOD	**1 - RARE** The event could occur in exceptional circumstances	**2 - UNLIKELY** The event could occur less frequently than every three years	**3 - POSSIBLE** The event is likely to occur within, or more than one in three years	**4 - PROBABLE** The event is likely to occur within a year

The Strategy includes a definition of the Council's risk appetite i.e. the level of risk that it is prepared to tolerate without need for ongoing monitoring or reporting.
A material risk is deemed to be any risk rated higher than 2:2 on the scoring mechanism above. Where a risk rating exceeds this 'control' area of tolerance, demonstrable evidence of how risks are being mitigated will be required, together with proposals for future controls.

The Risk Management Strategy acknowledges that with increasing pressure on public finances, Local Authorities are obliged to have more appetite for risk. The Council cannot deliver everything it would ideally like to deliver and tough choices are necessary. The Council is therefore open to considering all delivery options, accepting increased levels of risk in order to secure the successful outcomes or rewards.
Risk management is essential in supporting innovation and moving from a 'risk averse' to a more 'risk aware' approach. An example is the acquisition of Old River Lane, Bishop's Stortford. The financial commitment is significant but the acquisition provides an opportunity to shape the town centre, and an additional income stream.

Roles and responsibilities

Roles and responsibilities are contained within the Risk Management Strategy and summarised here for ease of reference:

Role	Responsibility
Elected Members	Elected Members are responsible for governing the delivery of services to the local community. Members have a responsibility to understand the strategic risks that the Council faces, and will be made aware of how these risks are being managed. All Members will have the responsibility to consider the risks associated with the decisions they undertake and will be informed of these risks in the reports that are submitted to them. They cannot seek to avoid or delegate this overall responsibility, as it is key to their stewardship responsibilities. All Members can access strategic risks on Pentana Performance (formerly called Covalent).
Full Council	Full Council recognises the importance of effective risk management and considers risk management issues when making decisions.
Executive	To receive an annual report regarding the content of the Strategic Risk Register, then three exception reports each year detailing any change in risk scoring and the reasons why. Agree the Risk Management Strategy on an annual basis, or if significant changes require a revision.

Role	Responsibility
	Agree / set the Council's risk appetite. Allocate sufficient resources to address top risks
Audit and Governance Committee	To develop policy options and to review and scrutinise the policies of the Council including Risk Management. To monitor the effective development and operation of risk management and corporate governance in the Council. Receive an annual report regarding the content of the Strategic Risk Register, then three reports each year detailing the strategic risks and actions taken to mitigate or control them..
Chief Executive and Leadership Team	To ensure that effective systems of risk management and internal control are in place to support the Corporate Governance of the Council. Take a leading role in identifying and managing the risks and opportunities to the Council and to set the example and standards for all staff. Advise the Executive and Council on the risk management framework, policy, strategy and processes. Advise on the management of strategic and other significant risks. Ensure that the Policy and Strategy are communicated, understood and implemented by all Members, managers and staff. To report to Members on the management of strategic risks.

Role	Responsibility
	To ensure that the risk management process is part of all major projects, partnerships and change management initiatives.
Heads of Service	To be individually responsible for their service risks. Be actively involved in the identification and assessment of risks through the service planning process. Ensure that all reports of a strategic nature written for Members include risk commentary. To implement the detail of the Risk Management Strategy and risk related corporate policies, e.g. Health and Safety, Data Protection. Ensure that significant service risks are considered by Leadership Team quarterly.
Strategic Finance and Property	Co-ordinate risk management activities and prepare related reports for management and Members. Review and develop the Risk Management Strategy and processes. Facilitate / arrange risk management training for staff and Members. To co-ordinate the Business Continuity Plan. Support the risk based audit planning process.
Shared Internal Audit Service	To provide assurance to the Council through an independent and objective opinion on the control environment comprising risk management, control procedures and governance. To provide an annual Audit Plan that is based on a

Role	Responsibility
	reasonable evaluation of risk, and to provide an annual assurance statement to the Council based on work undertaken in the previous year. Review and challenge the effectiveness of the risk management framework.

Monitoring

Existing controls of strategic risks, their adequacy, new mitigation measures and associated action planning information are to be recorded on the Strategic Risk Register.

Strategic risks are subject to one detailed annual report with quarterly reports on an exception basis only.

Capital Risk Register

Risk Category	Description of Risk / Uncertainty	Mitigating Factors	Timescale (review or implementation)	Owner	Residual Risk Score
Political	Change in local government structures	Timetable for any reorganisation would fall outside the substantial capital programme proposed an as already committed would not be stopped by a reorganisation prohibition on items not programmed to use up resources and deny them to the successor authority	Quarterly	Chief Executive	6

Risk Category	Description of Risk / Uncertainty	Mitigating Factors	Timescale (review or implementation)	Owner	Residual Risk Score
Finance	There is uncertainty around future funding, both from Government and other areas such as income from commodities markets for recycled materials. The approach used in the MRP Policy of utilising set aside capital receipts from pre-2007 which can only be utilised for the repayment of borrowing to be applied to repay borrowing of the capital programme utilising the cash that backed the receipts is subject to validation by the external	Funding situation is being carefully monitored..	Ongoing	Head of Strategic Finance & Property	7

Risk Category	Description of Risk / Uncertainty	Mitigating Factors	Timescale (review or implementation)	Owner	Residual Risk Score
	auditor				
Social					
Technological					
Legislative / Legal	Challenges to legal powers being employed to deliver capital ambition	Robust technical, expert and legal advice to be sought as required in order to demonstrate that the Council's actions are justified	Ongoing	Head of Legal & Democratic Services	6
Continuity / service	Risk of not having capacity / capability and flexibility to	Services are structured to ensure their service	Ongoing	Heads of Service	4

Risk Category	Description of Risk / Uncertainty	Mitigating Factors	Timescale (review or implementation)	Owner	Residual Risk Score
delivery	continue to deliver service levels over time.	offers meet customer demand and are efficient and effective. The Transformation Programme will drive digital self-service for customers and agile working will reduce the need for office accommodation space.			
	Risk of lack of defined process resulting in disrupted service	Standard business cases, project evaluation and	12 months	Head of Comms,	5

Risk Category	Description of Risk / Uncertainty	Mitigating Factors	Timescale (review or implementation)	Owner	Residual Risk Score
	delivery as decision making processes are impaired	scoring mechanisms to aid decision making and prioritisation of resources		Policy & Strategy	
Environmental	Development of Old River Lane, Bishop's Stortford: impact on surrounding area	Site options being developed by urban designers and property consultants. Discussions ongoing with other partners such as Hertfordshire County Council, South Mills and Bishop's Stortford Town Council, to ensure any enabling parts of the site	Ongoing	Head of Strategic Finance & Property	5

Risk Category	Description of Risk / Uncertainty	Mitigating Factors	Timescale (review or implementation)	Owner	Residual Risk Score
		are ready			
	Grange Paddocks Leisure Centre built on a flood plain resulting in risk of flooding of the ground floor areas.	The building is located on the boundary of the very low and no risk zone. Design and Access statement, flood risk strategy, and drainage plan produced resulting in 64% less drainage outflow. Plant located on the north side and all on raised plinths.	Ongoing	Head of Operations	5

Risk Management action plan

Action	Why is this required?	Responsibility	Timescale
Monitor operational and strategic risks and update relevant risk registers accordingly, reporting strategic risks annually or quarterly by exception	In order that opportunities are explored in full in a timely fashion, and that risks are acknowledged and managed effectively through project lifecycles	All	As required and at least on a quarterly basis

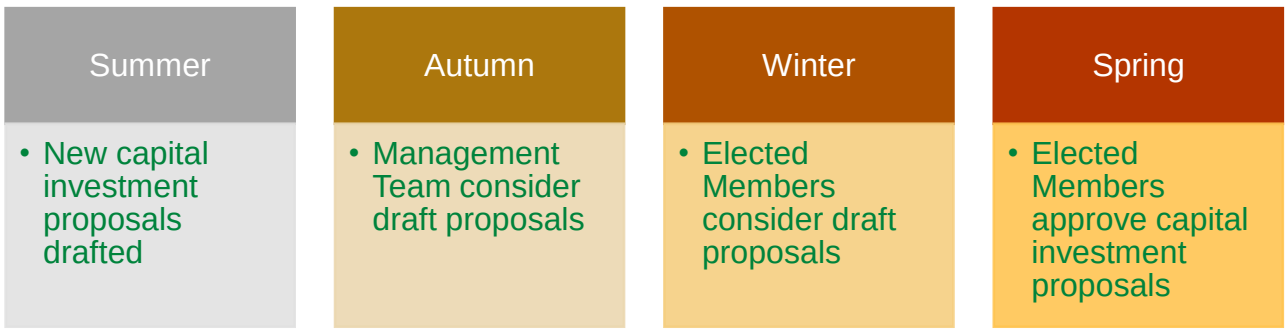
Capital Investment Appraisal Process

Note: Due to the current high level of approved capital spend and affordability, there are currently no new capital schemes for approval and none expected, other than a potential re-configuration of the Old River Lane, Bishops Stortford, scheme.

Business planning process

The current business planning process for developing investment proposals to be included within the Council's future financial plans is summarised in the diagram below.

Figure 7: Business Planning Process



New proposals are developed by individual Project Managers, approved for consideration at service level by the Head of Service / Directorate following which, the proposals will be considered by Leadership Team and successful proposals will progress for consideration and approval as part of the annual budget cycle.

Investment proposals – consultation and stakeholder engagement

Consultation and engagement is a key part of developing individual proposals and will be tailored to the individual proposal and relevant stakeholders both internal and

external to the Council. Stakeholder engagement and consultation can take place throughout the lifecycle of a proposal (from initiation to close down) and the outputs of any engagement or consultation undertaken should be used to inform the proposal as this progresses.

The diagram overleaf summarises the elements to consider in developing capital investment proposals.

Figure 8: Stakeholder engagement and consultation in developing investment proposals

Developing capital investment proposals – description of current processes

Project and Service Managers are encouraged to consider a range of options in developing individual proposals to determine an appropriate way forward, and to capture project details as a business case. However, although new proposals are required to develop a business case, there is as yet no standardised business case template used consistently across the Council to capture key information. This can lead to gaps in information being captured.

The Council has therefore identified that a standardised business case template is required, to support Officers in recording and maintaining project information and inform decision making. Business case must include estimates of capital costs, revenue implications and how the individual proposal aligns with Council plans and strategies and any partnership or external plans and strategies as relevant. Risks should also be documented as part of developing the proposal, along with mitigating actions and relevant timescales.
Business cases would then be maintained throughout the lifecycle of a project to maintain accurate information relating to delivery and lessons learned should be captured as part of project closure reports.

Prioritising capital investment

The intention is for the standardised business cases referenced above to then be subject to a standardised evaluation process, the outcome of which will be the prioritised capital investment programme. Local authorities continue to face financial challenges and as a result, the need to prioritise and target investment is ever present.

The Council has identified that in order to effectively assess investment proposals against one another, a standardised evaluation process and scoring mechanism may be beneficial to help aid decision making and prioritise investment.

Project appraisal process action plan

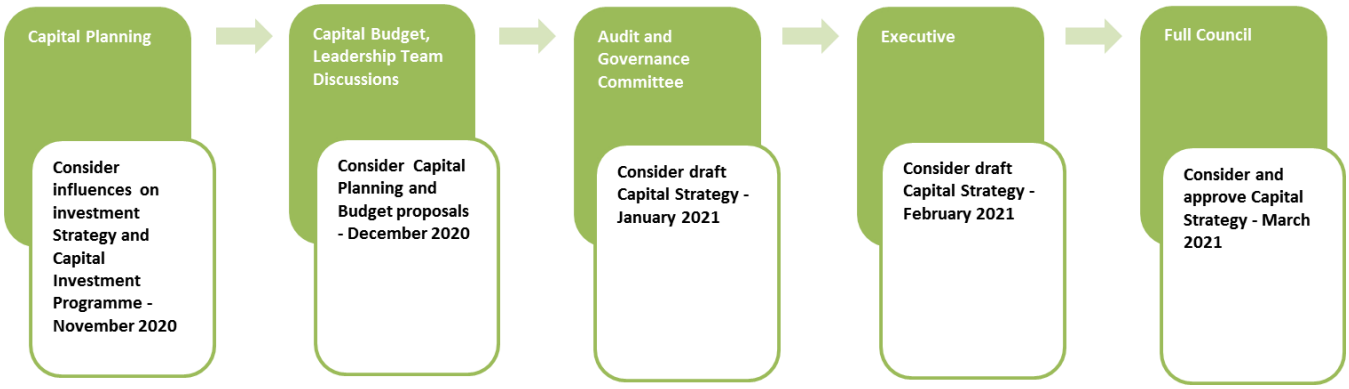
Action	Why is this required?	Responsibility	Timescale
Embed the **council's carbon assessment tool** within **standardised business case** documentation so as to ensure sustainability issues inform decision-making	To support officers in capturing and maintaining project information, from proposal to project close down, in order to help inform decision making and prioritise investment	Head of Housing & Health	12 months

Governance

Description of existing approval mechanisms

The existing process for development and approval of the Council's Capital Strategy is summarised in the diagram below.

Figure 9: Capital Strategy Approval process



The internal governance structure will need to be mindful of partners' and external governance mechanisms and will need to communicate and engage with these structures through delivery of the Council's overall capital ambition.

Roles and responsibilities

All Officers and elected Members have a role to play in informing and delivering the Capital Strategy. These roles and responsibilities are summarised below:

Role	Responsibility
Elected members	To approve the Capital Strategy and monitor delivery of the Strategy through various scrutiny forums

Role	Responsibility
Leadership / Management Team	To develop and propose the Capital Strategy for approval
Programme / Directorate Managers	To help inform the Capital Strategy, identifying constraints and opportunities and communicate these to both Senior Management and Project Teams
Project Managers	To manage delivery of individual projects aligned to the Capital Strategy and to develop and maintain project information which will inform decision making processes and the direction and delivery of the Capital Strategy
Project Team members	To contribute to the delivery of individual proposals which align with the Capital Strategy

Skills and training

The Council benefits from the skills and experience possessed by both Officers and elected Members which will support delivery of individual capital proposals and the Council's overall capital ambition. The Council is also keen to support Officers and elected Members to continue to develop their skills sets and is therefore mindful of the implications capital proposals may have on the Council's workforce and future training opportunities and requirements.

The Council already has a programme of staff training available and will look to support that staffs who wish to continue their professional development appropriate to their role and subject to appropriate budget availability. Relevant training for elected Members is also undertaken on a routine basis and refreshed as required.

Any skills or experience required which are not already possessed 'in-house' should be identified through individual capital proposals or business cases and will be procured externally as necessary, and in accordance with the Council's Corporate Procurement Strategy.

Capital Strategy engagement

The Capital Strategy is a corporate document which helps stakeholders understand the Council's capital investment objectives and decisions. The Council is therefore keen that the Capital Strategy is informed by knowledge and experience from across the authority.

There is still work to do in fully developing and implementing the Capital Strategy as a corporate strategic document. Therefore, the Senior Management Team will consider a consultation and engagement plan over the coming months which will look to raise awareness of the Strategy and gather stakeholder input for future iterations of the Capital Strategy.

Capital Strategy date for review

The Capital Strategy is intended to be a dynamic document, responsive to changes in policy, strategic influences and delivery.

The Capital Strategy will therefore be updated as required and at least once on an annual basis.

Governance action plan

Action	Why is this required?	Responsibility	Timescale
Update the Capital Strategy as required and **at least once annually**	To maintain a dynamic and responsive Strategy which evolves as the Council's priorities do	Leadership Team	As required
Consider an **engagement plan** for the Capital Strategy	To continue to develop and inform the Capital Strategy, and raise awareness of the Council's capital investment ambition	Leadership Team	12 months

Appendix 1: Capital Programme by Corporate Plan priority

	Sustainability at the heart of everything we do	**E**nabling our communities	**E**ncouraging economic growth	**D**igital by design
Investment in operational assets	✓	✓	✓	
Grange Paddocks Leisure Centre	✓	✓		
Hartham Leisure Centre	✓	✓		
Ward Freeman		✓		
Car Park Resurfacing		✓	✓	
Northgate End, MSCP, Residential and Commercial	✓	✓	✓	
Arts Centre – Old River Lane	✓	✓	✓	
Hertford Theatre	✓	✓	✓	✓
LED Lighting Upgrades	✓	✓		
ICT Rolling Programme				✓

Appendix 1

	Sustainability at the heart of everything we do	**E**nabling our communities	**E**ncouraging economic growth	**D**igital by design
Open Space Improvements	✓	✓		
Improve, maintain & renew structures along rivers and watercourses	✓	✓		
Land Management Asset Register & Associated Works		✓		
Fixtures, Fittings and Equip		✓		
Grants	✓	✓		

East Herts Council Report

Executive

Date:	8 February 2022
Report by:	Councillor Geoffrey Williamson, Deputy Leader & Executive Member for Financial Sustainability
Report title:	Treasury Management and Annual Investment Strategy 2022/23
Ward(s) affected:	None

Summary

The report contains the Council's Treasury Management and Annual Investment Strategy for 2022/23.

RECOMMENDATIONS FOR EXECUTIVE:

(a) That Executive recommend to Council to approve the Treasury Management and Annual Investment Strategy 2022/23. *(Appendix A)* and Prudential Indicators for approval *(Appendix B)*

1.0 Proposal(s)

1.1 This report recommends the approval of the Council's Treasury Management and Annual Investment Strategy 2022/23.

2.0 Background

2.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or

instruments commensurate with the Council's low risk appetite, providing security and adequate liquidity always before considering investment return.

2.2 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 that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

2.3 The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

2.4 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day to day treasury management activities.

2.5 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).

2.6 This activity is currently supported by the council's appointed independent advisors – Link Asset Services.

2.7 The report was considered by Audit and Governance Committee at its meeting on 25 January 2022. There were no comments.

3.0 Reason(s)

3.1 The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

3.2 Prudential and treasury indicators and treasury strategy (this report) - The first, and most important report is forward looking and covers:

- the capital plans, (including prudential indicators);
- a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time);
- the treasury management strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
- an investment strategy, (the parameters on how investments are to be managed).

3.3 A mid-year treasury management report – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision.

3.4 An annual treasury report – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

3.5 The above reports are required to be adequately scrutinised before being recommended to the Council.

3.6 Prudential Indicators are included in Appendix 'A': Treasury Management Strategy and Annual Investment Strategy 2021-22 which are designed to assist members' overview and confirm capital expenditure plans.

3.7 Please also refer to the Credit and Counterparty Risk Management paragraph 5.4 and Approved Countries List paragraph 5.5.

3.8 For clarity, all the Prudential Indicators and the creditworthiness policy and counterparty limits which Council will be asked to approve are summarised in Appendix B.

4.0 Options

4.1 Update the Treasury Management Strategy as required, at least once annually.

5.0 Risks

5.1 Risks are discussed in detail, within the Treasury Management Strategy, including the uncertainty around future funding, both from Government and other areas.

6.0 Implications/Consultations

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

The Council's Treasury operations are limited by statute to term deposits, money market funds and banks. It is not possible to have an ethical investment strategy as there is no way to trace the use of, say, a five day Term Deposit with Barclays Bank who may use that cash to pay customers, some of whom would potentially be seen as unethical, e.g. oil companies, weapons manufacturers etc.

Financial

All financial implications are included in this report.

Health and Safety

No

Human Resources

No

Human Rights

The Council's Treasury operations are limited by statute to term deposits, money market funds and banks. It is not possible to have an ethical investment strategy as there is no way to trace the use of, say, a five day Term Deposit with Barclays Bank who may use that cash to pay customers, some of whom would potentially be seen as unethical, e.g. oil companies, weapons manufacturers etc.

Legal

All statutory requirements have been considered in preparing this report, specifically the requirement to have regard to the Prudential Code in drawing up this strategy.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

7.1 Appendix A - East Herts District Council Treasury Management Strategy 2022/23 Onwards

7.2 Appendix B - Prudential Indicators 2022/23 for Approval

Contact Member

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Appendix A

East Herts Council

Treasury Management Strategy Statement and Annual Investment Strategy 2022/23

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1.INTRODUCTION

1.1 Background

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering 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 that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.

The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management 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."*

Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities.

1.2 Reporting requirements

1.2.1 Capital Strategy

The CIPFA 2017 Prudential and Treasury Management Codes require all local authorities to prepare a capital strategy report which will provide the following:

- a high-level long-term 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

The aim of this capital strategy is to ensure that all elected members on the full council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

1.2.2 Treasury Management reporting

The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

a. **Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report is forward looking and covers:
   - the capital plans, (including prudential indicators);
   - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time);
   - the treasury management strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
   - an investment strategy, (the parameters on how investments are to be managed).

b. **A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision.

c. **An annual treasury report** – This is a backward-looking review document and provides details of a selection of actual prudential

and treasury indicators and actual treasury operations compared to the estimates within the strategy.

The above reports are required to be adequately scrutinised before being recommended to the Council. This role is undertaken by the Audit and Governance Committee.

1.3Treasury Management Strategy for 2022/23

The strategy for 2022/23 covers two main areas:

Capital issues

- the capital expenditure plans and the associated prudential indicators;
- the minimum revenue provision (MRP) policy.

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Council;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- the policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, DLUHC Investment Guidance, DLUHC MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

1.4Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. The last training was undertaken by members at Audit and Governance on 9th November 2021 and further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed.

1.5Treasury management consultants

The Council uses Link Group, Treasury solutions as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

2 THE CAPITAL PRUDENTIAL INDICATORS 2022/23 – 2024/25

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

2.1 Capital expenditure and financing

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

Capital expenditure £m	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Services Total	31.520	26.870	25.560	19.780	10.140

Other long-term liabilities - The above financing need excludes other long-term liabilities, such as PFI and leasing arrangements that already include borrowing instruments.

The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Financing of capital expenditure £m	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Capital receipts	(0.420)	(1.600)	(3.160)	(1.450)	(0.250)
Capital grants and other 3rd party contributions	(6.450)	(3.190)	(2.280)	(0.080)	-
Capital reserves	-	-	-	-	-
Revenue	-	(0.440)	(0.360)	(0.310)	(0.310)
Net financing need for the year	**24.650**	**21.640**	**19.760**	**17.940**	**9.570**

2.2 The Council's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's indebtedness and so its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset's life, and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long-term liabilities (e.g., PFI schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of schemes include a borrowing facility by the PFI, PPP lease provider and so the Council is not required to separately borrow for these schemes. The Council currently has no such schemes within the CFR.

The Council is asked to approve the CFR projections below:

£m	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Capital Financing Requirement					
Services	24.650	21.640	19.760	17.940	9.570
Total CFR	**6.110**	**27.750**	**47.490**	**64.490**	**72.420**
Movement in CFR	**24.650**	**21.640**	**19.740**	**17.000**	**7.930**

Movement in CFR represented by					
Net financing need for the year (above)	24.650	21.640	19.760	17.940	9.570
Less MRP/VRP and other financing movements	-	-	(0.020)	(0.940)	(1.640)
Movement in CFR	**24.650**	**21.640**	**19.740**	**17.000**	**7.930**

2.3 Core funds and expected investment balances

The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

Year End Resources £m	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Fund balances / reserves	28.760	31.660	30.540	29.020	29.210
Capital receipts	-	-	-	-	-
Other	0.220	-	-	-	-
Total core funds	**28.980**	**31.660**	**30.540**	**29.020**	**29.210**
Working capital*	2.940	3.000	3.000	3.000	3.000
Under/over borrowing**	4.610	6.270	6.620	5.680	4.030
Expected investments	**36.530**	**40.930**	**40.160**	**37.700**	**36.240**

*Working capital balances shown are estimated year-end; these may be higher mid-year

2.4 Minimum revenue provision (MRP) policy statement

The full policy statement is published within the Capital Strategy, which is following the same council approval process, as this document.

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

MHCLG regulations have been issued which require the full Council to approve **an MRP Statement** in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement*:*

For all capital expenditure including that incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will be:

- **Asset life method** – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) (option 3);

This options provide for a reduction in the borrowing need over approximately the asset's life.

Repayments included in annual PFI or finance leases are applied as MRP.

3 BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

3.1 Current portfolio position

The overall treasury management portfolio as at 31.3.21 and for the position as at 23.12.21 are shown below for both borrowing and investments.

TREASURY PORTFOLIO				
	actual	actual	current	current
	31.3.21	**31.3.21**	**23.12.21**	**23.12.21**
Treasury investments	£m	%	£m	%
banks	11.550	31%	9.850	30%
building societies - unrated	0	0%	0	0%
building societies - rated	0	0%	0	0%
local authorities	0	0%	0	0%
DMADF (H.M.Treasury)	0	0%	0	0%
money market funds	5.570	15%	2.570	8%
certificates of deposit	0	0%	0	0%
Total managed in house	**17.120**	**46%**	**12.420**	**38%**
bond funds	0	0%	0	0%
property funds	20.000	54%	20.000	62%
Total managed externally	**20.000**	**54%**	**20.000**	**62%**
Total treasury investments	**37.120**	**100%**	**32.420**	**100%**
Treasury external borrowing				
local authorities	0	0%	0	0%
PWLB	1.500	100%	1.500	100%
LOBOs	0	0%	0	0%
Total external borrowing	**1.500**	**100%**	**1.500**	**100%**
Net treasury investments / (borrowing)	**35.620**	**0**	**30.920**	**0**

The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

£m	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
External Debt					
Debt at 1 April	7.500	1.500	21.480	40.870	58.810
Expected change in Debt	(6.000)	19.980	19.390	17.940	9.580
Other long-term liabilities (OLTL)	-	-	-	-	-
Expected change in OLTL	-	-	-	-	-
Actual gross debt at 31 March	**1.500**	**21.480**	**40.870**	**58.810**	**68.390**
The Capital Financing Requirement	6.110	27.750	47.490	64.490	72.420
Under / (over) borrowing	**4.610**	**6.270**	**6.620**	**5.680**	**4.030**

Within the range of prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2022/23 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Head of Strategic Finance and Property reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

3.2Treasury Indicators: limits to borrowing activity

The operational boundary. This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

Operational boundary £m	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Debt	40.0	41.0	59.0	69.0
Other long-term liabilities	10.0	7.0	6.0	4.0
Total	**50.0**	**48.0**	**65.0**	**73.0**

The authorised limit for external debt. This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
2. The Council is asked to approve the following authorised limit:

Authorised limit £m	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Debt	150.0	73.0	75.0	77.0
Other long-term liabilities	10.0	8.0	7.0	5.0
Total	160.0*	81.0	82.0	82.0

** The authorised borrowing level for 2021/22 was set prior to the change in the PWLB borrowing regulations and when there was a different proposal for the Old River Lane project. As per the expected change in debt figures quoted above, we are not due to borrow at the original estimated high levels and the limit is reduced for 2022/23 onwards.*

3.3 Prospects for interest rates

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Link provided the following forecasts on 20th December 2021. These are forecasts for certainty rates, gilt yields plus 80 bps.

Link Group Interest Rate View	20.12.21													
	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
BANK RATE	0.25	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25
3 month ave earnings	0.20	0.30	0.50	0.50	0.60	0.70	0.80	0.90	0.90	1.00	1.00	1.00	1.00	1.00
6 month ave earnings	0.40	0.50	0.60	0.60	0.70	0.80	0.90	1.00	1.00	1.10	1.10	1.10	1.10	1.10
12 month ave earnings	0.70	0.70	0.70	0.70	0.80	0.90	1.00	1.10	1.10	1.20	1.20	1.20	1.20	1.20
5 yr PWLB	1.40	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.80	1.90	1.90	1.90	2.00	2.00
10 yr PWLB	1.60	1.70	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10	2.20	2.30
25 yr PWLB	1.80	1.90	2.00	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.40	2.40	2.50	2.50
50 yr PWLB	1.50	1.70	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.20	2.20	2.30	2.30

Additional notes by Link on this forecast table: -

- *LIBOR and LIBID rates will cease from the end of 2021. Work is currently progressing to replace LIBOR with a rate based on SONIA (Sterling Overnight Index Average). In the meantime, our forecasts are based on expected average earnings by local authorities for 3 to 12 months.*
- *Our forecasts for average earnings are averages i.e., rates offered by individual banks may differ significantly from these averages, reflecting their different needs for borrowing short term cash at any one point in time.*

Over the last two years the coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings until raising it to 0.25% at its meeting on 16th December 2021.

As shown in the forecast table above, the forecast for Bank Rate now includes four increases, one in December 2021 to 0.25%, then quarter 2 of 2022 to 0.50%, quarter 1 of 2023 to 0.75%, quarter 1 of 2024 to 1.00% and, finally, one in quarter 1 of 2025 to 1.25%.

Significant risks to the forecasts

- **Labour and supply shortages** prove more enduring and disruptive and depress economic activity.

- **Mutations** of the virus render current vaccines ineffective, and tweaked vaccines to combat these mutations are delayed, or cannot be administered fast enough to prevent further lockdowns. 25% of the

population not being vaccinated is also a significant risk to the NHS being overwhelmed and lockdowns being the only remaining option.

- **The Monetary Policy Committee** acts 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.

- **The Monetary Policy Committee** tightens monetary policy too late to ward off building inflationary pressures.

- **The Government** acts too quickly to cut expenditure to balance the national budget.

- **UK / EU trade arrangements** – if there was a major impact on trade flows and financial services due to complications or lack of co-operation in sorting out significant remaining issues.

- **Longer term US treasury yields** rise strongly and pull gilt yields up higher than forecast.

- **Major stock markets** e.g., in the US, become increasingly judged as being over-valued and susceptible to major price corrections. Central banks become increasingly exposed to the "moral hazard" risks of having to buy shares and corporate bonds to reduce the impact of major financial market selloffs on the general economy.

- **Geopolitical risks,** for example in Ukraine, Iran, North Korea, but also in Europe and Middle Eastern countries; on-going global power influence struggles between Russia/China/US. These could lead to increasing safe-haven flows.

The balance of risks to the UK economy: -

- The overall balance of risks to economic growth in the UK is now to the downside, including risks from Covid and its variants - both domestically and their potential effects worldwide.

Forecasts for Bank Rate

It is not expected that Bank Rate will go up fast after the initial rate rise as the supply potential of the economy is not likely to have taken a major hit during the pandemic: it should, therefore, be able to cope well with meeting demand after supply shortages subside over the next year,

without causing inflation to remain elevated in the medium-term, or to inhibit inflation from falling back towards the MPC's 2% target after the spike up to around 5%. The forecast includes four increases in Bank Rate over the three-year forecast period to March 2025, ending at 1.25%. However, it is likely that these forecasts will need changing within a relatively short timeframe for the following reasons: -

- We do not know how severe an impact Omicron could have on the economy and whether there will be another lockdown or similar and, if there is, whether there would be significant fiscal support from the Government for businesses and jobs.

- There were already increasing grounds for viewing the economic recovery as running out of steam during the autumn and now into the winter. And then along came Omicron to pose a significant downside threat to economic activity. This could lead into stagflation, or even into recession, which would then pose a dilemma for the MPC as to whether to focus on combating inflation or supporting economic growth through keeping interest rates low.

- Will some current key supply shortages spill over into causing economic activity in some sectors to take a significant hit?

- Rising gas and electricity prices in October and next April and increases in other prices caused by supply shortages and increases in taxation next April, are already going to deflate consumer spending power without the MPC having to take any action on Bank Rate to cool inflation.

- On the other hand, consumers are sitting on over £160bn of excess savings left over from the pandemic so when will they spend this sum, in part or in total?

- It looks as if the economy coped well with the end of furlough on 30th September. It is estimated that there were around 1 million people who came off furlough then and there was not a huge spike up in unemployment. The other side of the coin is that vacancies have been hitting record levels so there is a continuing acute shortage of workers. This is a potential danger area if this shortage drives up wages which then feed through into producer prices and the prices of services i.e., a second-round effect that the MPC would have to act against if it looked like gaining significant momentum.

- We also recognise there could be further nasty surprises on the Covid front beyond the Omicron mutation.

- If the UK invokes article 16 of the Brexit deal over the dislocation in trading arrangements with Northern Ireland, this has the potential to end up in a no-deal Brexit.

In summary, with the high level of uncertainty prevailing on several different fronts, we expect to have to revise our forecasts again - in line with whatever the new news is.

It should also be borne in mind that Bank Rate being cut to 0.25% and then to 0.10%, were emergency measures to deal with the Covid crisis hitting the UK in March 2020. At any time, the MPC could decide to simply take away such emergency cuts on no other grounds than they are no longer warranted, and as a step forward in the return to normalisation. In addition, any Bank Rate under 1% is both highly unusual and highly supportive of economic growth.

Forecasts for PWLB rates and gilt and treasury yields

Since the start of 2021, we have seen a lot of volatility in gilt yields, and hence PWLB rates. As the interest forecast table for PWLB certainty rates above shows, there is forecast to be a steady, but slow, rise in both Bank Rate and gilt yields during the forecast period to March 2025, though there will doubtless be a lot of unpredictable volatility during this forecast period.

While monetary policy in the UK will have a major impact on gilt yields, there is also a need to consider the potential impact that rising treasury yields in America could have on our gilt yields. **As an average since 2011, there has been a 75% correlation between movements in US 10-year treasury yields and UK 10-year gilt yields. This is a significant UPWARD RISK exposure to our forecasts for longer term PWLB rates. However, gilt yields and treasury yields do not always move in unison.**

US treasury yields. During the first part of 2021, US President Biden's, and the Democratic party's, determination to push through a $1.9trn (equivalent to 8.8% of GDP) fiscal boost for the US economy as a recovery package from the Covid pandemic was what unsettled financial markets. However, this was in addition to the $900bn support package already passed in December 2020. This was then followed by additional

Democratic ambition to spend $1trn on infrastructure, (which was eventually passed by both houses later in 2021), and an even larger sum on an American families plan over the next decade; this is still caught up in Democrat / Republican haggling. Financial markets were alarmed that all this stimulus was happening at a time when: -

1. A fast vaccination programme had enabled a rapid opening up of the economy during 2021.
2. The economy was growing strongly during the first half of 2021 although it has weakened overall during the second half.
3. It started from a position of little spare capacity due to less severe lockdown measures than in many other countries.
4. And the Fed was still providing substantial stimulus through monthly QE purchases during 2021.

It was not much of a surprise that a combination of these factors would eventually cause an excess of demand in the economy which generated strong inflationary pressures. This has eventually been recognised by the Fed at its December meeting with an aggressive response to damp inflation down during 2022 and 2023.

At its 3rd November Fed meeting, the Fed decided to make a start on tapering its $120bn per month of QE purchases so that they ended next June. However, at its **15th December meeting** it doubled the pace of tapering so that they will end all purchases in February. These purchases are currently acting as downward pressure on treasury yields and so it would be expected that Treasury yields will rise over the taper period and after the taper ends, all other things being equal. The Fed also forecast that it expected there would be three rate rises in 2022 of 0.25% from near zero currently, followed by three in 2023 and two in 2024, taking rates back above 2% to a neutral level for monetary policy.

There are also possible **DOWNSIDE RISKS** from the huge sums of cash that the UK populace have saved during the pandemic; when savings accounts earn little interest, it is likely that some of this cash mountain could end up being invested in bonds and so push up demand for bonds and support their prices i.e., this would help to keep their yields down. How this will interplay with the Bank of England eventually getting round to not reinvesting maturing gilts and then later selling gilts, will be interesting to monitor.
There is likely to be **exceptional volatility and unpredictability in respect of gilt yields and PWLB rates** due to the following factors: -

- How strongly will changes in gilt yields be correlated to changes in US treasury yields (see below). Over 10 years since 2011 there has been an average 75% correlation between movements in US treasury yields and gilt yields. However, from time to time these two yields can diverge. Lack of spare economic capacity and rising inflationary pressures are viewed as being much greater dangers in the US than in the UK. This could mean that central bank rates will end up rising earlier and higher in the US than in the UK if inflationary pressures were to escalate; the consequent increases in treasury yields could well spill over to cause (lesser) increases in gilt yields. There is, therefore, an upside risk to forecasts for gilt yields due to this correlation. The Link Group forecasts have included a risk of a 75% correlation between the two yields.
- Will the Fed take action to counter increasing treasury yields if they rise beyond a yet unspecified level?
- Would the MPC act to counter increasing gilt yields if they rise beyond a yet unspecified level?
- How strong will inflationary pressures actually turn out to be in both the US and the UK and so put upward pressure on treasury and gilt yields?
- How will central banks implement their new average or sustainable level inflation monetary policies?
- How well will central banks manage the withdrawal of QE purchases of their national bonds i.e., without causing a panic reaction in financial markets as happened in the "taper tantrums" in the US in 2013?
- Will exceptional volatility be focused on the short or long-end of the yield curve, or both?

The forecasts are also predicated on an assumption that there is no break-up of the Eurozone or EU within the forecasting period, despite the major challenges that are looming up, and that there are no major ructions in international relations, especially between the US and China / North Korea and Iran, which have a major impact on international trade and world GDP growth.

These factors could cause an excess of demand in the economy which could then unleash strong inflationary pressures. This could then force the Fed to take much earlier action to start increasing the Fed rate from near zero, despite their stated policy being to target average inflation.

As the US financial markets are, by far, the biggest financial markets in the world, any upward trend in treasury yields will invariably impact and influence financial markets in other countries. Inflationary pressures and erosion of surplus economic capacity look much stronger in the US compared to those in the UK, which would suggest that Fed rate increases eventually needed to suppress inflation, are likely to be faster and stronger than Bank Rate increases in the UK. This is likely to put upward pressure on treasury yields which could then spill over into putting upward pressure on UK gilt yields.

The forecasts are also predicated on an assumption that there is no break-up of the Eurozone or EU within the forecasting period, despite the major challenges that are looming up, and that there are no major ructions in international relations, especially between the US and Russia, China / North Korea and Iran, which have a major impact on international trade and world GDP growth.

The balance of risks to medium to long term PWLB rates: -

- There is a balance of upside risks to forecasts for medium to long term PWLB rates.

A new era – a fundamental shift in central bank monetary policy

One of the key results of the pandemic has been a fundamental rethinking and shift in monetary policy by major central banks like the Fed, the Bank of England and the ECB, to tolerate a higher level of inflation than in the previous two decades when inflation was the prime target to bear down on so as to stop it going above a target rate. There is now also a greater emphasis on other targets for monetary policy than just inflation, especially on 'achieving broad and inclusive "maximum" employment in its entirety' in the US, before consideration would be given to increasing rates.

- The Fed in America has gone furthest in adopting a monetary policy based on a clear goal of allowing the inflation target to be symmetrical, (rather than a ceiling to keep under), so that inflation averages out the dips down and surges above the target rate, over an unspecified period of time.
- The Bank of England has also amended its target for monetary policy so that inflation should be 'sustainably over 2%' before starting on raising Bank Rate and the ECB now has a similar policy.
- ***For local authorities, this means that investment interest rates and very short term PWLB rates will not be rising as quickly or as***

high as in previous decades when the economy recovers from a downturn and the recovery eventually runs out of spare capacity to fuel continuing expansion.

- Labour market liberalisation since the 1970s has helped to break the wage-price spirals that fuelled high levels of inflation and has now set inflation on a lower path which makes this shift in monetary policy practicable. In addition, recent changes in flexible employment practices, the rise of the gig economy and technological changes, will all help to lower inflationary pressures.
- Governments will also be concerned to see interest rates stay lower as every rise in central rates will add to the cost of vastly expanded levels of national debt; (in the UK this is £21bn for each 1% rise in rates). On the other hand, higher levels of inflation will help to erode the real value of total public debt.

Investment and borrowing rates

- **Investment returns** are expected to improve in 2022/23. However, while markets are pricing in a series of Bank Rate hikes, actual economic circumstances may see the MPC fall short of these elevated expectations.
- **Borrowing interest rates** fell to historically very low rates as a result of the COVID crisis and the quantitative easing operations of the Bank of England and still remain at historically low levels. The policy of avoiding new borrowing by running down spare cash balances has served local authorities well over the last few years.
- On 25.11.20, the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates which had been increased by 100 bps in October 2019. The standard and certainty margins were reduced by 100 bps but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of assets for yield in its three-year capital programme. The current margins over gilt yields are as follows: -.
  - **PWLB Standard Rate** is gilt plus 100 basis points (G+100bps)
  - **PWLB Certainty Rate** is gilt plus 80 basis points (G+80bps)
  - **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)

- **Borrowing for capital expenditure.** Our long-term (beyond 10 years), forecast for Bank Rate is 2.00%. As some PWLB certainty

rates are currently below 2.00%, there remains value in considering long-term borrowing from the PWLB where appropriate. Temporary borrowing rates are likely, however, to remain near Bank Rate and may also prove attractive as part of a balanced debt portfolio. In addition, there are also some cheap alternative sources of long-term borrowing if an authority is seeking to avoid a "cost of carry" but also wishes to mitigate future re-financing risk. (*Amend as appropriate).*

- While this authority will not be able to avoid borrowing to finance new capital expenditure, to replace maturing debt and the rundown of reserves, (*amend as appropriate),* there will be a *cost of carry*, (the difference between higher borrowing costs and lower investment returns), to any new borrowing that causes a temporary increase in cash balances.

3.4 Borrowing strategy

The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need, (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.

Against this background and the risks within the economic forecast, caution will be adopted with the 2022/23 treasury operations. The Head of Strategic Finance and Property will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in borrowing rates,* then borrowing will be postponed.

- *if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast,* perhaps arising from an acceleration in the rate of increase in central rates in the USA and UK, an increase in world economic activity, or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

Any decisions will be reported to the appropriate decision-making body at the next available opportunity.

3.5 Policy on borrowing in advance of need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Borrowing in advance will be made within the constraints that:

- It will be limited to no more than 10% of the expected increase in borrowing need (CFR) over the three-year planning period; and
- The authority would not look to borrow more than 36 months in advance of need.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

3.6 Debt rescheduling

Rescheduling of current borrowing in our debt portfolio is unlikely to occur as there is still a very large difference between premature redemption rates and new borrowing rates, even though the general margin of PWLB rates over gilt yields was reduced by 100 bps in November 2020.
If rescheduling was done, it will be reported to the Council, at the earliest meeting following its action.

3.7 New financial institutions as a source of borrowing and / or types of borrowing

Currently the PWLB Certainty Rate is set at gilts + 80 basis points for both HRA and non-HRA borrowing. However, consideration may still need to be given to sourcing funding from the following sources for the following reasons:

- Local authorities (primarily shorter dated maturities out to 3 years or so – still cheaper than the Certainty Rate).
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a "cost of carry" or to achieve refinancing certainty over the next few years).
- Municipal Bonds Agency

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

3.8 Approved sources of long- and short-term borrowing

On Balance Sheet	Fixed	Variable
PWLB	●	●
Municipal bond agency	●	●
Local authorities	●	●
Banks	●	●
Pension funds	●	●
Insurance companies	●	●
Market (long-term)	●	●
Market (temporary)	●	●
Market (LOBOs)	●	●
Stock issues	●	●
Local temporary	●	●
Local Bonds	●	
Local authority bills	●	●
Overdraft		●
Negotiable Bonds	●	●
Internal (capital receipts & revenue balances)	●	●
Commercial Paper	●	
Medium Term Notes	●	
Finance leases	●	●

4 ANNUAL INVESTMENT STRATEGY

4.1 Investment policy – management of risk

The Department of Levelling Up, Housing and Communities (DLUHC - this was formerly the Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy, (a separate report).

The Council's investment policy has regard to the following: -

- DLUHC's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the Code")
- CIPFA Treasury Management Guidance Notes 2018

The Council's investment priorities will be security first, portfolio liquidity second and then yield, (return). 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. However, where appropriate (from an internal as well as external perspective), the Council will also consider the value available in periods up to 12 months with high credit rated financial institutions, as well as wider range fund options.

The above guidance from the DLUHC and CIPFA places a high priority on the management of risk. This authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.

2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which

institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as **"credit default swaps"** and overlay that information on top of the credit ratings.

3. **Other information sources** used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

4. This authority has defined the list of **types of investment instruments** that the treasury management team are authorised to use. There are two lists in appendix 5.4 under the categories of 'specified' and 'non-specified' investments.

   - **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity if originally, they were classified as being non-specified investments solely due to the maturity period exceeding one year.
   - **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.

5. **Non-specified and loan investment limits.** The Council has determined that it will set a limit to the maximum exposure of the total treasury management investment portfolio to non-specified treasury management investments of Y%.

6. **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in paragraph 4.2.

7. **Transaction limits** are set for each type of investment in 4.2.

8. This authority will set a limit for its investments which are invested for **longer than 365 days**, (see paragraph 4.4).

9. Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 4.3).

10. This authority has engaged **external consultants**, (see paragraph 1.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.

11. All investments will be denominated in **sterling**.

12. As a result of the change in accounting standards for 2022/23 under IFRS 9, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the MHCLG, concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31.3.23.

However, this authority will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 4.5). Regular monitoring of investment performance will be carried out during the year.

Changes in risk management policy from last year.
The above criteria are unchanged from last year.

4.2 Creditworthiness policy

This Council applies the creditworthiness service provided by the Link Group. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard & Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- "watches" and "outlooks" from credit rating agencies;
- CDS spreads that may give early warning of changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, and any assigned Watches and Outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads. The end product of this is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will, therefore, use counterparties within the following durational bands:

- Yellow 5 years *
- Dark pink 5 years for Ultra-Short Dated Bond Funds with a credit score of 1.25
- Light pink 5 years for Ultra-Short Dated Bond Funds with a credit score of 1.5
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

The Link creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

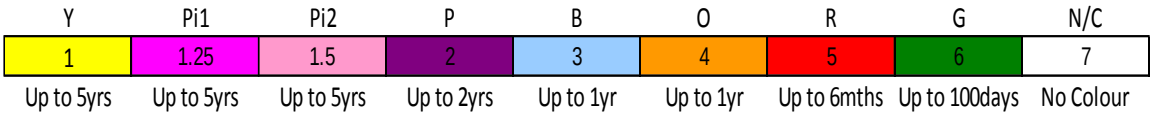
Typically, the minimum credit ratings criteria the Council use will be a short-term rating (Fitch or equivalents) of F1 and a long-term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored on a daily basis. The Council is alerted to changes to ratings of all three agencies through its use of the Link creditworthiness service.

- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Council will be advised of information in movements in Credit Default Swap spreads against the iTraxx European Financials benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link.

Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. In addition, this Council will also use market data and market information, as well as information on any external support for banks to help support its decision-making process.



	Colour (and long-term rating where applicable)	Money Limit (per banking group at time of investment)	Transaction limit	Time limit
Banks *	yellow	£10m	£10m	5yrs
Banks	purple	£10m	£10m	2 yrs
Banks	orange	£10m	£10m	1 yr
Banks – part nationalised	blue	£20m	£20m	1 yr
Banks – part nationalised – Council's own Bank***	blue	£40m	£30m	1 yr
Banks	red	£10m	£10m	6 mths
Banks	green	£10m	£10m	100 days
Banks	No colour	Not to be used	N/A	
Limit 3 category – Council's banker (where "No Colour")	No colour	£40m	£30m	1 day
Property Funds	-	£20m	£10m	Not a fixed term investment so no time limit
DMADF	UK sovereign rating	unlimited	unlimited	6 months
Local authorities	n/a	£10m (per Local Authority)	£10m	Unlimited
	Fund rating**	Money Limit		Time Limit
Money Market Funds CNAV	AAA	£10m (per fund)	£10m	liquid
Money Market Funds LVNAV	AAA	£10m (per fund)	£10m	liquid
Money Market Funds VNAV	AAA	£10m (per fund)	£10m	liquid
Ultra-Short Dated Bond Funds with a credit score of 1.25	Dark pink / AAA	£10m (per fund)	£10m	liquid
Ultra-Short Dated Bond Funds with a credit score of 1.50	Light pink / AAA	£10m (per fund)	£10m	liquid

** Please note: the yellow colour category is for UK Government debt, or its equivalent, money market funds and collateralised deposits where the collateral is UK Government debt –see appendix 5.4.*
*** Please note: "fund" ratings are different to individual counterparty ratings, coming under either specific "MMF" or "Bond Fund" rating criteria.*
**** Please note: this is a temporary limit to cover the administration of current COVID grants.*

Creditworthiness.
Significant levels of downgrades to Short- and Long-Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. However, as economies are beginning to reopen, there have been some instances of previous lowering of Outlooks being reversed.

CDS prices
Although bank CDS prices, (these are market indicators of credit risk), spiked upwards at the end of March / early April 2020 due to the heightened market uncertainty and ensuing liquidity crisis that affected financial markets, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link monitor CDS prices as part of their creditworthiness service to local authorities and the Council has access to this information via its Link-provided Passport portal.

4.3 Other limits

Due care will be taken to consider the exposure of the Council's total investment portfolio to non-specified investments, countries, groups and sectors.

a) **Non-specified treasury management investment limit.** The Council has determined that it will limit the maximum total exposure of treasury management investments to non-specified treasury management investments as being 75% of the total treasury management investment portfolio.

b) **Country limit.** The Council has determined that it will only use approved counterparties from the UK and from countries with a **minimum sovereign credit rating of AA-** from Fitch *(or equivalent*). The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 5.6. This list will be

added to, or deducted from, by officers should ratings change in accordance with this policy.

c) **Other limits.** In addition:

- limits in place above will apply to a group of companies;
- sector limits will be monitored regularly for appropriateness.

4.4 Investment strategy

In-house funds. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e., rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed.

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.
- Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

Investment returns expectations.
The current forecast shown in paragraph 3.3, includes a forecast for a first increase in Bank Rate in May 2022, though it could come in February. December 2021 though there is a high risk that it could be delayed until quarter 1 or 2 of 2022.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year, (based on a first increase in Bank Rate in quarter 2 of 2022), are as follows.:

Average earnings in each year	Now	Previously
2022/23	0.50%	0.50%
2023/24	0.75%	0.75%
2024/25	1.00%	1.00%
2025/26	1.25%	1.25%
Long term later years	2.00%	2.00%

For its cash flow generated balances, the Council will seek to utilise its business reserve instant access and notice accounts, money market funds and short-dated deposits, (overnight to 100 days), in order to benefit from the compounding of interest.

Changes of investment strategy
There have been no fundamental changes to the investment strategy.

Investment treasury indicator and limit - total principal funds invested for greater than 365 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end.

The Council is asked to approve the following treasury indicator and limit:

Upper limit for principal sums invested for longer than 365 days			
Current investments as at 23.11.21 in excess of 1 year	**2022/23**	**2023/24**	**2024/25**
£m	£m	£m	£m
20.0	30.0	30.0	30.0

4.5 Investment performance / risk benchmarking

This Council will use an investment benchmark to assess the investment performance of its investment portfolio of overnight, 7 day, 1, 3, 6 or 12 month compounded SONIA.

4.6 End of year investment report

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

5 APPENDICES

1. Prudential and treasury indicators
2. Interest rate forecasts
3. Economic background
4. Treasury management practice 1 – credit and counterparty risk management (option 1)
5. Treasury management practice 1 – credit and counterparty risk management (option 2)
6. Approved countries for investments
7. Treasury management scheme of delegation
8. The treasury management role of the section 151 officer

5.1 THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2022/23 – 2024/25

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

5.1.1 Capital expenditure

Capital expenditure £m	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Land and Buildings	25.570	22.630	18.890	9.330
Vehicles and Equipment	0.700	0.980	0.450	0.450
Community Assets	0.310	1.630	0.130	0.050
REFCUS	0.290	0.320	0.310	0.310
Total	**26.870**	**25.560**	**19.780**	**10.140**

5.1.2 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

Ratio of financing costs to 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.

	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Services	0.79%	2.93%	10.89%	17.54%

The estimates of financing costs include current commitments and the proposals in this budget report.

This ratio is increasing significantly, year on year, due to the need to borrow for
major project spend. This should be offset by the increase in income projected in the major project business cases. E.g. the new leisure centres and theatres.

5.1.3 Maturity structure of borrowing

Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large, fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

Maturity structure of fixed interest rate borrowing 2022/23		
	Lower	**Upper**
Under 12 months	0%	95%
12 months to 2 years	0%	95%
2 years to 5 years	0%	95%
5 years to 10 years	0%	50%
10 years to 20 years	0%	75%
20 years to 30 years	0%	75%
30 years to 40 years	0%	95%
40 years to 50 years	0%	50%
Maturity structure of variable interest rate borrowing 2022/23		
	Lower	Upper
Under 12 months	0%	50%
12 months to 2 years	0%	50%
2 years to 5 years	0%	50%
5 years to 10 years	0%	50%
10 years to 20 years	0%	50%
20 years to 30 years	0%	50%
30 years to 40 years	0%	50%
40 years to 50 years	0%	50%

5.1.4. Control of interest rate exposure

Please see paragraphs 3.3, 3.4 and 4.4.

5.2 INTEREST RATE FORECASTS 2021-2025

PWLB forecasts are based on PWLB certainty rates.

Link Group Interest Rate View	20.12.21													
	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
BANK RATE	0.25	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25
3 month ave earnings	0.20	0.30	0.50	0.50	0.60	0.70	0.80	0.90	0.90	1.00	1.00	1.00	1.00	1.00
6 month ave earnings	0.40	0.50	0.60	0.60	0.70	0.80	0.90	1.00	1.00	1.10	1.10	1.10	1.10	1.10
12 month ave earnings	0.70	0.70	0.70	0.70	0.80	0.90	1.00	1.10	1.10	1.20	1.20	1.20	1.20	1.20
5 yr PWLB	1.40	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.80	1.90	1.90	1.90	2.00	2.00
10 yr PWLB	1.60	1.70	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10	2.20	2.30
25 yr PWLB	1.80	1.90	2.00	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.40	2.40	2.50	2.50
50 yr PWLB	1.50	1.70	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.20	2.20	2.30	2.30
Bank Rate														
Link	0.25	0.25	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.25
Capital Economics	0.25	0.25	0.50	0.75	0.75	0.75	0.75	1.00	1.00	-	-	-	-	-
5yr PWLB Rate														
Link	1.40	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.80	1.90	1.90	1.90	2.00	2.00
Capital Economics	1.40	1.40	1.50	1.50	1.60	1.70	1.70	1.80	1.90	-	-	-	-	-
10yr PWLB Rate														
Link	1.60	1.70	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10	2.20	2.30
Capital Economics	1.60	1.60	1.70	1.70	1.80	1.80	1.90	2.00	2.00	-	-	-	-	-
25yr PWLB Rate														
Link	1.80	1.90	2.00	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.40	2.40	2.50	2.50
Capital Economics	1.80	1.80	1.90	1.90	2.00	2.10	2.10	2.20	2.30	-	-	-	-	-
50yr PWLB Rate														
Link	1.50	1.70	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.20	2.20	2.30	2.30
Capital Economics	1.40	1.50	1.60	1.70	1.80	1.90	2.00	2.20	2.30	-	-	-	-	-

5.3 ECONOMIC BACKGROUND

- **COVID-19 vaccines.** These were the game changer during 2021 which raised high hopes that life in the UK would be able to largely return to normal in the second half of the year. However, the bursting onto the scene of the Omicron mutation at the end of November, rendered the initial two doses of all vaccines largely ineffective in preventing infection. This has dashed such hopes and raises the spectre again that a fourth wave of the virus could overwhelm hospitals in early 2022. What we now know is that this mutation is very fast spreading with the potential for total case numbers to double every two to three days, although it possibly may not cause so much severe illness as previous mutations. Rather than go for full lockdowns which heavily damage the economy, the government strategy this time is focusing on getting as many people as possible to have a third (booster) vaccination after three months from the previous last injection, as a booster has been shown to restore a high percentage of immunity to Omicron to those who have had two vaccinations. There is now a race on between how quickly boosters can be given to limit the spread of Omicron, and how quickly will hospitals fill up and potentially be unable to cope. In the meantime, workers have been requested to work from home and restrictions have been placed on large indoor gatherings and hospitality venues. With the household saving rate having been exceptionally high since the first lockdown in March 2020, there is plenty of pent-up demand and purchasing power stored up for services in sectors like restaurants, travel, tourism and hotels which had been hit hard during 2021, but could now be hit hard again by either, or both, of government restrictions and/or consumer reluctance to leave home. Growth will also be lower due to people being ill and not working, similar to the pingdemic in July. The economy, therefore, faces significant headwinds although some sectors have learned how to cope well with Covid. However, the biggest impact on growth would come from another lockdown if that happened. The big question still remains as to whether any further mutations of this virus could develop which render all current vaccines ineffective, as opposed to how quickly vaccines can be modified to deal with them and enhanced testing programmes be implemented to contain their spread until tweaked vaccines become widely available.

A SUMMARY OVERVIEW OF THE FUTURE PATH OF BANK RATE

- In December, the Bank of England became the first major western central bank to put interest rates up in this upswing in the current business cycle in western economies as recovery progresses from the Covid recession of 2020.
- The next increase in Bank Rate could be in February or May, dependent on how severe an impact there is from Omicron.
- If there are lockdowns in January, this could pose a barrier for the MPC to putting Bank Rate up again as early as 3rd February.
- With inflation expected to peak at around 6% in April, the MPC may want to be seen to be active in taking action to counter inflation on 5th May, the release date for its Quarterly Monetary Policy Report.
- The December 2021 MPC meeting was more concerned with combating inflation over the medium term than supporting economic growth in the short term.
- Bank Rate increases beyond May are difficult to forecast as inflation is likely to drop sharply in the second half of 2022.
- However, the MPC will want to normalise Bank Rate over the next three years so that it has its main monetary policy tool ready to use in time for the next down-turn; all rates under 2% are providing stimulus to economic growth.
- We have put year end 0.25% increases into Q1 of each financial year from 2023 to recognise this upward bias in Bank Rate - but the actual timing in each year is difficult to predict.
- Covid remains a major potential downside threat in all three years as we ARE likely to get further mutations.
- How quickly can science come up with a mutation proof vaccine, or other treatment, – and for them to be widely administered around the world?
- Purchases of gilts under QE ended in December. Note that when Bank Rate reaches 0.50%, the MPC has said it will start running down its stock of QE.

MPC meeting 16h December 2021

- The Monetary Policy Committee (MPC) voted 8-1 to raise Bank Rate by 0.15% from 0.10% to 0.25% and unanimously decided to make no changes to its programme of quantitative easing purchases due to finish in December 2021 at a total of £895bn.

- The MPC disappointed financial markets by not raising Bank Rate at its November meeting. Until Omicron burst on the scene, most forecasters, therefore, viewed a Bank Rate increase as being near certain at this December meeting due to the way that inflationary

pressures have been comprehensively building in both producer and consumer prices, and in wage rates. However, at the November meeting, the MPC decided it wanted to have assurance that the labour market would get over the end of the furlough scheme on 30th September without unemployment increasing sharply; their decision was, therefore, to wait until statistics were available to show how the economy had fared at this time.

- **On 10th December we learnt of the disappointing 0.1% m/m rise in GDP** in October which suggested that economic growth had already slowed to a crawl even before the Omicron variant was discovered in late November. Early evidence suggests growth in November might have been marginally better. Nonetheless, at such low rates of growth, the government's "Plan B" COVID-19 restrictions could cause the economy to contract in December.

- **On 14th December, the labour market statistics** for the three months to October and the single month of October were released. The fallout after the furlough scheme was smaller and shorter than the Bank of England had feared. The single-month data were more informative and showed that LFS employment fell by 240,000, unemployment increased by 75,000 and the unemployment rate rose from 3.9% in September to 4.2%. However, the weekly data suggested this didn't last long as unemployment was falling again by the end of October. What's more, the 49,700 fall in the claimant count and the 257,000 rise in the PAYE measure of company payrolls suggests that the labour market strengthened again in November. The other side of the coin was a further rise in the number of vacancies from 1.182m to a record 1.219m in the three months to November which suggests that the supply of labour is struggling to keep up with demand, although the single-month figure for November fell for the first time since February, from 1.307m to 1.227m.

- These figures by themselves, would probably have been enough to give the MPC the assurance that it could press ahead to raise Bank Rate at this December meeting. However, the advent of Omicron potentially threw a spanner into the works as it poses a major headwind to the economy which, of itself, will help to cool the economy. The financial markets, therefore, swung round to expecting no change in Bank Rate.

- **On 15th December we had the CPI inflation** figure for November which spiked up further from 4.2% to 5.1%, confirming again how inflationary pressures have been building sharply. However, Omicron also caused a sharp fall in world oil and other commodity prices; (gas and electricity inflation has generally accounted on average for about 60% of the increase in inflation in advanced western economies).

- **Other elements of inflation are also transitory** e.g., prices of goods being forced up by supply shortages, and shortages of shipping containers due to ports being clogged have caused huge increases in shipping costs. But these issues are likely to clear during 2022, and then prices will subside back to more normal levels. Gas prices and electricity prices will also fall back once winter is passed and demand for these falls away.

- Although it is possible that the Government could step in with some **fiscal support for the economy**, the huge cost of such support to date is likely to pose a barrier to incurring further major expenditure unless it was very limited and targeted on narrow sectors like hospitality. The Government may well, therefore, effectively leave it to the MPC, and to monetary policy, to support economic growth – but at a time when the threat posed by rising inflation is near to peaking!

- This is the adverse set of factors against which the MPC had to decide on Bank Rate. For the second month in a row, the MPC blind-sided financial markets, this time with a **surprise increase in Bank Rate from 0.10% to 0.25%.** What's more, the hawkish tone of comments indicated that the MPC is now concerned that inflationary pressures are indeed building and need concerted action by the MPC to counter. This indicates that there will be more increases to come with financial markets predicting 1% by the end of 2022. The 8-1 vote to raise the rate shows that there is firm agreement that inflation now poses a threat, especially after the CPI figure hit a 10-year high this week. The MPC commented that "there has been significant upside news" and that "there were some signs of greater persistence in domestic costs and price pressures".

- On the other hand, it did also comment that **"the Omicron variant is likely to weigh on near-term activity".** But it stressed that at the November meeting it had said it would raise rates if the

economy evolved as it expected and that now "these conditions had been met". It also appeared more worried about the possible boost to inflation form Omicron itself. It said that "the current position of the global and UK economies was materially different compared with prior to the onset of the pandemic, including elevated levels of consumer price inflation". It also noted the possibility that renewed social distancing would boost demand for goods again, (as demand for services would fall), meaning "global price pressures might persist for longer". (Recent news is that the largest port in the world in China has come down with an Omicron outbreak which is not only affecting the port but also factories in the region.)

- On top of that, there were no references this month to inflation being expected to be below the **2% target in two years' time,** which at November's meeting the MPC referenced to suggest the markets had gone too far in expecting interest rates to rise to over 1.00% by the end of the year.

- These comments indicate that there has been a material reappraisal by the MPC of the inflationary pressures since their last meeting and the Bank also increased its forecast for inflation to peak at 6% next April, rather than at 5% as of a month ago. However, as the Bank retained its guidance that only **a "modest tightening"** in policy will be required, it cannot be thinking that it will need to increase interest rates that much more. A typical policy tightening cycle has usually involved rates rising by 0.25% four times in a year. "Modest" seems slower than that. As such, the Bank could be thinking about raising interest rates two or three times next year to 0.75% or 1.00%.

- In as much as a considerable part of the inflationary pressures at the current time are indeed **transitory,** and will naturally subside, and since economic growth is likely to be weak over the next few months, this would appear to indicate that this tightening cycle is likely to be comparatively short.

- As for the timing of the next increase in Bank Rate, the MPC dropped the comment from November's statement that Bank Rate would be raised "in the coming months". That may imply another rise is unlikely at the next meeting in February and that May is more likely. However, much could depend on how adversely, or not, the economy is affected by Omicron in the run up to the next meeting

on 3rd February. Once 0.50% is reached, the Bank would act to start shrinking its stock of QE, (gilts purchased by the Bank would not be replaced when they mature).

- **The MPC's forward guidance on its intended monetary policy** on raising Bank Rate versus selling (quantitative easing) holdings of bonds is as follows: -
  Raising Bank Rate as "the active instrument in most circumstances".
  Raising Bank Rate to 0.50% before starting on reducing its holdings.
  Once Bank Rate is at 0.50% it would stop reinvesting maturing gilts.
  Once Bank Rate had risen to at least 1%, it would start selling its holdings.

- **US.** Shortages of goods and intermediate goods like semi-conductors, have been fuelling increases in prices and reducing economic growth potential. In November, **CPI inflation hit a near 40-year record level of 6.8%** but with energy prices then falling sharply, this is probably the peak. The biggest problem for the Fed is the mounting evidence of a strong pick-up in cyclical price pressures e.g., in rent which has hit a decades high.
- **Shortages of labour** have also been driving up wage rates sharply; this also poses a considerable threat to feeding back into producer prices and then into consumer prices inflation. It now also appears that there has been a sustained drop in the labour force which suggests the pandemic has had a longer-term scarring effect in reducing potential GDP. Economic growth may therefore be reduced to between 2 and 3% in 2022 and 2023 while core inflation is likely to remain elevated at around 3% in both years instead of declining back to the Fed's 2% central target.
- Inflation hitting 6.8% and the feed through into second round effects, meant that it was near certain that the **Fed's meeting of 15th December** would take aggressive action against inflation. Accordingly, the rate of tapering of monthly $120bn QE purchases announced at its November 3rd meeting. was doubled so that all purchases would now finish in February 2022. In addition, Fed officials had started discussions on running down the stock of QE held by the Fed. Fed officials also expected three rate rises in 2022 of 0.25% from near zero currently, followed by three in 2023 and two in 2024, taking rates back above 2% to a neutral level for monetary policy. The first increase could come as soon as March 2022 as the chairman of the Fed stated his view that the economy had made rapid progress to achieving the

other goal of the Fed – "maximum employment". The Fed forecast that inflation would fall from an average of 5.3% in 2021 to 2.6% in 2023, still above its target of 2% and both figures significantly up from previous forecasts. What was also significant was that this month the Fed dropped its description of the current level of inflation as being "transitory" and instead referred to "elevated levels" of inflation: the statement also dropped most of the language around the flexible average inflation target, with inflation now described as having exceeded 2 percent "for some time". It did not see Omicron as being a major impediment to the need to take action now to curtail the level of inflationary pressures that have built up, although Fed officials did note that it has the potential to exacerbate supply chain problems and add to price pressures.
See also comments in paragraph 3.3 under PWLB rates and gilt yields.

- **EU.** The slow role out of vaccines initially delayed **economic recovery** in early 2021 but the vaccination rate then picked up sharply. After a contraction of -0.3% in Q1, Q2 came in with strong growth of 2%. With Q3 at 2.2%, the EU recovery was then within 0.5% of its pre Covid size. However, the arrival of Omicron is now a major headwind to growth in quarter 4 and the expected downturn into weak growth could well turn negative, with the outlook for the first two months of 2022 expected to continue to be very weak.
- **November's inflation figures** breakdown shows that the increase in price pressures is not just due to high energy costs and global demand-supply imbalances for durable goods as services inflation also rose. Headline inflation reached 4.9% in November, with over half of that due to energy. However, oil and gas prices are expected to fall after the winter and so energy inflation is expected to plummet in 2022. Core goods inflation rose to 2.4% in November, its second highest ever level, and is likely to remain high for some time as it will take a long time for the inflationary impact of global imbalances in the demand and supply of durable goods to disappear. Price pressures also increased in the services sector, but wage growth remains subdued and there are no signs of a trend of faster wage growth which might lead to *persistently* higher services inflation - which would get the ECB concerned. The upshot is that the euro-zone is set for a prolonged period of inflation being above the ECB's target of 2% and it is likely to average 3% in 2022, in line with the ECB's latest projection.
- **ECB tapering.** The ECB has joined with the Fed by also announcing at its meeting on 16th December that it will be reducing its QE purchases

- by half from October 2022, i.e., it will still be providing significant stimulus via QE purchases for over half of next year. However, as inflation will fall back sharply during 2022, it is likely that it will leave its central rate below zero, (currently -0.50%), over the next two years. The main struggle that the ECB has had in recent years is that inflation has been doggedly anaemic in sticking below the ECB's target rate despite all its major programmes of monetary easing by cutting rates into negative territory and providing QE support.

- The ECB will now also need to consider the impact of **Omicron** on the economy, and it stated at its December meeting that it is prepared to provide further QE support if the pandemic causes bond yield spreads of peripheral countries, (compared to the yields of northern EU countries), to rise. However, that is the only reason it will support peripheral yields, so this support is limited in its scope.

- The EU has entered into a **period of political uncertainty** where a new German government formed of a coalition of three parties with Olaf Scholz replacing Angela Merkel as Chancellor in December 2021, will need to find its feet both within the EU and in the three parties successfully working together. In France there is a presidential election coming up in April 2022 followed by the legislative election in June. In addition, Italy needs to elect a new president in January with Prime Minister Draghi being a favourite due to having suitable gravitas for this post. However, if he switched office, there is a significant risk that the current government coalition could collapse. That could then cause differentials between Italian and German bonds to widen when 2022 will also see a gradual running down of ECB support for the bonds of weaker countries within the EU. These political uncertainties could have repercussions on economies and on Brexit issues.

- **CHINA.** After a concerted effort to get on top of the virus outbreak in Q1 2020, economic recovery was strong in the rest of **2020**; this enabled China to recover all the initial contraction. During 2020, policy makers both quashed the virus and implemented a programme of monetary and fiscal support that was particularly effective at stimulating short-term growth. At the same time, China's economy benefited from the shift towards online spending by consumers in developed markets. These factors helped to explain its comparative outperformance compared to western economies during 2020 and earlier in 2021.

- However, the pace of economic growth has now fallen back in **2021** after this initial surge of recovery from the pandemic and looks likely to be particularly weak in 2022. China has been struggling to contain the spread of the Delta variant through using sharp local lockdowns - which depress economic growth. Chinese consumers are also being very wary about leaving home and so spending money on services. However, with Omicron having now spread to China, and being much more easily transmissible, this strategy of sharp local lockdowns to stop the virus may not prove so successful in future. In addition, the current pace of providing boosters at 100 billion per month will leave much of the 1.4 billion population exposed to Omicron, and any further mutations, for a considerable time. The **People's Bank of China** made a start in December 2021 on cutting its key interest rate marginally so as to stimulate economic growth. However, after credit has already expanded by around 25% in just the last two years, it will probably leave the heavy lifting in supporting growth to fiscal stimulus by central and local government.

- Supply shortages, especially of coal for power generation, were causing widespread power cuts to industry during the second half of 2021 and so a sharp disruptive impact on some sectors of the economy. In addition, recent regulatory actions motivated by a political agenda to channel activities into officially approved directions, are also likely to reduce the dynamism and long-term growth of the Chinese economy.

- **JAPAN.** 2021 has been a patchy year in combating Covid. However, recent business surveys indicate that the economy has been rebounding rapidly in 2021 once the bulk of the population had been double vaccinated and new virus cases had plunged. However, Omicron could reverse this initial success in combating Covid.

- The Bank of Japan is continuing its **very loose monetary policy** but with little prospect of getting inflation back above 1% towards its target of 2%, any time soon: indeed, inflation was actually negative in July. New Prime Minister Kishida, having won the November general election, brought in a supplementary budget to boost growth, but it is unlikely to have a major effect.

- **WORLD GROWTH.** World growth was in recession in 2020 but recovered during 2021 until starting to lose momentum in the second half of the year, though overall growth for the year is expected to be

about 6% and to be around 4-5% in 2022. Inflation has been rising due to increases in gas and electricity prices, shipping costs and supply shortages, although these should subside during 2022. While headline inflation will fall sharply, core inflation will probably not fall as quickly as central bankers would hope. It is likely that we are heading into a period where there will be a **reversal of world globalisation** and a decoupling of western countries from dependence on China to supply products, and vice versa. This is likely to reduce world growth rates from those in prior decades.

- **SUPPLY SHORTAGES**. The pandemic and extreme weather events, followed by a major surge in demand after lockdowns ended, have been highly disruptive of extended worldwide supply chains. Major queues of ships unable to unload their goods at ports in New York, California and China built up rapidly during quarters 2 and 3 of 2021 but then halved during quarter 4. Such issues have led to a misdistribution of shipping containers around the world and have contributed to a huge increase in the cost of shipping. Combined with a shortage of semi-conductors, these issues have had a disruptive impact on production in many countries. The latest additional disruption has been a shortage of coal in China leading to power cuts focused primarily on producers (rather than consumers), i.e., this will further aggravate shortages in meeting demand for goods. Many western countries are also hitting up against a difficulty in filling job vacancies. It is expected that these issues will be gradually sorted out, but they are currently contributing to a spike upwards in inflation and shortages of materials and goods available to purchase.

5.4 TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT OPTION 1

SPECIFIED INVESTMENTS: All such investments will be sterling denominated, with **maturities up to a maximum of 1 year**, meeting the minimum 'high' quality criteria where applicable. (Non-specified investments which would be specified investments apart from originally being for a period longer than 12 months, will be classified as being specified once the remaining period to maturity falls to under twelve months.)

NON-SPECIFIED INVESTMENTS: These are any investments which do not meet the specified investment criteria. A maximum of 75% will be held in aggregate in non-specified investment.

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made, it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

	Minimum credit criteria / colour band	Max % of total investments	Max. maturity period
DMADF – UK Government	N/A	100%	6 months (max. is set by the DMO*)
UK Government gilts	yellow	100%	5 years
UK Government Treasury bills	yellow	100%	364 days (max. is set by the DMO*)
Bonds issued by multilateral development banks	yellow	40%	5 years
Money Market Funds CNAV	AAA	100%	Liquid
Money Market Funds LNVAV	AAA	95%	Liquid
Money Market Funds VNAV	AAA	95%	Liquid

Ultra-Short Dated Bond Funds with a credit score of 1.25	AAA	100%	Liquid
Ultra-Short Dated Bond Funds with a credit score of 1.5	AAA	100%	Liquid
Local authorities	yellow	100%	5 years
Term deposits with banks and building societies	Green	100%	12 months
CDs or corporate bonds with banks and building societies	Green	100%	12 months
Gilt funds	UK sovereign rating	100%	12 months

* DMADF – is the Debt Management Account Deposit Facility of HM Treasury

NON-SPECIFIED INVESTMENTS: A maximum of 75% will be held in aggregate in non-specified investment

1. Maturities of ANY period

	Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
Fixed term deposits with variable rate and variable maturities: -Structured deposits	Green	In-house	100%	As per Credit Criteria
Certificates of deposit issued by banks and building societies	Green	In-house	100%	As per Credit Criteria
Corporate bonds	AAA	In-house and Fund Managers	50%	5 Years
Floating rate notes	AAA	In house and Fund Managers	50%	5 Years
Collective Investment Schemes structured as Open-Ended Investment Companies (OEICs)				
Property Funds	Based on external credit assessment from the Council's Treasury Management Advisors, UK asset investment.	In house and Fund Managers	£20m at fund entry, Maximum of two funds at any one time for viability	Long Term

2. Maturities in excess of 1 year

	Minimum Credit Criteria	Use	Max % of total investments	Max. maturity period
Term deposits – local authorities	N/A	In-house	75%	5 Years
Term deposits – banks and building societies	Green	In-house	75%	5 Years
Certificates of deposit issued by banks and building societies	Green	In-house	75%	5 Years
Certificates of deposit issued by banks and building societies	Green	Fund Managers	75%	5 Years
UK Government Gilts	UK sovereign rating	In-house and Fund Managers	75%	10 Years
Bonds issued by multilateral development banks	AAA	In-house and Fund Managers	10%	5 Years
Sovereign bond issues (other than the UK govt)	AAA	In-house and Fund Managers	50%	10Years
Corporate bonds	AAA	In-house and Fund Managers	10%	5 Years
Collective Investment Schemes structured as Open-Ended Investment Companies (OEICs)				
Property Funds	Based on external credit assessment from the Council's Treasury Management Advisors, UK asset investment.	In-house and Fund Managers	£20m at fund entry, Maximum of two funds at any one time for viability	Long Term

5.6 APPROVED COUNTRIES FOR INVESTMENTS

This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong, Norway and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link credit worthiness service.

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.**

THIS LIST IS AS AT 22.12.21

5.7 TREASURY MANAGEMENT SCHEME OF DELEGATION

(i) Full Council

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

(ii) Executive / Full Council

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment.

(iii) Audit and Governance Committee

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

5.8 THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long-term timeframe
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority

- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following *: -*
    - *Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;*
    - *Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;*
    - *Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;*
    - *Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;*
    - *Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.*

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Appendix B

Prudential Indicators 2022/23 for Approval

1. Capital Expenditure

Year End Resources	2020/21 Actual £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
Services Total	**31.520**	**26.870**	**25.560**	**19.780**	**10.140**

Financing of capital expenditure	2020/21 Actual £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
Capital receipts	(0.420)	(1.600)	(2.600)	-	-
Capital grants and 3rd party Contributions	(6.450)	(3.190)	(2.280)	(0.080)	-
Revenue	-	(0.440)	(0.360)	(0.310)	(0.310)
Net financing need for the year	**24.650**	**21.640**	**19.760**	**17.940**	**9.570**

2. Capital Financing Requirement

	2020/21 Actual £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
Capital Financing Requirement					
Services	24.650	21.640	19.760	17.940	9.570
Total CFR	**6.110**	**27.750**	**47.490**	**64.490**	**72.420**
Movement in CFR	**24.650**	**21.640**	**19.740**	**17.000**	**7.930**

Movement in CFR represented by					
Net financing need for the year (above)	24.650	21.640	19.760	17.940	9.570
Less MRP/VRP and other financing movements	-	-	(0.020)	(9.940)	(1.640)
Movement in CFR	**24.650**	**21.640**	**19.740**	**17.000**	**7.930**

3. Core Funds and expected investment balances

Year End Resources	2020/21 Actual £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
Fund balances / reserves	28.760	31.660	30.540	29.020	29.210
Capital receipts	-	-	-	-	-
Other	0.220	-	-	-	-
Total core funds	**28.980**	**31.660**	**30.540**	**29.020**	**29.210**
Working capital*	2.940	3.000	3.000	3.000	3.000
Under/over borrowing	4.610	6.270	6.620	5.680	4.030
Expected investments	**36.530**	**40.930**	**40.160**	**37.700**	**36.240**

4. Actual External Borrowing

	2020/21 Actual £m	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
External Debt					
Debt at 1 April	7.500	1.500	21.480	40.870	58.810
Expected change in Debt	(6.000)	19.980	19.390	17.940	9.580
Other long-term liabilities (OLTL)	-				
Expected change in OLTL	-				
Actual gross debt at 31 March	**1.500**	**21.480**	**40.870**	**58.810**	**68.390**
The Capital Financing Requirement	6.110	27.750	47.490	64.490	72.420
Under / (over) Borrowing	**4.610**	**6.270**	**6.620**	**5.680**	**4.030**

5. Operational Boundary

Operational boundary	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
Debt	40.0	41.0	59.0	69.0
Other long term liabilities	10.0	7.0	6.0	4.0
Total	**50.0**	**48.0**	**65.0**	**73.0**

6. Authorised Limit

Authorised Limit	2021/22 Estimate £m	2022/23 Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m
Debt	150.0	150.0	150.0	150.0
Other long term liabilities	10.0	10.0	10.0	10.0
Total	**160.0***	**160.0**	**160.0**	**160.0**

***** See Appendix A

7. Upper limit for principal sums invested for longer than 365 days

Current investments as at 23.12.21 in excess of 1 year maturing in each year	2022/23	2023/24	2024/25
£m	£m	£m	£m
20.0	30.0	30.0	30.0

8. Creditworthiness policy and counter-party limits

	Colour (and long term rating where applicable)	Money Limit per banking group (at time of investment)	Transaction Limit	Time Limit
Banks	yellow	£10m	£10m	5yrs
Banks	purple	£10m	£10m	2 yrs
Banks	orange	£10m	£10m	1 yr
Banks – part nationalised	blue	£20m	£20m	1 yr
Banks – part nationalised – Council's bank	blue	£40m	£30m	1 yr
Banks	red	£10m	£10m	6 mths
Banks	green	£10m	£10m	100 days
Banks	No colour	Not to be used	N/A	N/A
Limit 3 category – Council's banker (where "No Colour")	No Colour	£30m	£30m	1 day
Property Funds	-	£20m	£10m	Not fixed term investment - no time limit
DMADF	UK sovereign rating	unlimited	unlimited	6 months
Local authorities	n/a	£10m (per local authority)	£10m	unlimited
	Fund rating	**Money Limit (at time of investment)**		**Time Limit**
Money Market Funds CNAV	AAA	£10m (per fund)	£10m	liquid
Money Market Funds LVNAV	AAA	£10m (per fund)	£10m	liquid
Money Market Funds VNAV	AAA	£10m (per fund)	£10m	liquid
Ultra-Short Dated Bond Funds with a credit score of 1.25	Dark pink / AAA	£10m (per fund)	£10m	liquid
Ultra-Short Dated Bond Funds with a credit score of 1.50	Light pink / AAA	£10m (per fund)	£10m	liquid

9. Ratio of financing costs to net revenue stream

%	2020/21 Actual	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Services	0.79%	2.93%	10.89%	17.54%	0.79%

10. Maturity structure of borrowing

Maturity structure of fixed interest rate borrowing 2021/22		
	Lower	Upper
Under 12 months	0%	95%
12 months to 2 years	0%	95%
2 years to 5 years	0%	95%
5 years to 10 years	0%	50%
10 years to 20 years	0%	75%
20 years to 30 years	0%	75%
30 years to 40 years	0%	95%
40 years to 50 years	0%	50%

Maturity structure of variable interest rate borrowing 2021/22		
	Lower	Upper
Under 12 months	0%	50%
12 months to 2 years	0%	50%
2 years to 5 years	0%	50%
5 years to 10 years	0%	50%
10 years to 20 years	0%	50%
20 years to 30 years	0%	50%
30 years to 40 years	0%	50%
40 years to 50 years	0%	50%

East Herts Council Report

Executive

Date of Meeting:	8 February 2022
Report by:	Councillor Geoff Williamson, Deputy Leader & Executive Member for Financial Sustainability
Report title:	Financial Management 2021/22 – Quarter 2 Forecast to Year End
Ward(s) affected:	All

Summary

- To provide a report on financial monitoring for East Herts Council for 2021/22 as at 30th September 2021.

- The net revenue budget for 2021/22 is £11.056m as set out in table 1, this is funded by Council Tax. The forecast outturn as at 30th September 2021 predicts an overspend of £132k at the year end.

- The revised capital budget for 2021/22 is £57.060m, with a forecast underspend of £15.825m, which will be carried forward to 2022/23.

RECOMMENDATIONS FOR EXECUTIVE:

That Executive note:

a. **The net revenue budget forecast overspend of £132k in 2021/22 ; and**

b. **The revised capital budget for 2021/22 of £57.060m, with a forecast underspend of £15.825m, which will be carried forward to 2022/23.**

1.0 Proposal(s)

1.1 Not applicable

2.0 Background

2.1 This report sets out the financial position for the financial year 2021/22 to date and provides forecasts for the outturn position.

2.2 The report was considered by Audit and Governance Committee at its meeting on 25 January 2022. There were no comments.

2.3 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.

Table 1 – 2021/22 Revenue Forecast Outturn

	Original Budget 2021/22	Forecast outturn	Variance
	£'000	£'000	£'000
Net Cost of Services	16,787	16,778	(9)
Corporate Budgets	(16)	(66)	(50)
Net Use of Reserves	2,485	2,382	(103)
Funding	(8,200)	(7,906)	294
Net Revenue Spend	**11,056**	**11,188**	**132**
Funded by Council Tax	(11,056)	(11,056)	-
Overspend / (Underspend)	**-**	**132**	**132**

2.4 The report contains the following sections and Appendices:

Background Report Sections	
2.4	Net Cost of Services
2.18	Corporate budgets
3.0	Reserves
4.0	Funding
5.0	Capital budgets
6.0	Debtors

Appendices	
A	Capital
B	Debtors
C	Strategic Risk Register

2.5 Net Cost of Services

2.6 The Councils net cost of services budget for 2021/22 is £16.787m, which includes carry forwards from previous year's budget of £414k of which £404k is for Shared Business and Technology and £10k for Housing and Health.

2.7 An underspend of £9k is forecast in 2021/22. Table 2 overleaf shows this current forecast outturn position broken down by service area.

2.8 As reported previously, the Councils income and expenditure continues to be impacted by the Covid-19 pandemic. 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.

2.9 For the first quarter of 2021-22, the sales, fees and charges compensation grant scheme will operate on the same basis as last year's scheme which involves a 5% deductible rate, whereby councils will absorb losses up to 5% of their budgeted sales, fees and charges income, with the government compensating them for 75p in every pound of relevant loss thereafter. This will then allow the budgets for the remaining quarters to be better profiled to reflect seasonal changes in budgeted income.

Table 2 – Net Cost of Services

	Original Budget 2021/22	*Forecast outturn*	*Grant funding*	Revised outturn	Variance
	£'000	*£'000*	*£'000*	£'000	£'000
Chief Executive & Directors	401	*385*	-	385	(16)
Communications, Strategy & Policy	1,386	*1,315*	-	1,315	(71)
HR & Organisational Development	566	*535*	-	535	(31)
Strategic Finance & Property	2,670	*2,810*	-	2,810	140
Housing & Health	2,577	*2,595*	*(25)*	2,570	(7)
Democratic and Legal	1,411	*1,419*	-	1,419	8
Planning & Building Control	1,202	*1,454*	*(129)*	1,325	123
Operations	3,058	*3,331*	*(144)*	3,187	129
Shared Revenues & Benefits Service	1,724	*1,720*	-	1,720	(4)
Revenues & benefits retained costs	(465)	*(672)*	-	(672)	(207)
Housing Benefit Subsidy	(550)	*(586)*	-	(586)	(36)
Shared Business & Technology Services	2,570	*2,533*	-	2,533	(37)
CERA	238	*238*	-	238	-
Total Net Cost of Services	**16,787**	***17,076***	***(298)***	**16,778**	**(9)**

2.10 The use of reserves to fund Net Cost of Services expenditure is included in section 3.0.

2.11 <u>Communications, Strategy & Policy</u>
A forecast underspend of £71k is reported against this service. This is mostly driven by salary underspends across communications and customer services due to limited reception opening hours. This will be kept under review.

2.12 <u>HR & Organisational Development</u>

A forecast underspend of £30k is reported. Most of this relates to an underspend on salary budgets due to no further recruitment of apprentices mostly driven by changing ways of working.

2.13 Strategic Finance & Property

A forecast overspend of £140k is reported, this relates to:

- £106k reduced rental income from Charrington's House due to redevelopment of site.
- £21k increase in service charge and business rates costs due to vacant space Charrington's House as site is to be redeveloped.
- £20k reduction in rental income from Wallfields old building due to termination of Citizens Advice Bureau's contract. This vacant space is being utilised as storage for items from Hertford Theatre which would have incurred a cost if stored elsewhere

2.14 Planning & Building control

A forecast overspend of £123k is reported against this service, net of anticipated government grant income to cover losses in fees and charges. Most of this relates to an increase in costs relating to the Harlow Gilston Garden Town project, which will be offset by funding from reserves.

2.15 Operations

A forecast overspend of £129k is reported against the Operations service, which is net of anticipated government grant income to cover losses in fees and charges. Part of this relates to a reduction in income from the closure of joint use pools in leisure services from Q1 due to the pandemic. Additionally, due to the uncertainty of Covid-secure guidance for live shows, the

Hertford Theatre Xmas show production will be reduced to minimise loss in income.

2.16 Revenues & Benefits Retained Costs

The revenues and benefits retained costs budget is forecast to overachieve by £207k. This consists of additional central government new burdens funding net of expenses as a result of the pandemic.

2.17 Housing Benefit Subsidy

The housing benefit subsidy budget is forecast to overachieve by £36k. This is due to grant income being higher than anticipated.

2.18 Shared Business & Technology Services

A forecast underspend of £37k is reported against this service. 50% of this relates to savings identified on licence costs to date and the remainder due to slippage of IT projects. As mentioned previously, £404k unspent from 2020/21 budgets has been carried forward into this financial year, this will be spent in 2021/22.

2.19 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 and pension deficit contributions. Table 3 shows the forecast outturn position against the corporate budgets.

Table 3 – Corporate budgets 2021/22 forecast outturn

	Original Budget 2021/22	Forecast outturn	Variance
	£'000	£'000	£'000
Interest & Investment Income	(750)	(800)	(50)
Pension Fund Deficit contribution	734	734	-
Corporate Budget Total	**(16)**	**(66)**	**(50)**

2.20 The interest & investment income budget is forecasted to overachieve by £50k. This is due to returns being higher than anticipated

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 2021.

Table 4: Use of reserves 2021/22

	2021/22 Budget	2021/22 Forecast Outturn	Variance
	£'000	£'000	£'000
Contributions to reserves	3,369	3,146	(223)
Contributions from reserves	(769)	(649)	120
Use of General reserve	(414)	(414)	-
Contribution to Priority spend Reserve	299	299	-
Use of Reserves:	**2,485**	**2,382**	**(103)**

3.1.2 It is forecast that there will be a contribution from reserves of £649k in 2021/22, which is £120k less than budgeted for. This is mostly due anticipated reserve funding not required to fund net cost of services at present.

3.1.3 It is forecast that contribution to reserves will be £223k lower than budgeted for. This is due to utilising government grant expenditure in year to fund net cost of services.

3.1.4 The use of reserves will continue to be monitored and an update will be provided at quarter 3.

3.1.5 As mentioned previously and in addition to above, £414k will be utilised from the General reserve. This consists of carry forwards from unspent budgets in the previous year with £404k for Shared Business and Technology service and £10k for Housing and Health service.

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 2021.

Table 5: 2021/22 funding

	Original Budget 2021/22	Forecast Funding 2021/22	Variance
Business Rates	(2,721)	(2,721)	-
(Surplus)/Deficit on collection fund	2,455	2,455	-
Gov. support grant	(874)	(652)	222
Section 31 grants	(4,666)	(4,666)	
Capital salaries	(150)	(78)	72
New Homes Bonus	(2,244)	(2,244)	-
Total Funding	**(8,200)**	**(7,906)**	**294**

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.

4.1.2 A variance of £222k is reported against the Government support grant in the table above. This is due to grant income accounted for within the net cost of services.

4.1.3 Additionally, a variance of £72k is reported against the Capital salaries budget in the table above. This is due to funding lower number of posts through

capital than anticipated.

5.0 Capital Programme

5.1.1 The revised capital budget for 2021/22 is £57.060m, with a forecast underspend of £15.825m, resulting from delayed major project spend, which will be carried forward to 2022/23.

5.1.2 The revised budget has increased by £514k, being the agreed budget to fund the purchase of a new hostel and required conversion costs.

5.1.3 Appendix A provides a breakdown of the 2021/22 revised capital budget against the forecast outturn and 2022/23 carry forward. Other than the delayed major project underspend, there are no further variations to budget to report this quarter.

6.0 Debtors

6.1.1 The total outstanding debt as at 30th September 2021 is £3.499m, an increase of £1.116m since reported at Q1. Two large invoices totalling over £1m were raised in late September, one of which has since been paid and the other due to be paid imminently. A large long term debt is currently with Legal Services who are pursuing the contractual dispute resolution route prior to potential court action for recovery.

6.1.2 The outstanding debt over 120 days totals £943k, a decrease of £831k from the position reported at Q1

6.1.3 As reported previously there has been an increase in aged debt due to the current nationwide pandemic. However officers have been proactively working with debtors in agreeing payment plans/deferrals in

order to pursue the debt.

6.1.4 As mentioned previously, an exercise to write off old debts due to bankruptcy etc. is still under way and will be reported to Executive for approval.

6.1.5 Appendix B analyses the profile of aged debtors.

7.0 Reason(s)

7.1 Section 28 of the Local Government Act 2003 requires the Council to monitor the budget and monitor and assess the adequacy of reserves and balances during the year. East Herts Council's financial management framework requires quarterly reports to Audit & Governance Committee and the Executive with expenditure forecasts to the year end.

7.2 The Executive must consider the budget forecasts and ensure that action is taken in relation to any expenditure over spends or any underachievement of income so that the Council's financial resources are not exceeded.

8.0 Options

8.1 Members have the option to accept the forecast budget overspend or to ask officers to identify budgeted spending that could be stopped in order to rebalance the budget in-year. At present, the forecast overspend is relatively small and related to external economic factors and Members are recommended to accept the forecast overspend.

9.0 Risks

9.1 Costs may increase and income may decrease due to the pandemic if a vaccine resistant variant should emerge resulting in the resumption of lockdowns.

9.2 As recommended by Audit and Governance Committee, the Strategic Risk Register is appended to this report so that Members of the Executive are aware of strategic risk and the potential impacts on the budget. Please see appendix C

10.0 Implications/Consultations

Consultation was undertaken with budget managers/finance contacts to assist in writing this report.

Community Safety

None arising directly from this report

Data Protection

None arising directly from this report

Equalities

None arising directly from this report

Environmental Sustainability

None arising directly from this report

Financial

All financial implications are included in this report.

Health and Safety

None arising directly from this report

Human Resources

None arising directly from this report

Human Rights

None arising directly from this report

Legal

Section 28 of the Local Government Act 2003 requires the Council to monitor the budget and monitor and assess the adequacy of reserves and balances during the year. East Herts Council's financial management framework requires quarterly reports to Audit & Governance Committee and the Executive with expenditure forecasts to the year end.

The Executive considers the budget forecasts and ensures that action is taken in relation to any expenditure over spends or any

underachievement of income so that the Council's financial resources are not exceeded.

Specific Wards

None

11.0 Background papers, appendices and other relevant material

Appendix A: Capital

Appendix B: Debtors
Appendix C: Strategic Risk Register

Contact Member

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Appendix A

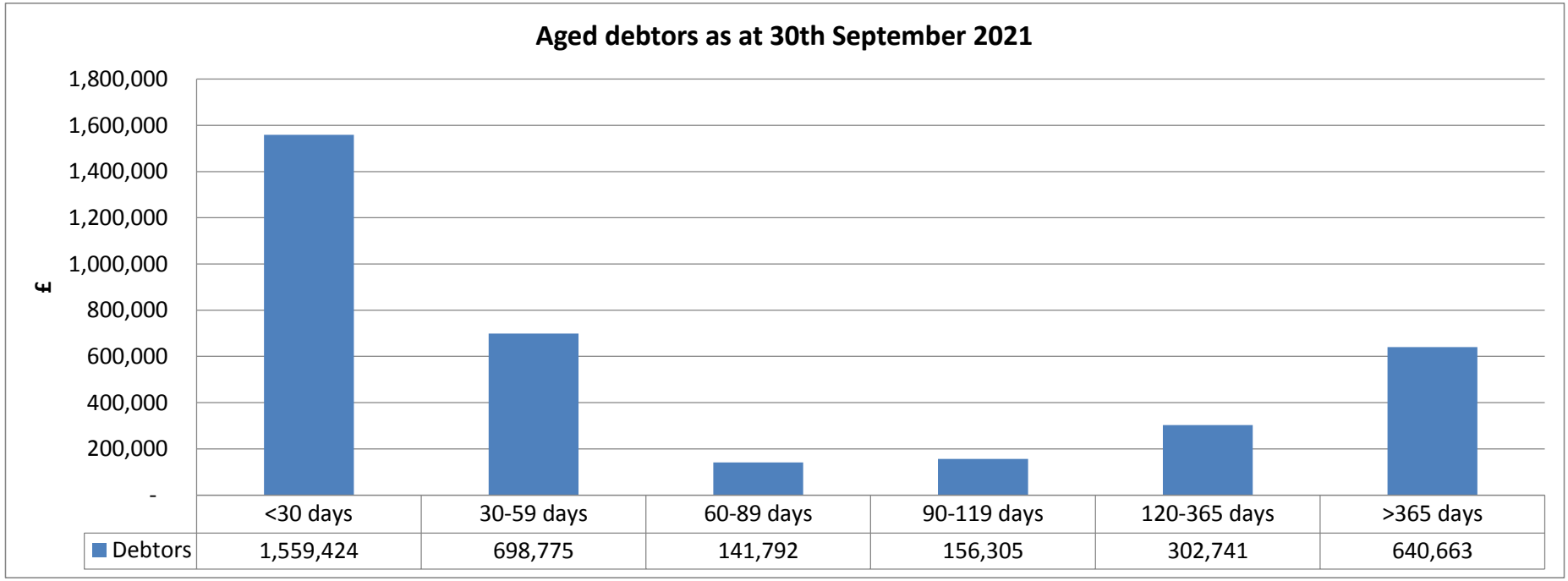
Capital Forecast Outturn Quarter 2 Sepember 2021

	Revised Budget 2021/22	Forecast Outturn 2021/22	Variance 2020/21
	£'000	£'000	£'000
Land and Buildings			
Investment in operational assets	209	209	0
Grange Paddocks Leisure Centre	10,872	9,940	(932)
Hartham Leisure Centre	10,101	3,278	(6,823)
Ward Freman Leisure Centre	610	610	0
Hertford Theatre	9,700	1,630	(8,070)
Car Park Resurfing	585	585	0
Arts Centre - ORL	10,248	10,248	0
Northgate End	10,139	10,139	0
Buntingford Depot site works for Residual Waste	127	127	0
New Hostel	514	514	0
Vehicles and Equipment			
Rolling programme to be utilised on ICT projects subject to ITSG review	1,235	1,235	0
LED Lighting Upgrades	253	253	0
Heat Detection Unit at Buntingford Depot	277	277	0
Hostels - Fencing	11	11	0
Hostels - CCTV and associated works	233	233	0
Community Assets			
Folly View, Herford - Open Space Improvements	15	15	0
Replacement play equipment across the district (in response to the Condition Audit to be reviewed in 2018/19)	50	50	0
Play Area and other projects, Hartham Common, Hertford	106	106	0
Castle Park - HLF	1,433	1,433	0
Trinity Close - Open Space Project	57	57	0

Revenue Expenditure Funded as Capital Under Statute (REFCUS)			
Home Improvement Loans	20	20	0
Improve & renew structures along rivers and watercourses	48	48	0
Land Management Asset Register & Associated Works	50	50	0
Green Deal Loans	20	20	0
Historic Building Loans	20	20	0
Community Capital Grants	127	127	0
Current Capital Programme Budget Total	**57,060**	**41,235**	**(15,825)**

Appendix B

The following graph shows the age of the £3.499m of debts outstanding as at 30th September 2021



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No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
1	A 4	Financial Resources	Reduction in government grant combined with higher demand for demand-led services such as homelessness, or failure to generate income. Failure to realise capital receipts from disposals to support capital expenditure. External auditor challenges MRP Policy and capital financing decisions Council Tax Referendum levels set too low to generate sufficient tax revenue. Sudden economic Down turn results in negative Tax Base figures because of increased local Council Tax support claims	• Reductions in services required • Performance against community expectations and targets reduced • Investment in improvement not possible or severely reduced • Failure to meet statutory duties with potential for legal action or Local Government Ombudsman finds significant cases of maladministration • Corporate Manslaughter charges if maintenance works not carried out, e.g. Legionella in air handling and cooling units • Large numbers of staff redundancies • Major media	Head of Strategic Finance & Property	• Minimum Balances held on risk assessment basis to cushion impact over short term (max 2 years) • Modelling of impact of grant settlement scenarios and function and funding changes • Three year MTFP savings programme • Transformation Programme in scoping stage to deliver savings and efficiencies through an emphasis on: digital self-service; process automation; agile working leading to a much reduced accommodation requirement with target of £1 million cashable savings. • Transforming East Herts Commercial Strategy will specify commercial skill sets and set out the council's approach to risk appetite

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
				engagement		and give guidance on how income generating ideas should be taken forward.
			Members do not agree significant savings at budget setting leading to an unbalanced budget leading to a s.114 report.	• Potential for MHCLG intervention		• New capital programme items must make a return for the investment in cost reductions or income on top of covering the interest and MRP costs • Charges will be required to be in conformity with proposed corporate policy on charging recovering total costs and concessions will need to be justified in policy terms and funded by higher charges for others.
			Delay and/or significant cost over runs on major projects	• Delay leads to cost increases beyond the ability of the council to finance the capital costs • Delays and cost overruns lead to non-delivery of savings requiring service offer reductions to compensate • Projected savings not achieved after project completion due to		• Business case reviews to ensure that projects make a return • Cost and income estimates commissioned from industry expert consultants to feed into business case • Project delivery by Major Projects Team with quarterly reports on

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
				changes in market away from service offer • Significant local media engagement • Reputational damage.		progress to Leadership Team and Executive. • Construction insurance presentation held in November and quotes to be sought for relevant covers. • Capital Programme is phased and financed across years and contingency built into budgets so can be re-phased if required.

Update on current position		
1		• In developing our medium and longer term plans we will need to have regard to the broader context in which we will be working. This includes: o The impact of operating in an economy recovering from the Covid driven recession. The Government will have to consider how it begins to pay off the borrowing it has undertaken during the pandemic – this could mean a mixture of higher taxation, with possible impact on economic recovery, and reductions in public service expenditure. Both would impact on the Council's income and ability to spend; o The shape of the post-Brexit and post-Covid economic and policy agenda, the impact of new post-EU funding regimes and the Government's Levelling Up programme; o Specific uncertainty over the future of local government funding, and delays to key reforms. The level of Government funding that the council will receive from 2022/23 onwards is not confirmed; Spending Review 2020 was for a single year and therefore funding for this planning period will be announced at Spending Review 2021 which is likely to be in the autumn. Additionally, the Fair Funding Review and Business Rate

		Update on current position
		Retention reform have now been confirmed delayed until at least 2022/23. These are significant areas of change that currently are not fully understood and cannot be fully quantified but will have potentially significant financial impact. ○ The lasting impact the pandemic will have on young people in terms of education and employment opportunities; ○ The growing impact of climate change, the national and local commitments to achieve carbon neutrality and the introduction of a range of new measures through the Environment Bill; ○ The impact of Government reviews and reforms of public services and changes in policy– for example changes to infrastructure, transport and planning and potential structural changes; ○ The ongoing need to support post-Covid recovery and adjustment, both in our services and for society and the economy, against a backdrop of residual risk of further waves of infection and the potential need for an ongoing vaccination programme; and ○ Reviewing the way that we work and accelerating our planned changes to move towards a more hybrid way of working, and evolving our working practices to ensure we have modern, flexible workspaces and workstyles as part of the Transforming East Herts Programme. • The Council's business and financial planning is underpinned by the Corporate Plan and its four priorities, which provide a clear focus for decisions about spending and savings and direct activity across the Council. The four priorities are: ○ Sustainability at the heart of everything we do; ○ Enabling our communities; ○ Encouraging economic growth; and ○ Digital by default. • Officers will continue to explore options to further reduce net cost to meet the savings target for submission to the Executive. This will include examining non-statutory service provision levels and also reviewing and benchmarking contracts to ensure the prices remain competitive. A recent review of the office furniture contract resulted in an indicative 68% saving by switching to an alternative framework. A procurement strategy and indicative procurement

		Update on current position
		timeline both featured in the improvements identified in the Annual Governance Statement endorsed by Audit & Governance Committee. • Rent payments on investment properties have no significant defaults to date. Rent reductions have been agreed for 2 tenants in Charringtons but this has to set against compensation that would have been payable when we need to move tenants out for handover for the Old River Lane regeneration as we have included appropriate break clauses as part of the new rent agreement. • Government has committed to the income compensation scheme for the first quarter of 2021/2 and it is possible that they would extend the scheme to cover periods of restrictions beyond quarter 1. • Savings plans for 2021/22 is on target with garden waste sign up being on budget assumption with a high on-line sign up of 92.5% and direct debit payments at 82% • Corporate policy on charging developed to ensure consistency across charges – there have been a number of below cost charges agreed with no clear policy or justification in the past that are having to be dealt with as part of aligning charges with North Herts for joint commercial waste services. Due for approval by Executive in November. • Grange Paddocks construction completing October 2021 and Northgate End construction work is substantially complete. • Hartham contract awarded and works commenced late March. • Old River Lane /Arts Centre change in scope progressing and approved by Council in March alongside the business plan. Development Agreement and Development Management Agreement draft to be agreed with s.151 officer and monitoring officer input. • Hertford Theatre delayed due to non-award of contract as tendered prices too high. • All major capital projects are at risk of price increases as a result of the combined impact of COVID / BREXIT related inflationary pressures. In addition to the increasing cost of materials, there is a significant shortage of labour supply for the construction and M&E industries, which is in turn pushing up the price of labour. This is a national issue. • The national shortage of HGV drivers is driving up pay and this will lead to pressures on the cost of the waste contract as well as the cost and delivery if building materials.

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
2	B 3	Corporate Governance and external political environment	Brexit trade deal risks Planning Policy Changes	• Potential project delays due to labour shortages or materials imports, or increased project costs due to tariffs or supply chain difficulties. • Non-Tariff barriers leading to supply chain price increases and longer replenishment times. Some UK businesses may relocate to the EU making current domestic supplies into imports. • Government policy changes to introduce development zones, ends s.106 and CIL for government infrastructure levy • Government impose unitary authorities and reduce exchequer grants by savings made	Chief Executive	• Address issues of labour shortage with contractors at progress meetings. Raise skills shortages at the LEP to ensure we train young people. • Consider forward funding stockpile of materials subject to delays as part of contract mobilisation • Consider risks to supply chain as part of procurement exercises • Both officers and Members are engaged in networking and lobbying to seek to influence change and to gain early indications of new policies • Both officers and Members are engaged in Herts Growth Board

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
			Local government reorganisation / Devolution Climate Change / Zero Carbon / Build Back Greener Changes to local taxation	• District required to be carbon neutral from 2030 and Government targets set with fines for non-achievement • Business Rates and or Council Tax replaced with Land Value Tax or Local Income Tax • Potential protests and non-payment campaigns • Measure may end land banking with developers commencing on multiple sites to build out permissions and avoid LVT • Uncertainty as to tax yields and redistribution mechanisms cause difficulties budgeting • Change in leadership politically sets radically		• Work underway to progress carbon reduction and also exploring potential investments that support this aim but would also produce income for the council in the medium term. • Both officers and Members are engaged in networking and lobbying to seek to influence change and to gain early indications of new policies. • LVT is in operation in Denmark, Estonia and Latvia and there are suggested routes to implementation already published. Local Income Tax would require key data from HMRC before implications could be understood. • Corporate Plan process • Member induction and training

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
				different policy agenda and tone		• Code of conduct • Monitoring Officer/ s.151 officer • HR policies • Estimates of workload v capacity • Corporate Plan process • European Regional Development Fund / MHCLG project to support businesses with advice and support on growing. Ware and Bishop's Stortford Launchpad to be grown. • COVID support grants and business rates reliefs for 2020/21 and 2021/22 to support businesses through the pandemic. • Broxbourne BC and CVS digital / employment skills support
			Leadership / Management change	• Change in Leadership Team structure		
			Recession leading to increase in unemployment, business failure; low business growth and commercial property values decreasing significantly.	• Unemployment. • Empty properties / shops. • Lower rental income from council property portfolio. • Increased demand on council services. • Reduction in Council Tax Base due to LCTSS being a discount. • Reduction in Business Rates income to the safety net level		

		Update on current position
2		• Despite challenges from the pandemic, Brexit and global supply issues Grange Paddocks Leisure Centre is due to open on time and within budget in October 2021. Costs of other key capital projects (Hartham, Northgate End and ORL, Hertford Theatre) are being kept under constant review • Number of residents with an East Herts address applying for Settled Status exceeded 7,000 (well above the estimated 4000) • • Officers are considering the lessons from how the Council has been able to operate during the pandemic within the Transforming East Herts Progamme. It is evident that working from home is possible on a greater scale and this will have implications for our future accommodation needs and reduce travel leading to lower carbon emissions • Council is actively targeting food waste reduction. The Climate Change Committee say that for the UK's next carbon budget food waste must be reduced by 75% i.e. the vast majority of carbon emissions are from the production and transportation of food that is wasted. The UN report on food waste said that almost a billion tons of food was wasted and led to carbon emissions that if it were a country, would be third behind the USA and China • 2 stage approach to mitigating recession following COVID-19: In the first lockdown the council supported over 2,200 businesses with £30m of government funded grants and £18m of reliefs. A further £6.8m has been paid out since November through different government grant schemes and a further 600 businesses have benefitted on top of the 2,200 above. • £132,000 of RHSS funding has been allocated to support safe re-opening of High Streets and has covered work such as traffic management on high streets to encourage social distancing. Due to the second national lockdown retail businesses are again facing significant challenges and our most recent response has been to introduce a shop local campaign focused on on-line buying and takeaways / click and collect services. The funding was also used to purchase hand sanitisers in town centres and planters to replace temporary traffic barriers. A second round of this funding has also been allocated to East Herts for the 2021/ 22 year. All 5 towns and 6 parish councils have received funding to undertake further cleaning, advertising and promotion of village/ town centres and provide additional seating • A new grant scheme was also launched in August aimed at encouraging new businesses to open up premises (or

Update on current position		
		take on empty premises) in the district. As at the end of September 5 organisations have been tentatively awarded a grant. • Council also commissioned a new service with Broxbourne Borough Council and the CVS to support newly unemployed residents get back into work by supporting them with digital skills such as interviewing over Zoom and MS Teams. Service launched 5th October 2020. As at 31 March 2021, just 41 individuals had made use of the scheme however in the last 6 months there have been over 150 referrals, possibly linked to the winding down of furlough

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
3	A 3	Performance, resilience and security of IT systems	Data and/or information lost causing breach of Data Protection Act Cyber-attack results in total loss of data and systems Investment in ICT does not result in savings	• Substantial fine from Information Commissioner • Major media engagement • Reputational damage • Disruption to services potentially long-running • Inability to carry out enforcement as no records to check against • Resources devoted to recovery moved off to assist police investigation delaying recovery • Major media engagement • Reputational damage • Council becomes financially unsustainable	Deputy Chief Executive	• Network Virtual Desktop configuration prevents download of data to local storage devices • Network firewall and security systems tested and monitored • Staff training • Confidential waste shredded • Massive reductions in printing since pandemic • Projects to include estimated benefits and monitored through benefits realisation reports. The investment requirements are tried and tested systems that have resulted in savings elsewhere.

		Update on current position

3		• January's report showed that:
		  ○ 3,298 spam emails were blocked out of 248,920 received.
		  ○ 19 impersonation attempts were blocked.
		  ○ 20 emails containing malware were blocked.
		• A dedicated GDPR/Data Protection Officer has been recruited and has taken up the post.
		• Recent weekend shutdowns have enabled the disabling of old technology that was no longer supported or updated. New firewalls and switches have been installed and although slightly behind due to resourcing issues, all major projects are progressing well.
		• As the ICT upgrade projects progress there have been several incidents that have resulted in the loss of IT for staff and members. A day and a half of productivity was lost in June. The issue was identified and rectified but this has further exposed how our aging infrastructure is starting to impact on the organisation. A further 3 days was lost in September but the council successfully migrated to the new network. This new network has eliminated 99% of the single points of failure we had on the old network. We can now communicate across the network using more connections so traffic can be routed around problems, if they occur, and it is connected to the internet via 2 fibre cables and the security of the microwave link between the Stevenage data centres. This means that the likelihood and frequency of ICT outages should now be low. It also means that we have cleared a major hurdle in the way of starting to deploy the latest version of VMWare Horizon virtual desktops with Windows 10 and Microsoft 365.
		• SBC (IT Shared partner) are developing a scope to be agreed by both parties for a review to be undertaken at the request of the respective council leaders, to provide assurance going forward and SOCITM has been appointed. In addition additional resourcing is being investigated to see if the replacement programme can be accelerated.
		• The Shared Internal Audit Service is undertaking an audit of data security and cyber risk.
		• A new interim ICT Partnership Manager came into post during August and is making changes in project delivery arrangements and major incident protocols.
		• The cyber insurance market has contracted significantly and cover may prove difficult to procure when insurance contracts are tendered in spring 2022, or prohibitively expensive. Scoping exercise with IT proposed to enable council to obtain our broker's view on the prospects of securing cover.

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
4	B 2	Staff capacity and skills to deliver services	Loss of key staff Staff capacity unable to deliver projects Unable to recruit to key posts	• Disruption to Council services • Poor customer service • Internal control or governance failure • Reputation damaged in the media • Staff cannot undertake level or volume of work to meet all priorities • Council does not deliver performance expectations • Opportunities lost to improve outcomes • Partners lose confidence in ability to deliver • Public lose confidence in ability to deliver • Disruption to Council services • Poor customer service • Internal control or governance failure • Reputation damaged in the media • Disruption to Council	Head of Human Resources and Org Development	• Staff development including the on-line learning pool • Succession planning for key staff within Services • Use of flexible retirement to ensure continuity of experienced staff whilst bringing on staff into roles • Prioritisation of work through the Corporate Plan and Executive Members • Major projects taken forward with corporate project management standards via the Major Projects Team • Market supplements where appropriate • Selective use of external resources and contingent labour through neutral vendor to drive down costs. • Internal communications emphasising welfare and mental health • Contingency planning

Update on current position						
			Industrial action	services • Poor customer service • Non-delivery of projects		• Contingency planning

Update on current position		
4		• The number of leavers in Q4 did increase and it remains challenging to recruit senior planning officers especially as agency terms are move favourable than direct salaries, the service is being restructured in 21-22 to try to improve the structure and create more opportunities for growth and retention (Golden Hellos are already used where appropriate as is 100% funding for qualifications. The service has now recruited a second service manager and created some team leader roles which have been filled and vacancies are being filled more often first time. The area remains a priority for grow your own through apprentice and career graded posts and these are used but currently there is not a valid apprentice framework to utilise. • In Q1 of the 21/22 annual period turnover increased: There were 12 leavers in Quarter 1 (April – June 2021) giving a turnover rate for the quarter of 3.6%. Based on the number of leavers so far in Quarter 1, it is estimated that the turnover rate for the annual period 2021/22 will be 14.5%. This is higher than the annual projections in the same quarter in the previous year (4.8% in Quarter 1 in 2020/21 which was impacted by the pandemic) and it is higher than the local government average currently available (14% for 2018/19 for Local Authority districts in the UK). With the exception of 2020/21, historically turnover in Quarter 1 every year has been high (26.3% in 2018/19, 16.4% in 2019/20) and then it gradually decreases throughout the rest of the year. It is anticipated that turnover for 2021/22 will follow the same pattern. The increase has been reported to LT and HRC who have asked that it is monitored, looking at the reasons for leaving we have seen an increase in retirements and lifestyle changes, delayed leaving impacted by the pandemic. • In line with savings required all recruitment must be approved by Leadership Team with enhanced justification and a requirement to explore either restructures or process changes to eliminate the need for the post.

		Update on current position
		• The transformation programme also includes service reviews aimed at improving structure and ways of working i.e. to increase efficiency and effectiveness. • The transformation programme includes a Modern Workforce Development strand which includes organisation development to support transformation (e.g. staff briefings, resilience training, six sigma training etc.), new staff and management competencies, a revised PDR, development to improve our one team culture as well as a blended work offer. • The Blended Work Offer has been shared with staff, the trials have worked well and from 1/11/2021 staff who wish to and their role allows will be working up to 50% at home and 50% in the office. There will be rota based system continuing in the shared Revenues and Benefits service where staff will continue with higher levels of home working in line with the shared service and potential growth. • The temporary labour supply arrangement went live in April 2020 which has reduced fees paid to agencies and ensures a wider pool of potential candidates. This is working fairly well with issues resolved with Matrix where they arise to improve the pooling. • The Indeed EHC branded website is working ok but has not been as successful as hoped and is being replaced with a multi-site package which will use several of the top recruitment platforms as well as indeed. This is being implemented through an Applicant Tracking System (ATS) which will include an improved online application form, online shortlisting, name blind shortlisting and improve our presence online. The new system will also aid onboarding again improving the candidate/new starter experience. • Ongoing work has continued with the Communications team and HR to improve the online presence and promote the employer brand further. Case studies are being developed to support welcoming diversity. • Career graded posts are continuing to be used and proving successful for hard to recruit posts with all four Lawyer roles successfully filled. All four have started in post which is already really improving the legal capacity of EHC. • A review of apprentices is continuing to both manage costs and support succession. This has been slowed by the pandemic, but we now recruiting into customer services as this allows progression into a range of services. We are awaiting a new planner framework and will use this to bring further planning apprentices. • Once completed, Northgate End, Hertford Theatre and Old River Lane sites will all require IT and Facilities

Update on current position		
		Management support over extended operating hours.

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
5	C 4	Poor performance or failure of key partner or contractor	Poor performance or failure of key partner or contractor Failure to mobilise major outsourced contracts properly and/or on time	• Disruption to all Council services • Additional costs resulting from response • Demand to partner organisations to provide mutual aid to support our response • Cost and time involved in unplanned procurement exercises • Major media engagement • Reputational damage • Disruption to council services • Damage to relations with outsourcing partner and potential damages claim • Major media engagement	Head of Operations	• Risk of contractor failure increased due to COVID. Regular discussions are continuing with contractors and key third sector partners to ensure no failures in delivery particularly during the pandemic • Credit risk scores are obtained for major contractors during the operation of the contract and particular attention is paid to trade news concerning contractors' financial health. • Offer of open book accounting to examine any potential cost increases as a result of changing circumstances.

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
				• Reputational damage		• Waste-related business continuity plans are also regularly reviewed. Brexit restrictions and the closure of Asian export markets will impact on the sale of materials and income may cease and costs may increase. Talks are ongoing with other Hertfordshire authorities to determine alternative recycling operators. The council is investigating a circular economy option for the plastics waste stream in particular.

Update on current position		
5		• Risk of business failure has increased due to COVID. Business continuity plans refreshed and regular dialogue maintained with contractors who have been informed the council would look sympathetically at cost increases provided the council was told in advance and the contactor undertook to use reasonable endeavours to resolve cost pressures themselves utilising furlough and other central government support. • Successful bid to the National Leisure Recovery Fund in partnership with SLM to support costs whilst reopening with reduced activities and reduced class sizes to maintain social distancing.

		Update on current position
		• Contingency plans to step in should contractors fail. Principal route will be to use a TEKAL company to provide the service pending retendering as the company vehicle preserves the private sector T&Cs of employment. • Council has and is prepared to offer loans to help contractors with cash flow, subject to an assessment that they are a going concern • Requirement for higher recycled packaging content has caused some plastic materials prices to increase.

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
6	C 3	Judicial Review and or major legal challenge	• Council loses case	• Council policies may no longer be fit for purpose • Unregulated activity until soundly based policy put in place • Large costs award against Council • Reputational damage • Major media engagement • Monitoring Officer and/or s.151 officer issues Report in the Public Interest • Department for Levelling Up, Housing and Communities intervention	Head of Legal and Democratic Services	• All Executive, Committee and Council reports require sign off by legal and finance to ensure compliance with budget and policy framework and current legislation. • List of policies maintained with review dates. • Information Governance function strengthened to ensure compliance with data protection. • Policies should be backed by evidence and Leadership Team consideration involves constructive challenge as well as formal Monitoring

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
				• Potential requirement to repeat procurement exercise and compensate unsuccessful bidders in first exercise • Additional and or abortive costs		Officer and s.151 officer.

Update on current position		
6		• All four new solicitors are now in post. The Contracts Lawyer, who started in March 2021, has been advising on the Council's major projects, allowing for much greater control. • The Council's Information Governance and Data Protection Manager who started at the beginning of 2021, has undertaken a great deal of work with regards data mapping and updating the Council's policies, providing the Council with greater resilience against data breaches. • Work being outsourced has more or less ceased, meaning that, where legal advice is required, East Herts Legal Team are now consulted throughout, reducing the risk of problems arising further down the line.

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
7	A 1	District Plan	Failure to refresh District Plan to timescales and /or	• Planning becomes developer led rather	Head of Planning	• Evidence based planning policy decisions

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
			refreshed District Plan found to be unsound at examination	than planning policy led through 5 year land supply test • Additional costs to redo work Additional costs of planning appeals and possible judicial reviews • Reputational damage • Loss of affordable housing andS.106 / community infrastructure levy benefits • Failure to meet 5 year Housing Land Supply requirements • Possible intervention by MHCLG		• Strong focus on Member, Parish, partner and community buy-in

Update on current position		
7		• The District Plan was adopted in October 2018 following a successful examination in public. • Planning in East Herts is therefore 'plan-led' rather than 'developer-led'. • The majority of strategic sites now have an agreed Masterplan. • Following the Housing Delivery Test results in January, the Council has maintained the minimum 5% buffer and therefore can demonstrate a five year land supply in excess of 6 years.

		Update on current position
		• The Council has also continued its trend of annual improvements on the Housing Delivery Test, this year being able to demonstrate a 104% delivery rate meaning that the Council is meeting its housing need and addressing the undersupply of previous years as well. • A total of 994 dwellings were completed in 2020/21. Of these, 326 were affordable homes which represents 32.8% of all completed dwellings in the district. • To be effective plans need to be kept up-to-date. The National Planning Policy Framework states policies in local plans, should be reviewed to assess whether they need updating at least once every 5 years, and should then be updated as necessary. Officers are currently considering whether a review of the District Plan is required.

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
8	A 4	Climate change	Severe Weather causing major incident (includes flood, wind, snow, cold and heat)	• Disruption to Council services as staff diverted to response • Additional costs of response • Service changes required if long recovery phase • Service change required to adapt e.g. heatwave early day starts • Major media engagement	Head of Housing & Health	• Business Continuity Plan Severe Weather section • Emergency Plan including specific response plans to flooding etc. • Health and Safety Policy details severe weather response • Council reducing carbon footprint for the district
			Drought	• Disruption to some services through water restrictions • Additional costs of support to vulnerable service users • Public health issues		• Emergency Plan • Business continuity plan • Council reducing carbon footprint for the district
			Weather extremes require substantial retrofit costs for asset adaptions	• Non-availability of capital resources may cause working conditions on some days to be unbearable. • Instances of abandoning assets where hold the		• New modern workspace work stream of the Transformation Programme will address climate change issues in the design

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
				line defences against floods no longer viable • Increasing attacks by non-native species causing biodiversity loss • Increased costs arising from new operating requirements, e.g. sustained +30 degree heat requires refuse freighter insides to be degreased and jetted out regularly to prevent oils and fats combusting		

Update on current position		
8		• Climate change motion agreed July 2019. • Multi-agency environmental and climate change forum continues. • Energy efficiency modifications to key existing buildings and new electricity contract is from renewable sources. • Review underway of motor fleet with extended use of e-vehicles. • Carbon footprint reducing as a consequence of pandemic and homeworking. Future agile working will support. • Food waste minimisation campaign to reduce carbon footprint by food being wasted as well as the disposal route. • List of achievements posted on website at https://www.eastherts.gov.uk/about-east-herts-0/environmental-sustainability/sustainability-get-involved. • Training commenced for officers. Attended by 101 employees to date.

Update on current position		
		• Clean Air Day campaign held. • Engagement with insurers over design / materials for new buildings. Use of sustainable materials and modern methods of construction proving problematic. Insurers want more emphasis on property protection (in addition to life saving standards). Major developments are also situated in or adjacent to flood zones. • The new Grange Paddocks site will complete in October 2021 and reduce the carbon footprint for the facility.

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
9	A 1	Child / Vulnerable Adult Protection	Child / Vulnerable Adult protection failure	• Possible legal action for damages • Possible prosecution • Major media engagement • Reputational damage	Head of Housing & Health	• Safeguarding policy • Annual training for staff and Members

Update on current position		
9		• 90% of Members have received safeguarding training or briefings. • Officer training on safeguarding annually. Targeted training took place for 10 officers in quarter one with 40 booked to future sessions. Further training being provided to Community Safety Partnership Board and Joint Advisory Group Partners. • Quarterly safeguarding report submitted to Leadership Team. • Hertfordshire Safeguarding Adults Board self-assessment complete. • Domestic Abuse Policy will be considered by HR committee in November.

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
10	A 2	Equalities	Council found to discriminated against individuals or communities with protected characteristics OR council has made a decision without considering equalities and diversity implications.	• Possible legal action for damages • Possible enquiry and report by Equalities & Human Rights Commission • Major media engagement • Reputational damage	Head of Comms, Policy & Strategy	• East Herts into a shared service for equalities and diversity support with HCC in November 2020. • New strategy being developed to address challenges and embed equalities and diversity in decision making.

Update on current position		
10		• • New strategy was approved by Council on 28 July. Since then significant work has been undertaken on training staff on the equalities impact assessment process and forming a staff equalities group

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
11	B 2	Internal control	Failure of internal control or unethical behaviour	• Qualified accounts • Possible Police involvement if fraud involved • Major media engagement	Head of Strategic Finance and Property	• Key reconciliations carried out regularly. • Internal audit work planned and undertaken on key areas. • Assurance Mapping

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
				• Reputational damage • Increased costs as a result of loss or fine or compensation payments		• Electronic workflow where controls much harder to circumvent • Separation of duties appropriate to the staffing numbers

Update on current position		
11		• Audits remain mostly on track and there is sufficient audit scope for an assurance opinion to be given • Assurance Mapping approach to be introduced which will show visually where assurance is gained and also identifies duplications and unnecessary steps which will inform officers undertaking lean process reviews and help Audit & Governance Committee to see where there are risks and then internal audit resources can be directed there. • Full suite of updated anti-fraud and corruption policies to be submitted to Leadership Team in October and Audit and Governance Committee in November 2021. Intranet and website content to be updated once agreed. The new policies will be publicised to all employees. • The Shared Anti-Fraud Service will meet with teams to provide training and increase awareness, starting with Parking (blue badge misuse), Licensing and Housing from October 2021.

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
12	A 4	Outbreak of disease in humans	Pandemic and/or Public Health Emergency Declared	• Loss of staff and/or key skills due to illness and related absenteeism • Requirement to enable entire workforce to work from home • Requirement for Council and Committees to meet via video conference • Loss of income/additional costs • Loss of essential services /utilities/ suppliers • Demand from partner organisations to provide staff and other resources to support their response • Major media engagement • Disruption to all Council services • Increased risk of fraud from support programmes	Head of Housing and Health	• Business Continuity Plan • Emergency Plan • Dynamic risk assessments and keeping office open and COVID secure in line with government guidance. • Agile working introduced and scaled up to ensure social distancing • Fraud alerts on pandemic circulated by SAFS

		Update on current position
12		• Updates on financial compensation are included under Risk 1 • Updates on recovery work on supporting the local economy are detailed under Risk 2 • Alternative working methods instigated as a result of Covid 19 including home working and IT communications solutions (Zoom, Teams, WhatsApp and the like) • Blended working arrangements to commence autumn 2021 with staff working 50% at the office and 50% from home. • Detailed, up-to-date risk assessments in place including frequent Covid self-testing • Live Well, Work Well programme amended to incorporate greater emphasis on staff mental health • Joined up working with key partners, notably HCC and the police, to ensure coherent and planned use of financial and staff resources, for example Covid marshals and joint visits/advice/enforcement actions re: businesses. (Covid marshal scheme extended during quarter one.) Shop safe, shop local campaign held. • Restart grants for businesses and community covid recovery grant schemes opened. • Public facing recovery plan published in April. • In-person Member meetings resumed.

No	Score	Vulnerability	Trigger	Consequence	Risk owner	Mitigation / control
13	A 1	Business Continuity Plan / Emergency Plan	Major Incident Occurs Plan fails	• Loss of essential services / utilities/ suppliers • Demand from partner organisations to provide staff and other resources to support their response • Major media engagement • Disruption to all Council services • Unable to support partner organisations to provide staff and other resources to support their response • Possible legal action or public inquiry	Head of Housing & Health	• Emergency Plan Major Incident protocols • Business Continuity Plan • Keep plans under review every 6 month and keep evidence. • Review of response after every incident • Training for staff in EP roles • Regular exercises once a quarter • Emergency and Resilience work provided through Hertfordshire County Council

Update on current position		
13		• Normal business continuity and emergency planning activities have continued during the pandemic • Mutual aid was provided to the NHS to support staff shortages as well as supporting testing and vaccination • Desk top exercise accessing plans and refresh of contact lists undertaken • Communications test undertaken from County to Districts to check notification cascade. • Review of business continuity plan to commence in quarter two.

		Update on current position
		• Review of IT Disaster Recovery Plan to take place.

Likelihood

	Description	Likelihood of occurrence	Probability of occurrence
4	High	Monthly	The event is expected to occur or occurs regularly
3	Medium	Annually	The event will probably occur
2	Low	1 in 5 years	The event may occur
1	Very Low	Less frequently than 1 in 5 years	The event may occur in exceptional circumstances

Impact

	Description	Financial	Reputation	Service / operation
A	Critical	> £1m p.a.	Serious negative media	Catastrophic fall in service quality or long term disruption to services
B	Significant	£400,000 to £1m p.a.	Adverse national media	Major fall in service quality or serious disruption to services
C	Marginal	£100,000 to £400,000 p.a.	Adverse local media	Significant fall in service quality
D	Minor	< £100,000	Public concerns restricted to local complaints	Little impact to service quality

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East Herts Council Report

Executive

Date of meeting:	8 February 2022
Report by:	Councillor Peter Boylan, Executive Member for Neighbourhoods
Report title:	The East Herts Housing Strategy 2022 to 2027
Ward(s) affected:	All

Summary

The current East Herts Council Housing Strategy for 2016 to 2021 now requires replacement. Therefore, a new Housing Strategy for 2022 to 2027 has been drafted to respond to new legislation, changing market conditions and evolving trends in housing need. This report outlines the evidence which has been taken into account and the strategic priorities and objectives which have arisen from the identified housing-related challenges.

RECOMMENDATIONS FOR EXECUTIVE:

(a) Consider the comments put forward by the Overview and Scrutiny Committee, listed in Appendix A, and endorse the resulting amendments proposed by the Executive Member for Neighbourhoods as also detailed in Appendix A.

(b) Endorse the draft East Herts Housing Strategy for 2022 to 2027, as amended by Recommendation (a), and recommend it to Council for approval.

(c) Delegate to the Executive Member for Neighbourhoods, acting in consultation with the Head of Housing and Health, the authority to (i) determine action plans to deliver the objectives in the Housing Strategy, pending its approval by Council, and (ii) authorise periodic progress reports.

1.0 Proposal(s)

1.1 The draft Housing Strategy document, attached at Appendix B, has been produced based on extensive research and consultation. It is proposed that four strategic priorities, each with an accompanying set of objectives, will underpin the council's work over the timeframe of the strategy with regard to improving housing across all tenures and enabling more general needs and specialist affordable housing. The proposed four strategic priorities are:

- Strategic Priority 1: Deliver more affordable homes
- Strategic Priority 2: Enable a wider range of accommodation and support for our most vulnerable residents
- Strategic Priority 3: Enable high quality housing options for older people, better suited to their needs
- Strategic Priority 4: Improve the sustainability and quality of homes.

2.0 Background

2.1 The East Herts Council Housing Strategy for 2016 to 2021 has now run its course. New challenges, however, have arisen for which strategic priorities and accompanying

objectives need to be set. Evidence has been gathered which shows the district is experiencing considerable housing-related challenges including the need for a greater number of affordable homes, the need for a wider range of accommodation and support for our most vulnerable people, a greater range of accommodation for older people and improved sustainability and quality across all housing tenures.

2.2 Although there is no legislative requirement to produce a housing strategy, a comprehensive housing strategy gives an opportunity for the council to:

- ensure a co-ordinated approach to housing activity in East Herts, linking a suite of policies and strategies to deliver the council's ambitions
- maximise opportunities and resources to meet housing needs and aspirations, using council resources and partnership opportunities
- promote the role of housing in delivering corporate priorities and wider objectives including health and wellbeing and sustainable economic growth
- ensure that East Herts Council meets its housing obligations under the Equality Act 2010 and meets a diverse range of housing needs.

2.3 Following approval of the strategy by Council, detailed action plans will be developed to deliver each of the objectives contained in the strategy. These will be reviewed regularly to ensure that they remain relevant. Delivery of the detailed action plans will be monitored closely and progress published.

3.0 Reasons

3.1 As noted above, the council's existing housing strategy is now out-of-date. It is therefore imperative to produce and publish a new, revised strategy.

3.2 The absence of new housing strategy would arguably fetter the council's ability to enable and guide partners on bringing forward the number of type of affordable homes most in demand while also missing the opportunity to lay out to partners and residents alike the council's aspirations regarding sustainability and standards across all tenures of housing.

3.3 To this end, the proposed Housing Strategy clearly states the council's four overarching priorities, with a series of more specific objectives listed under each. The proposed priorities and objectives are as follows.

Strategic priority	**Objectives to address the priority**
Deliver more affordable homes	• increase the supply of new homes offered with (a) social rents or (b) affordable rents at or very near to between 50% and 60% of market rents • enable a range of low cost home ownership products in the district • improve the focus on housing needs in our rural communities • assist households in accessing the private housing market • gather and publish up-to-date housing need and supply data
Enable a wider range of accommodation and support for our most vulnerable residents	• work collaboratively with partners to maximise housing and support options for rough sleepers • explore the provision of supported accommodation for single people with complex needs • further develop services for households affected by domestic abuse • work with Hertfordshire County Council (HCC) on the provision of housing for adults with learning and/or

	physical disabilities
Enable high quality housing options for older people, better suited to their needs	• explore and keep under review the changing needs and aspirations of the older population in the district • work with partners to bring forward high quality downsizing options • work with Hertfordshire County Council and other partners on expanding the range of housing options for older residents • work with Hertfordshire County Council and other partners to explore housing options that address the needs and aspirations of people with dementia and their families
Improve the sustainability and quality of homes	• promote maintenance, insulation and energy efficiency of homes in all tenures • promote sustainable construction of new homes • promote good quality accommodation and standards of management in the private rented sector • encourage owners to bring their empty homes back into use

3.4 The draft strategy has been produced following considerable consultation including:

- a public consultation in August and September 2021 which elicited a total of 118 responses
- a stakeholder consultation with a range of organisations including parish councils, Hertfordshire County Council, East Herts Citizens Advice Services and Hertfordshire Chamber of Commerce
- interviews with eight key registered providers who develop and manage affordable homes in the district.

3.5 The development of the East Herts Council Housing Strategy was overseen by the East Herts Housing Strategy Member Working Group, consisting of eight members,

which met on three occasions to provide feedback to officers as the strategy began to take shape.

Review by the Overview and Scrutiny Committee

3.6 At its meeting of 18th January 2022, the Overview and Scrutiny Committee was invited to review the draft Housing Strategy and make any suggested additions or amendments for consideration by the Executive Member for Neighbourhoods prior to presentation draft strategy to the Executive. A detailed discussion was held.

3.7 Appendix A lists the Overview and Scrutiny Committee's comments which the Executive Member for Neighbourhoods has taken into account when finalising the draft strategy.

3.8 It should be noted that the amendments proposed by the Executive Member for Neighbourhoods are included in the version of the strategy attached at Appendix B. This does not, however, fetter the Executive's ability to determine its own amendments in response to the Overview and Scrutiny Committee's suggestions. Should the Executive agree further alterations to the text, the final draft of the Housing Strategy will be amended accordingly before presentation to Council on 1st March 2022 for approval.

4.0 Options

4.1 Not produce a new, updated housing strategy – NOT RECOMMENDED. The proposed East Herts Council Housing Strategy 2022 – 2027 will provide a firm foundation for partnership working with registered providers and other stakeholders.

4.2 Revise and recommendation approval to Council of an updated housing, including any further amendments to the version attached at Appendix B agreed by the Executive – RECOMMENDED for the reasons laid out in this report.

5.0 Risks

5.1 The proposed East Herts Council Housing Strategy 2022 – 2027 takes the form of information and guidance to its partners, rather than specific contractual obligations. Therefore, there is no risk associated with the production of a housing strategy.

6.0 Implications/Consultations

6.1 The draft strategy has been produced following considerable consultation as detailed in section 3 above.

6.3 To ensure that this strategy informs the work of the council and its partners, detailed action plans will be drawn up for each of the objectives. These will be reviewed regularly to ensure that they remain relevant to achieving the objective. Delivery of the detailed action plans will be monitored closely and progress published.

Community Safety

A number of priorities and objectives will aid community safety. Of note, *Strategic Priority 2: Enable a wider range of accommodation and support for our most vulnerable residents* will promote the wellbeing and safety of vulnerable residents living in the community.

Data Protection

No implications.

Equalities

The strategy has been drafted with reference to the council's obligations under the Equality Act 2010. It aims to meet a diverse range of housing needs, including those experienced by people with protected characteristics.

An Equality Impact Assessment has been carried out for the draft East Herts Council Housing Strategy. Analysis has been undertaken of how each of the nine protected **c**haracteristic groups, defined under the Equality Act 2010, could be impacted by the housing-related challenges identified. An overarching purpose of the strategy is to attempt to mitigate or ameliorate these adverse impacts.

Environmental Sustainability

Strategic priority 4: Improve the sustainability and quality of homes will be furthered by the following objectives:

- promote maintenance, insulation and energy efficiency of homes of all tenures.
- promote sustainable construction of new homes.

Financial

There is nothing in the strategy which obliges the council to expend revenue or capital resources. Any future housing proposals with financial implications for the council would be subject to member decisions at the time.

Health and Safety

No implications.

Human Resources

No implications.

Human Rights

No implications.

Legal

Although there is no statutory obligation for local authorities to produce a comprehensive housing strategy, the information in the proposed strategy builds on information provided in other statutory documentation produced by the council, notably the council's Tenancy Strategy, Homelessness Strategy and District Plan.

Specific Wards

No implications.

7.0 Background papers, appendices and other relevant material

7.1 Appendix A – the draft East Herts Housing Strategy 2022 to 2027.

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Appendix A: Consideration of comments from the Overview and Scrutiny Committee

Comment from Committee	Reasons from the Committee	Executive Member/Officer Comment	Recommended Action
Section 4.2 should more clearly demonstrate the council's commitment to best use of existing registered providers' accommodation for disabled people	A member of the Overview and Scrutiny Committee felt that registered providers do not appear to be as flexible as possible if their use of existing accommodation which could be particularly suited to disabled people	Registered providers need to balance the needs of a wide range of tenants, for example, while bungalows may be particularly suited to a younger disabled person, the registered provider will need to take account of the fact that if the bungalow is one of a series of adjacent properties reserved for those aged 55+ years, tenants would have moved in expecting their neighbours to be of a similar age. That said, officers have found registered providers are generally flexible about their allocations when seeking to assist a disabled person	In order to emphasis the council's approach when working with registered providers, add text to section 4.2 to read: 'In addition, East Herts Council is committed to working with registered providers to encourage and enable them to make the best use of their existing stock so as to meet the needs of disabled people'

Comment from Committee	Reasons from the Committee	Executive Member/Officer Comment	Recommended Action
Section 4.4 states that, 'The council's District Plan requires the reduction of energy embodied in materials…' The word 'requires' should be amended to 'encourages' if this is in line with the planning policy stance	A member of the Overview and Scrutiny Committee queried whether the council's existing planning policies in fact required this, as opposed to encourage this. Officers, on behalf of the Executive Member, undertook to confirm the position with the Planning team	This point was checked with Planning officers who confirmed that it is appropriate to state that, 'The council's District Plan *requires* the reduction of energy embodied in materials…' [emphasis added] albeit with the additional qualification that the strategy should make it clear that the requirement would apply 'where possible'	Amend text in section 4.4 to read: 'The council's District Plan requires, where possible, the reduction of energy embodied in materials…'
Amend the wording in Section 4.4 that, 'Consideration of embodied carbon *is likely* to become increasingly important as society transitions to a low and indeed zero carbon society' [emphasis added] to read that it '*will* become' [emphasis added]	A member of the Overview and Scrutiny Committee argued that consideration of embodied carbon will definitely become increasing important in the build industry	Agreed	Amend text in section 4.4 to read: 'Consideration of embodied carbon will become increasingly important as society transitions to a low and indeed zero carbon society.'

Comment from Committee	Reasons from the Committee	Executive Member/Officer Comment	Recommended Action
Section 4.1 would benefit from committing the council to a review of viability assessment procedures and 'levelling the playing field' for smaller housing developers when competing with volume house builders	A member of the Overview and Scrutiny Committee considered that viability assessment appears to afford developers to great a profit level and additionally the council could act to enable smaller housing builders to compete with volume house builders	Viability of planning applications is better considered in the council's planning policies rather than the Housing Strategy. Furthermore, viability assessments are subject to nationally recognised standards which the council's Planning team refers. Deviating from these standards could provide applicants with an argument to contesting the council's decisions. There are limited tools available to a district council to impact the relative success of smaller and larger developers when bidding for land	No amendments to the draft strategy are proposed

Comment from Committee	Reasons from the Committee	Executive Member/Officer Comment	Recommended Action
Resolution to recommend adding to the first strategic priority to read (additional proposed wording in italics here), 'Deliver more affordable homes *and more social rented homes*'	The Overview and Scrutiny approved this resolution as a means of emphasising of the council's commitment to social rented homes	The draft strategy makes it clear in a number of places that social rented housing is an important element of affordable housing. The first objective listed under this strategic priority states 'increase the supply of new homes offered with (a) social rents or (b) affordable rents at or very near to between 50% and 60% of market rents' which it is felt underlines the importance placed on the delivery of social rented housing during the lifetime of the Housing Strategy	No amendments to the draft strategy are proposed

Comment from Committee	Reasons from the Committee	Executive Member/Officer Comment	Recommended Action
Resolution to add a new objective under the strategic priority to 'deliver more affordable homes' to read, 'investigate all possible ways of financing the provision of homes for social rent'	The Overview and Scrutiny approved this resolution as a means of emphasising of the underline the fact the increasing the supply of social rent housing will require additional funding from a variety of sources which, the committee felt, the council to commit to investigating	The existing objective to 'increase the supply of new homes offered with (a) social rents or (b) affordable rents at or very near to between 50% and 60% of market rents' implies that funding sources will be fully investigated so as to achieved	No addition to the objectives, however, aAmend the text in section 4.1 to read (new text in italics): '...there is clearly a need to preserve if not increase the supply of properties with a social rent, *through whatever funding streams are available,* so as to enable a full range of housing options for those unable to buy or rent privately and not in a position to buy a shared ownership home'

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HOUSING STRATEGY

East Herts Housing Strategy 2022-2027

Draft version incorporating proposed amendments in response to the comments of Overview and Scrutiny Committee on 18 January 2022

Cover to be designed at the same time as the overall design of the final document once it has been approved by Council

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Foreword

Since 2016, when the last East Herts Housing Strategy was published, the world has changed radically. The Covid19 pandemic, the climate change agenda, the UK departure from the European Union, advancing home-based technology and demographic changes all have major implications for housing needs, housing aspirations and housing supply in East Herts.

Our population is growing and it's no wonder – East Herts is a very attractive place to live. The Halifax Quality of Life Survey 2020 rated us the UK's Best Place to Live!

Given the benefits of living in our district, it's not surprising that demand for housing is very buoyant. At the time of writing, the average house price stood at just over £423,000, some 47% above the England-wide average. That fact alone suggests the need for affordable housing is high.

I'm particularly pleased that growth in the number of affordable homes in East Herts continues at pace. Along with our partners, we have enabled an increase of 10.2% in the number of affordable homes in the district over the last ten years compared with an England-wide increase of 3.4%, a really significant achievement.

However, our track record of delivery is no reason for complacency, especially when we know there are pockets of deprivation in East Herts and increasing numbers of households turning to the council either because they are facing homelessness or their current home is no longer suitable for their needs.

The East Herts Housing Strategy for 2022 – 2027 is based on a systematic review of evidence gleaned from a range of sources and partners including the comprehensive study of affordable housing in the district we commissioned from the Housing Quality Network in 2020.

The facts and figures reveal the different dimensions of need in the district but put simply, I believe the Housing Strategy demonstrates the need for four key priorities to:

- **deliver more affordable homes**
- **enable a wider range of accommodation and support for our most vulnerable residents**
- **enable high quality housing options for older people, better suited to their needs**
- **improve the sustainability and quality of homes.**

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We have involved as many people and organisations as possible in developing this new Housing Strategy. I would like to thank everyone whose views and recommendations have helped to shape our plans. We value the relationships we have with our partners and look forward to working together to turn our aspirations into reality.

Cllr Peter Boylan

Executive Member for Neighbourhoods

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Chapter 1: Introduction: a new housing strategy for new challenges

East Herts faces a wide and diverse range of housing challenges, some newly arising and some more familiar. Homelessness, homes in poor condition or with low levels of energy efficiency and an insufficient supply of affordable homes continue to pose challenges. We also see new challenges emerging due to demographic trends and changes, including the impact of the Covid19 pandemic.

This strategy is evidence-based and has been subject to extensive consultation including:

- a public consultation in August and September 2021 which elicited a total of 118 responses
- a stakeholder consultation with a range of organisations including parish councils, Hertfordshire County Council, East Herts Citizens Advice Services and Hertfordshire Chamber of Commerce
- interviews with eight key registered providers who develop and manage affordable homes in the district.

1.1 The overall role of the Housing Strategy

Although there is no legislative requirement for East Herts Council to produce a housing strategy, a comprehensive strategy for the district provides an opportunity for us to set out our approach to tackling the housing needs identified. In this way, we hope this document makes clear how partners can work with us and what we aim to achieve together.

East Herts Council does not own or directly manage any general needs housing, as we transferred our housing stock to two registered providers in 2002. Without a housing revenue account, that is, an ongoing budget based on council housing rent net of outgoings, we are not in the position to easily develop affordable homes directly. Unfortunately, nor do we have significant sums to invest in the improvement of existing homes across tenures. In other words, we are enablers of new and improved homes rather than providers. This, however, has not diminished our appetite to address the housing problems our residents face.

The East Herts Housing Strategy therefore aims to:

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- ensure a co-ordinated approach to housing activity in East Herts, linking a suite of policies and strategies to deliver the council's ambitions
- maximise opportunities and resources to meet housing needs and aspirations, using council resources and partnership opportunities
- promote the role of housing in delivering corporate priorities and wider objectives including health and wellbeing and sustainable economic growth
- ensure that East Herts Council meets its housing obligations under the Equality Act 2010 and meets a diverse range of housing needs.

1.2 The Housing Strategy in context

The East Herts Housing Strategy 2022 – 2027 is part of a suite of housing-related policy documents produced by the council. This includes the following.

- **East Herts Council Tenancy Strategy 2021 to 2026** – this provides the framework for how East Herts Council works with its registered provider partners on the rent levels and the tenancy types which are offered in affordable housing in the district.
- **East Herts Council Homelessness and Rough Sleeping Review and Strategy 2019 to 2024** – this provides evidence on the actions which are being undertaken to both prevent and tackle homelessness and rough sleeping in the district.
- **East Herts Council Private Sector Housing Assistance Policy 2021 to 2031** – this details the way in which the council provides financial and other assistance to owners and occupiers of private sector housing within East Herts.

Further policy documents adopted by East Herts Council and Hertfordshire County Council which have particular relevance to the Housing Strategy include the following:

The Corporate Priorities for East Herts Council

- The council's corporate plan has four priorities:
  - **S**ustainability at the heart of everything we do
    Enabling our communities
    Ensuring economic growth
    Digital by default.

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Assisting vulnerable people and households

- Hertfordshire Supporting Adults with Complex Needs Strategy 2019

Planning and use of land

- **East Herts District Plan 2018** – the District Plan (the statutory Local Plan) sets out the planning framework for the East Herts district for the period 2018 to 2033. The plan sets out the framework for new homes, new jobs, new facilities and infrastructure across the district.

Transport and Infrastructure

- Hertfordshire County Council – Hertfordshire's Local Transport Plan 2018 to 2031

Climate Change and Environmental Sustainability

- East Herts Council – Sustainability Supplementary Planning Document 2021
- East Herts Council – Environmental Sustainability Action Plan December 2021
- Hertfordshire County Council – Sustainable Hertfordshire: Strategy and Action Plan 2020
- Hertfordshire County Council – Air Quality Strategy 2019

Economic Growth

- Hertfordshire County Council – Good Growth in Hertfordshire

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Chapter 2: The East Herts district

The district of East Herts covers an area of 477 square kilometres (184 square miles). It constitutes around one third of the county of Hertfordshire.

The district has a dispersed settlement pattern that includes the five market towns of Bishop's Stortford, Buntingford, Hertford, Sawbridgeworth and Ware. Each town provides a range of services to the surrounding rural areas. There are also approximately one hundred villages and hamlets of varying sizes.

2.1 A relatively prosperous district with pockets of deprivation

East Herts is widely acknowledged as an attractive, prosperous and desirable place to live. This was confirmed by the award in January 2020 of the title of the UK's Best Place to Live in the Halifax Quality of Life index survey. According to the survey: *"Known for its many popular market towns, such as Bishop's Stortford and Hertford, East Herts in the East of England achieves its crown thanks to strong exam results, high life expectancy, excellent health and happiness scores, and high average earnings."*

The relatively prosperous nature of the district is further reflected in the Indices of Multiple Deprivation 2019 in which all 32,482 lower super output areas (neighbourhood-sized areas) in England are ranked according to ten measures of deprivation. East Herts contains a total of 83 lower super output areas of which 35 (39%) are ranked in the 10% most affluent neighbourhoods in England.

The Indices of Multiple Deprivation 2019 also show, however, that there are pockets of deprivation in the district:

- 22 neighbourhoods are ranked in the 30% most deprived nationally in terms of barriers to housing and other services;
- three neighbourhoods are ranked in the 30% most deprived in terms of income-related deprivation.

2.2 A growing population

Population statistics show significant growth in recent years. In fact, the number of residents in East Herts increased by 8.8% during eight years to 2019, with some eight of our thirty wards seeing population growth in excess of 10%.

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The numbers of older people in East Herts are growing. Population projections from the Office for National Statistics (ONS) predict that the numbers of people aged 60+ will grow from 37,317 in 2021 to 48,855 in 2035. The same population projections predict that the numbers of people aged 75+ will grow from 13,400 in 2021 to 18,917 in 2035.

In September 2020 a total of 7,180 European Union nationals living in the district applied for settled status. The highest numbers of countries of origin were Italy, Poland and Romania.

In September 2020, 11.1% of East Herts' working age population claimed disability benefits. This is compared with the 6.4% of the United Kingdom workforce who, in August 2021, claimed Employment and Support Allowance which is the main benefit for a person of working age who is disabled or has a health condition *(source: Department for Work and Pensions)*. Our partnership working with Hertfordshire County Council will provide further evidence of the need for housing which is accessible for disabled people.

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Chapter 3: The Housing Strategy in action

From our analysis of the local context and our extensive consultation, we have identified four overarching priorities which will drive the strategy over the coming five years.

These priorities are so fundamental to addressing local needs that they will remain relevant over the coming five years.

The East Herts Housing Strategy will, however, need to be agile and responsive to the changing national, regional and local contexts for housing-related work over its five year lifetime as it is to be expected that new legislation, population trends and economic developments among other things will all pose newly emerging issues. As a result, action plans will be produced for each of the priorities and progress will monitored and reported on at least annually.

Housing Strategy priorities

Strategic priority 1: **deliver more affordable homes**

Strategic priority 2: **enable a wider range of accommodation and support for our most vulnerable residents**

Strategic priority 3: **enable high quality housing options for older people, better suited to their needs**

Strategic priority 4: **improve the sustainability and quality of homes**

In the following chapters, we will explore the issues relating to each priority in turn and describe what the evidence indicates should be the objectives relating to each one. The objectives will then inform a series of detailed action plans which will flow from this strategy.

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Chapter 4: East Herts Council's strategic priorities for housing

4.1 Strategic priority 1: Deliver more affordable homes

The identification of the strategic priority to deliver more affordable homes is based on evidence from a wide range of data sources, including:

- the UK House Price index from the Land Registry
- the national Annual Survey of Hours and Earnings (ASHE)
- Office for National Statistics (ONS) data on market rents by local authority
- East Herts Council's records on the development of affordable housing for rent and low cost home ownership
- the 'Affordable Housing Provision in East Herts' report commissioned by East Herts Council from the Housing Quality Network (HQN) in 2020.

The housing market

Chapter 2 described the relatively affluent nature of East Herts. The desirability of the district, with its good quality of life and easy commuting distance to London, is reflected in local housing prices.

Reviewing median average house price data produced by the Land Registry quickly shows just how expensive the local housing market is.

Table 1 shows that property prices in East Herts outstrip those in the rest of the East of England region and, apart from flats and maisonettes, are significantly higher than the England-wide average. This confirms that East Herts is an area characterised by particularly high house prices.

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Table 1: Median average property prices at September 2021			
	East Herts	East of England	England
All properties	£423,177	£327,982	£287,895
Detached house	£796,834	£501,722	£447,617
Semi-detached house	£474,678	£334,906	£273,470
Terraced house	£383,561	£277,590	£236,797
Flats or maisonettes	£249,451	£204,995	£241,884

Source: UK House Price Index, Land Registry

Using the Land Registry data, it is possible to estimate the minimum level of income required to purchase homes of different sizes in East Herts. This is shown in Table 2.

Table 2: Income required to purchase a property in East Herts			
Property type	Average price September 2021 - *Source: The Land Registry*	Min income required with 10% deposit and mortgage x3.5 of income	Min income required with 20% deposit and mortgage x3.5 of income
All property types	£423,177	£108,817	£96,726
Detached home	£796,834	£204,900	£182,133
Semi-detached home	£474,678	£122,060	£108,498
Terraced home	£383,561	£98,630	£87,671
Flat	£249,451	£64,145	£57,017

Source: analysis by East Herts Council based on Land Registry data and the Annual Survey of Hours and Earnings (ASHE)

The key question here is – how do local incomes compare with the salaries required to buy a local home? To investigate this, incomes for East Herts recorded in the

national Annual Survey of Hours and Earnings have been analysed.

Table 3: Local earnings		
Earnings decile	Weekly median of gross earnings per individual	
Lowest 10%	£399.00	£20,748 per year
Lowest 20%	£479.10	£24,913 per year
Lowest 25%	£506.30	£26,328 per year
Lowest 30%	£543.10	£28,412 per year
Lowest 40%	£611.20	£31,782 per year
Median average	£714.70	£37,164 per year

Source: Annual Survey of Hours and Earnings (ASHE) for full-time employment in the East Herts district 2020

The survey shows that the median income from full-time employment among East Herts residents in 2020 was £37,164 a year. This is well below the income required to buy a property in the district even with a 20% deposit.

A household containing two full-time earners on a median income could afford an average priced flat in the district but not an average priced house. Of course, there will be less expensive properties that bring home purchase within the reach of those on average earnings. Comparison of the figures in Tables 2 and 3, however, illustrates how difficult it is to purchase a home locally, especially first time buyers without significant equity built up in an existing home.

The private rented market

Those unable or not ready to buy a home for whatever reason, including because they are saving up to buy their first home, will typically look to the private rented market.

As house prices are high in the district, it follows that private rents will be too as private landlords typically set rents to give a certain return on their investment. This is known as the rental yield.

Nationally published rental property yield data are currently in short supply, possibly because of the impact of Covid 19. That said, the longstanding Knight Frank 'UK Residential Investment – Yield Guide' reports, for March 2021 (the latest month available), provides an average yield in 'Greater London Prime' areas of 3.5% - 3.75% and in 'South East Prime' areas of 4%.

Using median average rent data, it is possible to estimate the minimum level of income required to rent homes of

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different sizes in the private rented sector in East Herts. This analysis is presented in Table 4.

Table 4: Private sector rents in East Herts

Property type	Median monthly rent 1 October 2019 to 30 September 2020	Minimum annual income at 30% of gross income	Minimum annual income at 40% of gross income
Room	£358	£14,320	£10,740
Studio	£650	£26,000	£19,500
1 bedroom	£800	£32,000	£24,000
2 bedroom	£1,000	£40,000	£30,000
3 bedroom	£1,350	£54,000	£40,500
4+ bedrooms	£1,680	£67,200	£50,400

Source: Office for National Statistics Rental markets statistics in England October 2019 to September 2020

It can be seen that incomes need to be approaching or a little in excess of average levels to afford all but the smaller private rented properties in the district.

The scale of need

There are currently just over 64,000 dwellings in East Herts. The Office for National Statistics' latest projection reports the district's population to be 150,745, with a further projected growth to 156,583 by 2030. This will itself lead to an on-going growth in the need for new housing. Alongside this, national planning policy guidance and government direction indicates the need, nationally, to significantly increase delivery to meet assessed need.

Analysis undertaken to inform the District Plan 2018 – 2033 concluded that East Herts' need for additional housing to 2033 is 12,200, with 34.4% of these extra homes needing to be affordable housing, that is 4,200 new affordable homes over the District Plan period.

The council's District Plan seeks 40% of new homes on all but the smallest developments to be affordable. Indeed, East Herts Council has an enviable track record of ensuring a good supply of affordable homes, when compared with the rest of Hertfordshire and indeed England as a whole.

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Table 5: Affordable housing numbers 2010 - 2020				
	Rented affordable housing – council and registered provider homes combined			
	2010	2020	Difference	% diff
East Herts	7,572	8,343	771	+10.2%
Hertfordshire excluding East Herts	77,641	79,889	2,248	+2.9%
England	4,029,084	4,166,276	137,192	+3.4%

Source: Department of Levelling up, Housing and Communities

The national figures in Table 5, collated by the Department of Levelling Up, Housing and Communities each year, show that in the ten years to 2020, the number of affordable homes in East Herts, that is new build net of any sales, rose by some 10.2% to over 8,300. Over the same period, the affordable homes in the rest of Hertfordshire increased by only 2.9%, and 3.4% across England.

These figures are reinforced by high levels of affordable housing development in East Herts in recent years across both rented and shared ownership tenures.

Table 6: Affordable housing development in East Herts			
Year	Affordable rented	Shared ownership	All affordable
2017/18	96	53	149
2018/19	116	105	221
2019/20	220	72	292
2020/21	104	135	239
All	536	365	901
Tenure split	59%	41%	

Source: East Herts Council development records

The analysis in Table 6 demonstrates that high house prices and private rents put considerable strain on the overall housing system in East Herts. Where a household is priced out of home ownership and even private renting, it is to be expected that they will look to the possibility of low cost home ownership or affordable rent from one of the seventeen registered providers with properties in East Herts.

So, it is important to consider, what forms of affordable housing are being delivered and what exactly is needed to address local needs?

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Low cost home ownership

With the exception of a small number of equity loan schemes, shared ownership is the dominant form of low cost home ownership in East Herts. Shared ownership aims to bring home ownership within reach of those whose incomes and savings are insufficient to buy a home otherwise.

The shared ownership tenure gives first time buyers and those who do not currently own a home the opportunity to purchase a share in a new home or resale property. The purchaser pays a mortgage on the share they acquire and then pays rent to a registered provider on the remaining share. Because the purchaser needs a mortgage for just the share they are purchasing, the amount of money required for a deposit is usually lower than when purchasing outright and the income required to make the monthly mortgage payments will obviously be lower than in the case of outright purchase. The purchaser has the option to increase the share they own during their time in the property via a process known as staircasing.

Table 7 gives data on the affordability of shared ownership in East Herts based on the average full open market values of properties advertised for shared ownership in East Herts between August 2020 and October 2021.

Table 7: Affordability of shared ownership properties in East Herts advertised between August 2020 and October 2021

	Initial share of shared ownership property which is affordable*		
	1 bedroom flat	2 bedroom house	3 bedroom house
Full value of properties advertised for shared ownership	£240,000	£300,000	£415,000
Single salary at lowest 25% in East Herts	32%	21%	Cannot afford any share
One full time & one half time salary at lowest 25% in East Herts	69%	55%	29%
Single salary at East Herts median salary	65%	52%	23%
One full time & one half time at East Herts median salary	98%	79%	56%

* Assumes:

- deposit of 5% of the value of share being purchased
- 25 year repayment mortgage rate of 4.5%
- mortgage capped at no more than four times gross salary

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- rent payment of 2.75% of the unsold equity per year
- service charge for flat £100 pcm
- 40% of gross salary devoted to housing costs counted as affordable.

Table 7 presents the initial shares required to enable people on lower incomes in the district to access a shared ownership home. It demonstrates that the tenure is a useful means of assisting people in the district into home ownership, albeit only relatively low initial shares are likely to be affordable by many needing to buy a three bedroom home.

Affordable rented housing

Rented accommodation in the affordable sector is provided by a total of seventeen registered providers in East Herts. There are primarily two forms of such housing available which can be differentiated by their rent levels, either social rent or affordable rent.

Social rent housing is affordable rented accommodation with rents set in accordance with a government formula. The rent level will vary property-by-property as it is calculated according to the market value of the property, the size of the property and the local income levels in the area in which the property is located. In East Herts, social rents determined by this national defined formula typically result in rent at around 50% to 60% of market rents in the locality.

Affordable rent housing was introduced 2011. Such properties are subject to a different mechanism for setting the rent. In this case, the registered provider may set a rent which, when combined with service charges if applicable, can be *up to a maximum of* 80% of the market rent in the locality. It is for the registered provider to determine the rent level, with the Valuation Office Agency overseeing the process.

The government's aspiration in introducing affordable rent housing was to afford registered providers a higher rental income against which to borrow as this would reduce their need for subsidy from the government (and now allocated through Homes England) thus reducing the call on the public purse. This was seen as a way of delivering more homes for the same overall amount of public subsidy.

At the same time as introducing affordable rent housing, the government enabled registered providers to switch the

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rent for an existing property from a social rent to an affordable when it became vacant.

Unsurprisingly, different rent levels will have differing impacts on households with different characteristics. In 2020, the council commissioned the Housing Quality Network (HQN) to undertake a comprehensive study into affordable housing provision in the district.

HQN investigated how affordable the different rental products were for a range of different households. Key findings are presented below.

Key to Tables 8 – 10

Y yes, the tenure is affordable as no more than 40% of gross income needs to be devoted to housing costs

N no, the tenure is not affordable as more than 40% of gross income needs to be devoted to housing costs

* 40 percent of earnings/incomes, taking account of the impact of benefits and taxes

** Average social rent for the size of home needed and available between April and June 2020 (source: East Herts Council)

*** Average affordable rent for the size of home needed and available between April and June 2020 (source: East Herts Council)

~ Two figures are used – shared room rate and one-bedroom unit rate

^ National living wage as calculated by Living Wage Foundation for the size of household

^^ Local median FT wage for year ended April 2019: £32,400 (Office for National Statistics [ONS] data)

Table 8: Affordability outcomes for a single person

	Maximum affordable cost *	Social rent **	Affordable rent ***	Market rent ~
Weekly cost		102.22	145.68	82.61 184.61
Under 35, benefits only	69.84	N	N	N
Over 35,benefits only	85.84	N	N	N
Government national living wage @8.72PH (per hour)	131.30	Y	N	Shared room only
Local average wage ^^	197.30	Y	Y	Y

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Table 9: Affordability outcomes for a lone parent				
	Maximum affordable cost*	Social rent**	Affordable rent ***	Market rent
Weekly cost		118.03	183.29	230.77
Benefits only	153.66	Y	N	N
Government national minimum wage @8.72PH P/T	188.82	Y	Y	N
Government national minimum wage @8.72PH F/T with childcare costs	171.33	Y	N	N
LWF national living wage@9.30 PH P/T ^	182.03	Y	N	N
Local average wage^^ P/T	205.77	Y	Y	N
Local average wage^^ F/Twith childcare costs	203.67	Y	Y	N

Table 10: Affordability outcomes for a couple with two children				
	Maximum affordable cost *	Social rent **	Affordable rent ***	Market rent
Weekly cost		143.93	224.93	311.54
Benefitsonly	166.94	Y	N	N
1 Person F/T at governmentnational minimum wage @8.72 PH	279.60	Y	Y	N
2 People F/T at governmentnational minimum wage @8.72PH with childcarecosts ^	306.47	Y	Y	N
1 Person F/T and 1 person P/T at LWF national living wage@9.30 PH ^ (no childcarecosts)	308.80	Y	Y	N
1 person F/T at local average wage ^^	306.71	Y	Y	N
1 person F/T and 1 person P/T at local average wage, no childcare costs ^^	348.68	Y	Y	Y

The analysis by HQN indicates a very mixed picture in terms of the affordability of different rent levels. Of note, single people on benefits will struggle at all rent levels, with the national living wage required to afford even a social rent.

The affordability of an affordable rent for a lone parent is dependent on hours worked and the need to fund childcare, while couples are better placed to afford affordable rents.

Seeking to match supply to need

Rent levels

The recent growth in affordable housing in East Herts discussed above has coincided with the introduction of affordable rent housing. The vast majority of new affordable homes have affordable rents. This is because as affordable rents are higher than social rents, a registered provider can afford to borrow more and thus pay the developer more for the new homes. It is the assumed income from registered providers that developers build into their viability models.

The relationship between rent levels and borrowing and thus how many homes a registered provider can afford to buy from a developer also works in the reverse. Thus, if a developer was compelled to only sell properties to a registered provider charging social rents, the registered provider could not borrow so much because there would be less rental income to cover the borrowing costs. Thus, the registered provider could only afford far fewer homes than if affordable rents were allowed.

Put simply without additional subsidy, the system of providing affordable housing on private, developer-led sites can deliver:

- more homes with affordable rents ***or***
- fewer homes with social rents.

In overall terms, affordable housing built before 2011, and not subject to having the rent switched to an affordable rent when vacant, will have a social rent. Analysis of lettings in East Herts shows that over the 12 months to September 2021, the council nominated people to 522 vacancies in existing and new properties put forward by registered providers. Of these properties, 280 (53.6%) had a social rent and 242 (46.4%) had an affordable rent.

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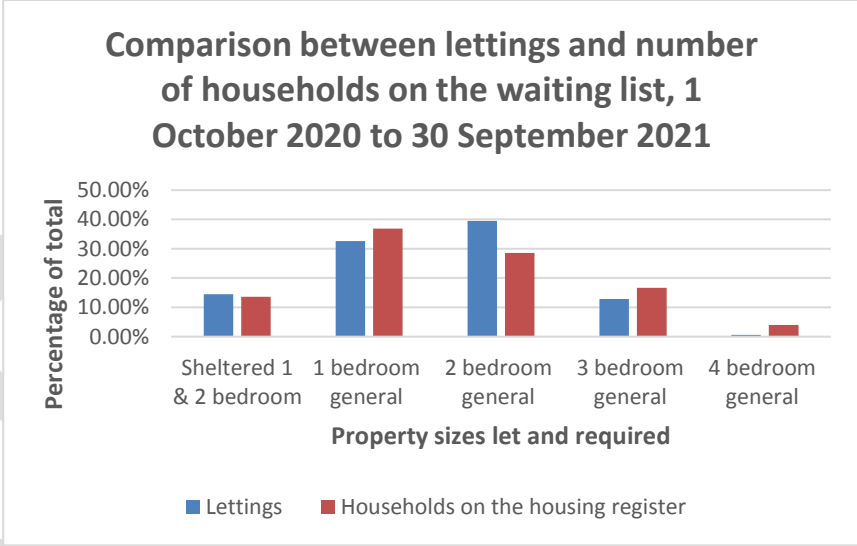
In summary, while there are both properties with social rents and affordable rents available in the district, there is clearly a need to preserve if not increase the supply of properties with a social rent, through whatever funding streams are available, so as to enable a full range of housing options for those unable to buy or rent privately and not in a position to buy a shared ownership home.

Size

East Herts Council's housing register of those looking for affordable rented housing provides a key source of evidence about local need. At 30th September 2021, there were 2,152 households on the housing register, of which 1,856 require general needs housing. The remaining 296 require older persons' accommodation which is discussed in Chapter 5 below.

The greatest need registered with the council is for smaller properties. In total, 43% of those needing general needs accommodation require a one bed property with another 33% needing a two bedroom property.



Source: East Herts Council

This evidence also shows that although one and two bedroom need dominates both the housing register and supply, the supply of three and four bedroom lettings falls below the proportion of those on the housing register requiring this size of property. Thus, to more equitably meet need, there is a requirement for an increasing supply of larger homes.

Location

Table 11 lists the location of general needs properties, these being non-specialist older persons' homes, let in the

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district during the 12 months to September 2021. Perhaps unsurprisingly, there are more lettings available in the five market towns as compared with the more rural parts of the district. Given the paucity of housing options in the district's villages, especially to enable younger people to remain living near family members for support, there is a need to enable more rural development.

Table 11: Location of general needs homes advertised through Choice-Based lettings in the 12 months to September 2021

Property size	Total lettings	East Herts Towns*	East Herts villages
Studio	10	9 90.0%	1 10.0%
1 bed	175	126 72.0%	49 28.0%
2 bed	251	197 78.5%	54 21.5%
3 bed	87	66 75.9%	21 24.1%
4 bed	4	3 75.0%	1 25.0%

* Bishop's Stortford, Buntingford, Hertford, Sawbridgeworth and Ware

Source: East Herts Council

Modern methods of construction

Modern Methods of Construction are increasingly being promoted as a means of accelerating the delivery of housing, and notably affordable housing given the need for increased supply, as that the major components can be manufactured off-site.

East Herts Council is a member of the Hertfordshire Off-Site Manufacturing Consortium together with other local authorities and registered providers. The aim of the consortium is to amass a pipeline of affordable housing development for which an off-site manufacturer could provide homes at a lower price as a result of economies of scale.

While the council is not a developer of new affordable housing, we are keen to keep abreast of innovations in this area and promote new construction methods among our registered provider partners. Methods which are particularly promoted are fully modular pre-fabricated homes and timber frame homes. Modern methods of construction can provide the following advantages: a shorter time scale for construction and new homes which have a high level of energy efficiency.

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Objectives arising from the evidence

The evidence discussed in this section suggests that in order to address the strategic priority to **deliver more affordable homes**, the following objectives should apply for the coming five years:

- increase the supply of new homes offered with (a) social rents or (b) affordable rents at or very near to between 50% and 60% of market rents
- enable a range of low cost home ownership products in the district
- improve the focus on housing needs in our rural communities
- assist households in accessing the private housing market
- gather and publish up-to-date housing need and supply data.

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4.2 Strategic priority 2: Enable a wider range of accommodation and support for our most vulnerable residents

The evidence used to inform the discussion in this section has been gathered from the following sources:

- the council's records of homelessness applications
- the council's Rough Sleeper Count Autumn 2021
- Hertfordshire Home Improvement Agency
- discussion with Hertfordshire County Council's commissioning teams.

Housing options and homelessness prevention

The council is legally required to assess and prevent homelessness in the district as part of the Government's focus on homelessness prevention. With growing affordability issues and consequently fewer housing options as discussed earlier in this strategy, preventing homelessness is an increasingly difficult challenge and one that needs to be tackled in several different ways.

There has been much research at the national level that demonstrates that homelessness has a particularly detrimental effect on people's health and wellbeing. Of particular note, long stays in temporary accommodation can severely impact a child's development, education and health and well-being.

To address the issue of homelessness, co-ordinate the council's work to support homeless people and guide our partners, the council has adopted the Homelessness and Rough Sleeping Strategy 2019 – 2024. This strategy sets out the council's strategic priorities for reducing homelessness and rough sleeping. Our overall approach is built on:

- strong and effective partnership working
- early targeted intervention and advice to prevent the loss of accommodation
- effective action to relieve homelessness and sustain tenancies to prevent repeat homelessness
- protecting and increasing local housing options.

Despite the council's efforts, there has been a steady increase in homelessness in East Herts in recent years as various welfare reforms have taken hold and the opportunities to access the private rented market have decreased. Landlords can be fearful of accepting tenants in receipt of universal credit while the freezing of local housing allowance rates up to March 2020 meant that the

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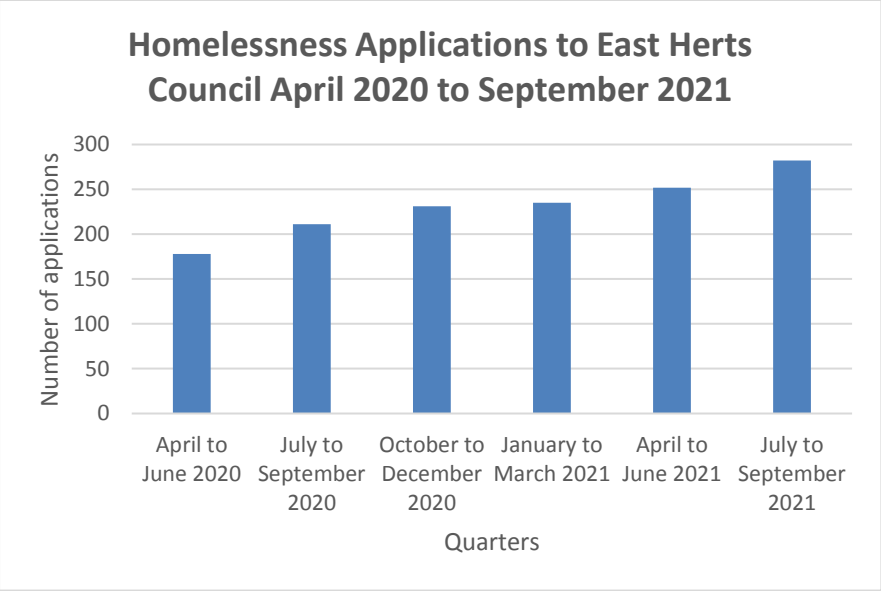
private rented sector has become increasingly unaffordable in recent years.



Source: East Herts Council

The council provides a range of services to help meet the needs of homeless people and those facing homelessness. This includes:

- offering rent-in-advance and deposits
- using Discretionary Housing Payments (DHP)
- funding East Herts Citizens Advice Service to provide bespoke debt advice.

The council has 31 units of temporary accommodation, with two additional self-contained units currently being developed and due to be available from Spring 2022.

Rough sleeping

The rough sleeper count conducted each November in East Herts by the council utilising the Government's methodology records the following number over the last six years.

Table 12: Rough sleeping in East Herts

Year	Number of rough sleepers recorded – annual count in November
2016	9
2017	3
2018	9
2019	15
2020	6
2021	5

Source: East Herts Council

The increasing trend in previous years appears to have been reversed recently which is likely to reflect the council's efforts under the national 'Everyone In' and 'Protect Plus' initiatives brought in to protect rough

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sleepers from the pandemic and subsequently provide more settled accommodation. As part of this work, in April 2021 the council opened its first temporary accommodation scheme specifically for rough sleepers or those at risk of rough sleeping which is providing six much needed self-contained units for this client group.

People with complex needs

Hertfordshire County Council's 'Supporting Adults with Complex Needs Strategy' gives the following definition of an individual with complex needs:

An individual with two or more needs affecting their physical, mental, social or financial wellbeing. This can include mental health issues, substance misuse, domestic abuse, homelessness, physical ill health, learning or physical disability.

The strategic priorities in this Complex Needs Strategy are:

- preventing and reducing care and support needs
- preventing homelessness and reducing rough sleeping
- helping to support people to remain in their own homes and connected to communities
- improving health and wellbeing and preventing ill-health due to homelessness.

There has been an increasing number of households approaching East Herts Council for assistance under the homelessness legislation who have two or more needs.

Table 13: Increase in homelessness for reasons most closely related to complex needs

Quarter	Number of persons asked to leave by extended family or friends	Number of persons leaving an institution *
April to June 2020	5	5
July to Sept 2020	8	6
Oct to Dec 2020	16	5
Jan to March 2021	12	5
April to June 2021	18	3
July to Sept 2021	14	6

* Definition includes people leaving a hospital, HM Forces, HM prison or local authority care

Source: East Herts Council

In addition, the Covid19 pandemic has played a role in increasing homelessness among single persons living on a

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casual basis with extended family or friends, otherwise known as 'sofa surfing'.

Cuckooing

At the same time as the rise in homeless people approaching the council with complex needs, there has been an increase in the number of homelessness cases due to 'cuckooing', that is, the practice whereby individuals take over a person's home and use the property to facilitate exploitation which can involve dealing, storing or taking illicit drugs. The person whose home is taken over is often vulnerable, with complex needs. The police have suggested that the number of train lines radiating out from London into the district appears to be leading to a comparatively high concentration of 'cuckooing' in East Herts.

Closure Orders, prohibiting access to a home, are typically put in place when dealing with this issue. This approach, however, can result in homelessness for the legitimate tenant of the property.

Learning from providing accommodation for people with complex needs

The number of households in temporary accommodation remains high largely as a result of an increase in homelessness approaches from single person households with complex needs. This includes those with mental health problems and/or alcohol and drug misuse issues, and those who have reverted to sleeping rough. The following statistics show an increase among households presenting as homeless or threatened with homelessness for reasons most closely related to those with complex needs.

Recent experience of managing temporary accommodation projects for single person households in East Herts has demonstrated the need for housing schemes with a high level of support for the most vulnerable. East Herts Council is working with partner organisations to examine the possibility of a supported housing scheme with a number of stages: initial support, intensive support, transitional support, step down and move on.

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Domestic abuse

Table 14 shows the increase in the number of households presenting as homeless or threatened with homelessness for reasons of domestic violence over the last 18 months.

Table 14: Number of households presenting as homeless or threatened with homelessness for reason of domestic violence

Quarter	Number of households
April to June 2020	4
July to Sept 2020	19
Oct to Dec 2020	18
Jan to Mar 2021	16
April to June 2021	28
July to Sept 2021	31

Source: East Herts Council

Since 2019, the council has commissioned the Survivors Against Domestic Abuse (SADA) team based within Stevenage Borough Council to provide support and advice to victims and survivors of domestic abuse, and children living with domestic abuse. This includes providing help with housing and tenancy issues.

Over the last 12 months, 57 households have been referred to SADA for assistance and support.

The Domestic Abuse Act 2021 formalises the need for Hertfordshire County Council to provide accommodation based support to victims of domestic abuse and their children in refuges and other safe housing.

The Hertfordshire Domestic Abuse Partnership has produced its Domestic Violence Strategy for 2021 to 2025. It contains the following strategic priorities:

- act before harm
- identify and stop harm
- increase safety for those at risk
- support after harm.

The strategy also seeks *'to ensure that all victims of domestic abuse have access to high quality safe accommodation pathways and support, including support to remain in their own home if it is safe to do so and if they choose to do so'.*

Detailed actions for each of the four priorities will be published in early 2022. East Herts Council will be part of the Domestic Abuse Partnership Board which will be

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responsible for operational delivery through an annually updated action plan.

As well as accessing services via SADA, the council works with the Future Living charity in Hertford which provide counselling and support to those experiencing or having experienced domestic abuse.

Learning disability

The council works closely with Hertfordshire County Council to research housing needs and solutions for residents with learning disabilities. Work to date has identified:

- there has been an increase in the population identified as living with learning disabilities in Hertfordshire since 2016. This is due partly to the introduction of Learning Disability registers in GP practices, so more people are being identified as having a learning disability.
- the degree to which people are returning to Hertfordshire having previously been accommodated out-of-county is increasing. This is largely due to the Transforming Care programme introduced nationally in 2015 to reduce hospitalisation of individuals with learning disabilities and accommodate them closer to home
- in East Herts, those with learning disability in most need of housing options are typically young adults
- there is an expectation that people with low levels of learning disabilities should be able to live in the community on a relatively independent basis and indeed people with learning disabilities are clear that they want their own independent home as shared housing is no longer so popular
- some supported housing schemes are no longer fit-for-purpose, particularly as they often don't provide self-contained accommodation
- there is interest among some clients and their families in the possibility of shared ownership.

Physical disability

Hertfordshire County Council is leading work on producing a new accommodation strategy for adults with physical disabilities. This is in recognition of the fact that some districts in Hertfordshire no longer have the right type and quality of supported accommodation, and that new housing solutions and different types of accommodation are required. The Covid pandemic has also identified gaps

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in provision. East Herts Council is working with the County Council on this important matter.

The far-reaching research is covering:

- needs assessments for different types of housing and locations that meets the needs of service users who are disabled
- identification of land and other resources to promote development for people with disabilities. Of note, this element of the work includes those with mental health, learning disabilities or other complex needs who are able to live in the community
- the production of demographic and demand evidence to inform Section 106 planning obligations, housing market assessments and planning documents produced by each district council in Hertfordshire
- the undertaking of market engagement with the aim of bringing forward a pipeline of new and refurbished accommodation that is fit for current and future clients.

The council provides Disabled Facilities Grants (DFGs) via the Hertfordshire Home Improvement Agency (HHIA). The two registered providers who received the council's stock, Network Homes and Clarion Housing, also contribute to the costs of adaptations for disabled people.

Since April 2018, at which point the HHIA took over the management of DFGs, a total of 239 Disabled Facilities Grants have been awarded to East Herts residents, 150 aged 65 year or over and 89 aged under 65 years. The most common adaptations installed through Disabled Facilities Grants have been stair lifts, level access showers, extensions, and other bathroom adaptations. The tenures of homes in which Disabled Facilities Grants have enabled accessibility measures to be installed are shown in Table 15.

In addition, East Herts Council is committed to working with registered providers to encourage and enable them to make the best use of their existing stock so as to meet the needs of disabled people.

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Table 15: Tenure of homes in which Disabled Facilities Grants have enabled accessibility measures to be installed, 2018 to 2021

Tenure	Persons aged under 65 years		Persons aged 65 years and over	
Owned	38	42.7%	106	70.7%
Social housing	47	52.8%	29	19.3%
Private rented	1	1.1%	10	6.7%
Tenure not recorded	3	3.4%	5	3.3%
Total	89	100%	150	100%

Source: Hertfordshire Home Improvement Agency and East Herts Council

Gypsies, travellers and travelling show people

The East Herts District Plan 2018 to 2033 identified that an additional two pitches would be required up to 2022, with a further three required between 2022 and 2027. The District Plan identifies six sites within the district which are deemed suitable for the location of extra pitches.

In 2022, East Herts Council will be commissioning an assessment of the accommodation needs of gypsies and travellers and travelling show people in East Herts. Recommendations regarding planning for this client group will be made on the basis of this study.

Objectives arising from the evidence

The evidence discussed in the chapter suggests that in order to address the strategic priority to **enable a wider range of accommodation and support for our most vulnerable residents**, the following objectives should apply for the coming five years, to:

- work collaboratively with partners to maximise housing and support options for rough sleepers
- explore the provision of supported accommodation for single people with complex needs
- further develop services for households affected by domestic abuse
- work with Hertfordshire County Council (HCC) on the provision of housing for adults with learning and/or physical disabilities.

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4.3 Strategic priority 3: Enable high quality housing options for older people, better suited to their needs

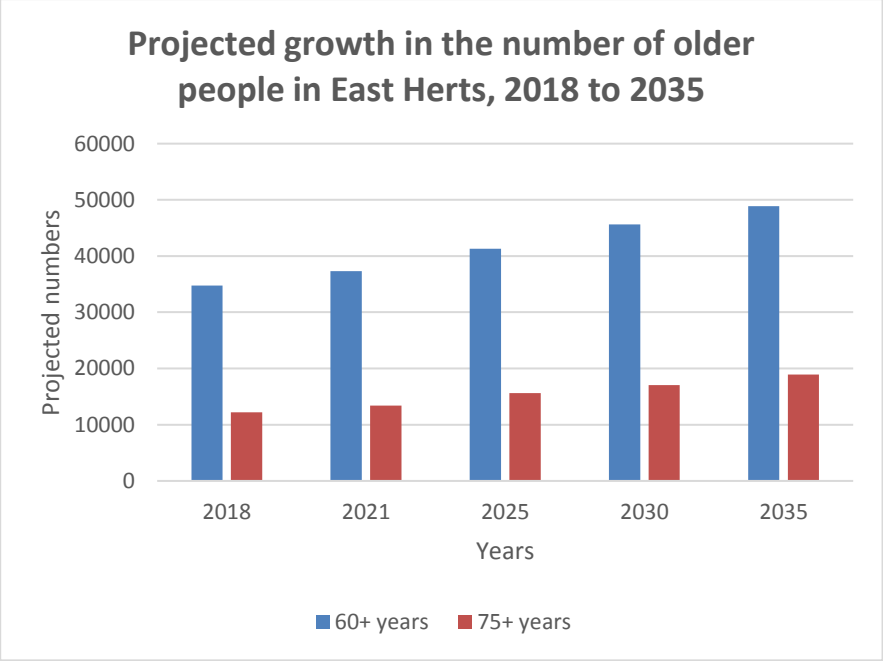
The evidence used to inform the discussion in this section has been gathered from the following sources:

- Office for National Statistics – population projections.
- Census 2011
- HousingCare.org – housing schemes for older people in East Herts
- Report on Under-occupation in East Herts – a review of the issues, challenges and possible solutions.

Growing older population

East Herts' population grew by 8.8% from March 2011 to June 2019 *(Source: Census 2011 and Office for National Statistics mid-year population estimates by age).* Over the same period, however, the growth in the number of people aged 60 and over living in the district was estimated to have grown by some 20.6%.

In the next few years, East Herts will see a significant increase in the number of over 60s and particularly over 75s.



Source: Office for National Statistics, population projections

It is therefore essential that the council addresses the housing and health of this part of our population to assist older people live fully independent lives for as long as possible.

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The council has a key role to play in working with housing providers and the commissioners of services, notably Hertfordshire County Council, to achieve this by enabling the right mix of housing and communities. Such work will include:

- extra care facilities
- high quality options for older people wishing to downsize from under-occupation notably in the social rent sector and among owner-occupiers with relatively limited equity in their property
- dementia-friendly schemes
- increasing use of a wide-range of digital and non-digital assistive technologies.

There is also clear evidence of need for more housing which can be adapted as people's needs change, including Lifetime Homes and fully wheelchair-accessible housing. Such housing allows people to remain living independently in their own home as they age and become less mobile.

Building more purpose-built older people's accommodation to 'Age Friendly' neighbourhood principles will also help to combat loneliness and prevent slips, trips and falls, especially if homes are step-free and in accessible locations close to existing communities.

Housing and dementia

With a growing older population and predicted rise in diagnosis rates of dementia, the council needs to continue developing positive interventions to support those affected.

The council is proud to have been accredited by the Alzheimer's Association as a Dementia Friendly organisation and we devote much time and effort to furthering understanding of dementia among our partners and residents.

There is a need for extra care schemes and other forms of housing to be developed to meet the needs of those with dementia.

Existing accommodation for older people in East Hertfordshire

Accommodation specifically designed and provided for older people in East Herts consists of six care homes, 11 care homes with nursing and 46 schemes of self-contained

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accommodation of which 31 are owned and managed by registered providers as affordable housing.

Data held by the council on the allocation of existing affordable housing for older people indicates that housing schemes built in the 1960s and 1970s are becoming increasingly difficult to let, as they no longer meet modern day needs and expectations, particularly in terms of size and layout.

Under-occupation

The Census 2011 showed a high rate of under-occupation in East Herts among older age groups in terms of the number of bedrooms.

Table 16: Under-occupation in East Herts

	Under-occupation by one bedroom	**Under-occupation by two or more bedrooms**
Age of head of household		
Household head aged 50 to 64 years	29.7%	53.6%
Household head aged 65+ years	27.0%	59.2%
Tenure		
Owner-occupation (owned outright, owned with a mortgage and shared ownership)	34.8%	49.8%
Social rent	25.9%	11.0%
Private rent	36.9%	15.3%

Source: Census 2011

Research by East Herts Council has shown that providing downsizing options for older households who wish to move to a small home requires consideration of a wide range of factors, notably:

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- the need for attractive and accessible smaller homes in the right locations
- financial incentives including help with, say, moving costs and decoration vouchers
- help with the moving process.

For some under-occupying owner-occupiers, the cost of a new, more suitable home, coupled with moving costs, outweighs the equity in their current home. A possible solution to this is Older Persons Shared Ownership, which enables households in relatively low value properties and/or with mortgages to pay off to move to a new home. Under this scheme a householder purchases just 75% of the home's value, with the remaining share retained by the property's owner, typically a registered provider or a local authority. The holder of the equity share would receive this as part of the Section 106 planning agreement. The purchaser is not typically required to pay rent on the unsold equity.

In December 2021, a total of 18 households headed by a person aged 60+ and currently renting their home in the social housing sector were registered with the council as they wish to move to a smaller property.

Developing new accommodation for older people

The council has worked collaboratively with Hertfordshire County Council (HCC) on the County Council's strategy regarding housing for older people.

The key elements of this work are:

- a long-term programme to support people in communities (across Hertfordshire)
- bringing forward accommodation options which result in a decreasing reliance on nursing homes and residential care, for example, by increasing the provision of extra care housing
- enabling older people to access supported housing schemes in their own community where they can retain their support networks
- maximising the extent to which housing is future-proofed to meet the needs of people with dementia and/or mobility impairments.

The council has participated in work led by Hertfordshire County Council to produce design guidance relating to housing for older people.

East Herts is currently undertaking the following:

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- devising plans, in partnership with Hertfordshire County Council, for additional extra care provision in the district
- exploring options to develop older persons' accommodation in the vicinity of existing extra care schemes to create a form of 'active older persons' villages' which provide a range of housing options for older people who wish to move to smaller accommodation.

Objectives arising from the evidence

The evidence discussed in the chapter suggests that in order to address the strategic priority to **enable high quality housing options for older people, better suited to their needs**, the following objectives should apply for the coming five years, to:

- explore and keep under review the changing needs and aspirations of the older population in the district
- work with partners to bring forward high quality downsizing options
- work with Hertfordshire County Council and other partners on expanding the range of housing options for older residents
- work with Hertfordshire County Council and other partners to explore housing options that address the needs and aspirations of people with dementia and their families.

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4.4 Strategic priority 4: Improve the sustainability and quality of homes

The evidence used to inform the discussion in this section has been gathered from the following sources:

- Department for Levelling Up, Homes and Communities: registrations of Energy Performance Certificates in East Herts
- Department for Levelling Up, Homes and Communities: Vacant Homes by local authority area.
- Office for National Statistics' population projections
- East Herts Council Sustainability Supplementary Planning Document (SPD), March 2021
- East Herts Council District Plan 2018
- East Herts Council – council tax data

National policy on sustainable housing

In October 2019, the government published its *Heat and Buildings Strategy*. The strategy states the following:

- the target will be for zero carbon emissions to be reached by 2050
- the installation of new natural gas boilers will be phased out from 2035, and there will be no more fossil fuel heating systems installed in homes not connected to the gas grid from 2026
- future mainstream means of heating homes are likely to include ground and air source heat pumps and the use of hydrogen.

East Herts Council will continue to monitor closely all new initiatives for introducing new sustainable heating methods.

Sustainability at the heart of everything we do

In July 2019, East Herts Council unanimously approved the adoption of a Climate Change Motion which committed the council to, among other things:

- supporting the whole of East Herts District to become carbon neutral by 2030 and
- take actions so that the council itself becomes carbon neutral by 2030.

To this end, the council has established an ambitious Sustainability Action Plan which is a living document while

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also establishing and servicing an East Herts Climate Change and Environmental Forum.

The East Herts District Plan 2018 contains a section on Climate Change which includes:

- recommendations on how homes in the district should be adapted to meet the challenges of a changing climate
- details of the mitigation measures will be undertaken to reduce carbon emissions
- guidelines on how the council will assess and permit the development of sources of renewable energy generation.

Domestic properties' contribution to overall levels of CO_2 emissions

We know that domestic properties in East Herts contribute some 15% of the total CO_2 equivalent emissions of 674,000 tonnes in 2019-2020. Clearly, residential properties are a significant source of greenhouse gases and work to reduce these emissions will make a major contribution to local and national emission reduction targets.

A SAP (Standard Assessment Procedure) rating is the calculation that is required to predict the level of energy efficiency in a home. A SAP calculation indicates a score from 1 to 100 for the annual energy cost of a property, based on a number of aspects of the property. An Energy Performance Certificate (EPC) shows the SAP rating for a property. There are seven bands of energy efficiency, and an Energy Performance Certificate shows the band into which a property falls. Band A is the most energy efficient and band G is the least energy efficient. Of note:

- from April 2018, the Domestic Private Rented Sector Minimum Energy Efficiency Standard regulations banned private landlords from letting properties with an F or G rating
- in December 2020, the Clean Growth Strategy set a target for social housing providers to attain a minimum rating of EPC C for their rented stock by 2035 (2030 for "fuel poor" households).

The graph shows the percentage of Energy Performance Certificates registered for homes in East Herts between 2009 and 2021, grouping together A, B and C ratings and D, E, F and G ratings. There has been a steady increase in

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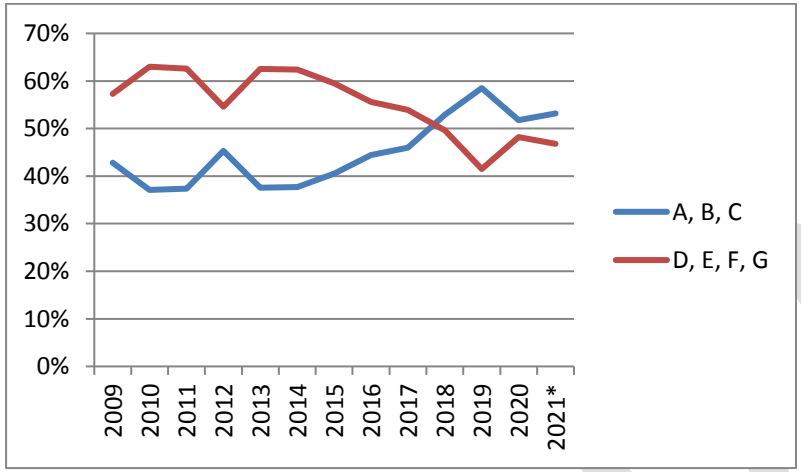
ratings indicating a gradual improvement in domestic energy efficiency over the last 12 years

EPC ratings in East Herts – 2009 to 2021



* First three quarters of 2021

Source: DLUHC, Live tables on EPC registrations.

Reducing emissions from social housing

East Herts Council works closely with its registered provider partners to monitor their energy efficiency programmes which cover their properties in the district.

Registered housing providers can apply to the government's Social Housing Decarbonisation Fund to support the installation of energy performance measures in social housing. In addition, a national review of the Decent Homes standard for social housing is taking place between autumn 2021 and summer 2022. This will contain further recommendations on improving the energy efficiency of social housing.

Reducing emissions from private sector homes

In 2017 the Building Research Establishment carried out research in East Herts to produce dwelling-level housing stock modelling on stock condition.

The research findings included:

- 23% of private sector homes had uninsulated cavity walls and 13% had inadequate loft insulation
- the SAP (Standard Assessment Procedure) rating used to estimate energy efficiency in a home records an average rating of 58 (EPC Band D) for East Herts within the spectrum of 1-100 which indicates a medium average energy efficiency rating. This is comparable to the average for England (57) and the East of England region (57).

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The council's newly revamped Private Sector Housing Assistance Policy makes provision for tackling poor insulation and conditions, most notably by offering:

- energy efficiency grants
- home insulation grants
- loans for Decent Homes works criteria.

East Herts Council will monitor the availability of government initiatives which could be used to increase energy efficiency in the district. The government's Local Authority Delivery (LAD) scheme aims to raise the energy efficiency of low EPC rated homes (those rated at E, F or G), deliver progress towards reducing fuel poverty, phase out high carbon fossil fuel heating, and deliver progress towards the UK's commitment to net zero carbon emissions by 2050. East Herts Council has worked in partnership with Warmworks to introduce a new scheme using LAD funding. The scheme will offer assistance in the installation of energy efficiency measures to households whose homes have a D, E, F or G rating and whose annual household income is less than £30,000.

Energy efficiency of new build housing

The council adopted a comprehensive Sustainability Supplementary Planning Document (SPD) in March 2021 which sets out in considerable detail the expectations the council has of developers when they are seeking to make planning applications which are compliant with the energy efficiency and sustainability policies in the District Plan (the council's statutory local plan).

The SPD focuses on meeting the needs of the present without compromising the ability of future generations to meet their needs. High quality sustainable developments require adopting a holistic approach to environmental, social and economic sustainability. The SPD focuses on the environmental dimensions of sustainability.

The SPD points out that one key means of reducing the carbon emissions of buildings is minimising the carbon locked in construction materials, known as embodied energy. The council's District Plan requires, where possible, the reduction of energy embodied in materials through re-use and recycling and the use of sustainable sources and local sourcing. Consideration of embodied carbon will

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become increasingly important as society transitions to a low and indeed zero carbon society.

When sourcing materials for a development, developers should consider the following principles for improving the environmental performance of materials that should be used:

- environmental impact – use of materials that have low embodied energy, for example lime based products or timber, which have been manufactured through processes with low consumption of energy
- responsible sourcing – use of materials from sustainably managed sources
- re-use of materials – re-using materials from the development site and reclaimed or recycled materials for a range of uses
- transport – use of local materials to reduce transportation costs.

Consequently, the greatest opportunity for impact on embodied carbon comes at the design stage, in particular in the building structure.

The SPD goes on to describe in detail how new development can reduce the sustainable impact of building throughout their lifetime, notably regarding:

- energy use and carbon reduction
- adaptation to climate change
- water efficiency
- air and light pollution
- biodiversity
- sustainable transport
- waste management.

The SPD requires developers to explain how they are addressing each of these points.

It is recognised that the Environment Bill currently being considered by Parliament is likely, among other measures, to enshrine in law the need for developments to deliver a biodiversity net gain. The council, as necessary, will provide further guidance in light of the Bill being enacted.

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Energy efficient homes and Passivhaus

East Herts Council wishes to promote housing schemes built to a high energy efficiency standard such as the Passivhaus model. There are five principles to the Passivhaus model:

- a superinsulated envelope to the home
- airtight construction
- high performance glazing
- thermal-bridge-free detailing
- heat recovery ventilation.

The airtight fabric of the building would allow a home to be heated "passively" by the sun, internal heat sources and heat recovery systems. Conventional heating systems would be rendered unnecessary, even in very cold weather.

Passivhaus has been popular in Germany and Scandinavia, however, building experts have expressed concern that the following may hinder widespread development in the United Kingdom: different construction skills, a lower level of understanding of building fabric performance, and a lack of legislative pressure, financial incentives and client demand. The council does not see these as prohibitive barriers. We wish to see the rate of delivery of such homes accelerated.

Housing Standards

Since 2000, the Decent Homes Standard has been the target which all homes in the social housing sector must reach. Under the standard, all homes must:

- meet all the latest statutory minimum standards for housing
- be in a good state of repair
- be fitted with an acceptable range of modern facilities and services.

The government is producing a refreshed Decent Homes Standard. A review of the standard will conclude in summer 2022.

The conditions of privately owned housing are regulated by the following:

- the Housing Health and Safety Rating system which identifies a total of 29 hazards in the home
- the Fit for Habitation Act 2019 which defines the minimum standards for rented properties

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- electrical and gas safety regulations
- the Minimum Energy Efficiency Standards (MEES) for the private rented sector, under which a property for rent must have a minimum level of energy efficiency
- the Housing Act 2004 (updated 2018) governing the conditions in houses in multiple occupation (HMOs), including regulations under which an HMO must be licensed by a local authority.

In 2017, the Building Research Establishment carried out research into the condition of privately owned housing in East Herts. Its principal findings were:

- 15% of owner-occupied properties contained a hazard deemed to be category one (the most serious) under Housing Health and Safety Rating System
- 14% of properties in the private rented sector contained a hazard deemed to be category one under the Housing Health and Safety Rating system
- 26% of privately owned housing had un-insulated cavity walls, making the home less energy efficient
- 834 houses were in multiple occupation in the district, of which 168 were licensable under the new definition introduced in October 2018.

Private rented sector standards

The size of the private rented sector in East Herts more than doubled between April 2001 and March 2011, from 3,578 homes (6.9% of the total housing stock) to 7,446 homes (13.2% of the total housing stock). It is expected that the Census 2021 results will show further growth in the size and percentage of this tenure.

The council therefore has a keen interest in maximising the standard of these properties and the quality of their management.

Support, advice and enforcement work to maximise the quality of private rented sector homes is carried out by the East Herts Council Environmental Health Team. Between April 2018 and March 2021 a total of 64 houses in multiple occupation in East Herts were inspected and a total of 74 were licensed (although the Covid19 pandemic did limit the inspection programme in 2020-2021).

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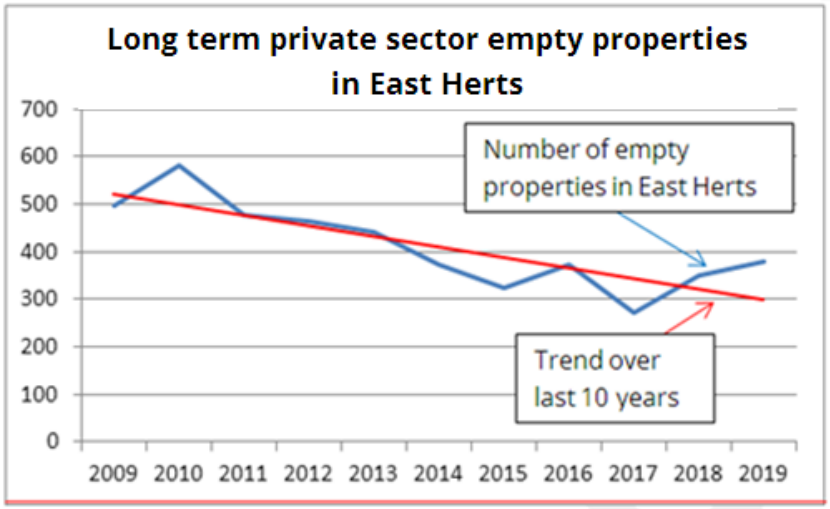
Empty homes

East Herts Council recognises that empty homes are a wasted resource when housing need is so high while at the same time can be a cause of blight in neighbourhoods.

Government statistics record the number of homes in a local authority which are deemed to be 'long term empty', that is, they have been unoccupied and substantially unfurnished for at least six months and not subject to an exemption.



Note: Calculated from all tenure figure minus registered providers' homes which are not available for letting

Source: Department of Levelling Up, Housing & Communities

The graph indicates a steady downward trend in the number of long term empty properties in East Herts over the last ten years, although there has been an increase again more recently.

Since April 2013, local authorities have been permitted to add a council tax premium to properties which have been empty for *two years or more*. It should be noted that properties empty for six months to two years, while counted as 'long term empties' in the official statistics, cannot attract a council tax premium.

East Herts Council first introduced a premium, of 50% on top of the full council tax due, in April 2017. The graph would suggest, however, that this did not have an impact in bringing empty homes back into use.

Subsequently, in April 2020 the council raised the empty property premium to 100% thus doubling the council tax payable on long term empties. Then, from April 2021, the rates were further amended. Table 17 gives the latest rates and numbers of homes empty for two or more years.

Table 17: Number of homes empty 2+ years and resultant council tax premiums		
Period empty	**Number of empty homes**	**Council tax premium at April 2021 (on top of standard council tax)**
2 – 5 years	100	100%
6 – 10 years	45	200%
10 – 20 years	12	300%
20+ years	10	300%

Source: East Herts Council

As yet, it is too early to fully gauge the impact of these amendments, but it is hoped that these significant uplifts in the amount of council tax payable will prove an incentive for owners to finally bring their properties back into use, especially when combined with advice by the council and signposting to grants and loans.

On occasion, the council can access funds to enable direct action including, for example, the compulsory purchase of an empty property for onward sale. Direct intervention, however, is an action of last resort given the time and resources on the council to achieve this. The council tax premium is the main part of East Herts Council's policy toward long-term empty homes.

Of note, in December 2021 there were 117 properties in East Herts classified as second homes or holiday homes, that is, furnished properties which are not the owner's main or sole residence. Unlike in some parts of the country, the scale of second homes is not considered, at less than 0.2% of all properties, to be unduly skewing the local market and thus meriting specific interventions.

Objectives arising from the evidence

The evidence discussed in the chapter suggests that in order to address the strategic priority to **improve the sustainability and quality of homes**, the following objectives should apply for the coming five years, to:

- promote maintenance, insulation and energy efficiency of homes in all tenures
- promote sustainable construction of new homes
- promote good quality accommodation and standards of management in the private rented sector
- encourage owners to bring their empty homes back into use.

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Chapter 5: Monitoring delivery of the Housing Strategy

This strategy has set out a series of wide-ranging priorities based on an analysis of the evidence available and views of our partners which in turn have suggested more detailed objectives that need to be addressed.

To ensure this strategy informs the work of the council and our partners, we will draw up detailed action plans for each of the objectives and these will be reviewed regularly to ensure they remain relevant to the objectives outlined. Delivery of the detailed action plans will be closely monitored and progress published.

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East Herts Council Report

Executive

Date of meeting:	8 February 2022
Report by:	Councillor Eric Buckmaster –Executive Member for Wellbeing
Report title:	Parks and Open Spaces Strategy – 2022-27
Ward(s) affected:	All

Summary – This strategy replaces the outgoing Parks and Open Spaces Strategy and draws from previous parks improvements to outline the Council's commitment to parks and opens spaces. It also sets out key areas of focus for the next five years.

RECOMMENDATIONS FOR EXECUTIVE

a) **Consider the comments from Overview & Scrutiny Committee, as shown at Appendix 4, and endorse the recommended actions shown.**

b) **Endorse the draft Parks & Open Spaces Strategy, as amended by Recommendation (a), and recommend it to Council for approval.**

1.0 Proposal(s)

1.1 To review the updated parks and open spaces strategy following the online consultation with the public and Members. The strategy has been reviewed and amended to reflect feedback which represents the wider views of our customers.

1.2 To note the accompanying set of Operating Policies and Guidance which underpin that strategy and day to day operation. There were no concerns raised regarding these in the consultation.

2.0 Background

2.1 The outgoing strategy was intended to cover the period 2013 to 2018 and so is overdue for replacement; other projects were prioritised such as contract re-tendering then the pandemic presented further challenges.

2.2 A new approach to the purpose and delivery of this strategy was conceived. This was outlined in a PowerPoint presentation to key stakeholder groups prior to public consultation going live.

2.3 This new strategy reflects on the excellent improvements already achieved to our parks and focusses on key priorities for all our green spaces and how the Council intend to deliver them.

2.4 The draft document was launched for consultation during Love Parks Week at the end of July 2021 during which our Friends Groups traditionally help us to deliver some park events. This year the events were primarily online and presented a good opportunity to introduce residents to the new strategy.

2.5 The strategy is designed to consider management of the Council's own parks and open spaces. The management of new open spaces through new developments across the district is dealt with as part of planning policy.

2.6 The report was considered by Overview & Scrutiny Committee at its meeting on 18 January 2022. Comments and recommended actions are shown at Appendix 4.

3.0 Overview of the new strategy

3.1 Parks are crucial places for residents and visitors to relax, play and keep fit, supporting our health and wellbeing, no better emphasised than through the pandemic experience. We offer to ensure they remain fit for purpose; have good access, are clean and welcoming and that we continue positive engagement with users.

3.2 The strategy has been kept purposefully brief focussing on key outcomes. It is presented as an online document introduced by a video that showcases our wide variety of parks.

3.3 We will improve communication of our service through improved Frequently Asked Questions that work toward our customer self-serve initiatives. Our Operating Policies and Guidance set the basis to these answer (See Appendix 2).

3.4 The strategy explores sustainability providing opportunity for the council to improve biodiversity; tree planting where there is still space to do so, good woodland and riverine management, creating new habitats with long grass areas and meadows. We emphasise that the Council has invested in a wide range of improvements over the years and remains committed to our parks.

3.5 The strategy explores how to supplement our core funding by continuing to secure grant funding, looking at alternative delivery models and by commercialising more; hiring spaces out and developing funding streams such as tendering contracts for food vending pitches.

3.6 The strategy is summarised by an acronym; ACE which sets out three core aims:

Attractive & Accessible

Promoting equality and access for all. We will:

- provide access to more information about our parks and open spaces
- ensure our parks and open spaces are clean and welcoming with appropriate infrastructure to rest and move around them safely
- review our litter and dog waste provisions
- ensure we protect our natural assets- biodiversity and sustainability

Commercial

Finding ways to keep our parks financially sustainable, we will:

- work with local providers to secure income through hiring out our open spaces for vending, physical activity and events
- maximise the use of our open spaces to commercial providers to generate income
- source external funding to enhance our parks and open spaces
- manage the grounds maintenance contract efficiently and grow its capacity to deliver improvements

- seek further opportunities to engage the community in crowd funding for specific site improvement projects

Environmental and Engaged

Looking to our residents, we will:

- act upon recommendations from an independent audit of our parks that finds opportunities to improve habitats and increase biodiversity
- plant trees effectively informed by inspection data and the habitat audit
- identify locations within residential areas on Council owned land where tree planting can be increased
- develop a scheme to offer residents the opportunity to fund the planting of a tree in predetermined locations informed by the two previous initiatives
- develop verge/pollinator/wildflower initiatives
- provide electric hook up points that ice cream vans can plug into in our parks, providing ice creams without noise and air pollution
- communicate with our customers effectively and promote positive messages
- continue to commit to events such as love parks week
- work with providers to promote activity in our parks and open space which support health and well being
- continue to support our Friends of Parks groups to
    - help us improve and develop our parks
    - provide opportunities for residents to socialise, keep fit and look after their health and wellbeing
    - contribute actively to the maintenance of our parks
    - engage with visitors positively on our behalf and help us to monitor

- find ways to support smaller groups of volunteers where there may not be sufficient activity to create a fully-fledged Friends Group
- welcome community groups and organisations to support our objectives
- Secure economic vibrancy in our parks by increasing footfall and engendering a sense of ownership

A full version of the document can be found in Appendix 1. This version has been updated following feedback received through the consultation.

4.0 Reason(s)

4.1 The Council owns and manages over 120 open spaces including 45 significant parks. Updating the strategy provides an opportunity to share the Council's direction of travel in this high profile area of service.

4.2 The parks and open spaces owned and managed by the Council contribute toward the delivery of corporate objectives as explored in the strategy.

5.0 Options

5.1 The Council could decide not to adopt a new strategy, however given the significant parks and open spaces infrastructure within the authority ownership it would be prudent to determine key priorities moving forward in line with the Council's overarching priorities.

6.0 Risks

6.1 This strategy does not commit the Council to any greater resource level than is currently available.

7.0 Implications/Consultations

7.1 The eight week consultation process finds that the strategy is largely accepted by consultees. We received 179 responses to the online questionnaire. 79% of these consultees agreed with the strategy vision that "our Parks and Open Spaces are highly valued by residents and used more and more to promote health and wellbeing and our sustainability ambitions."

- 95% either agreed or strongly agreed with our core aim 1, Attractive & Accessible
- 63% either agreed or strongly agreed with our core aim 2, Commercial
- 86% either agreed or strongly agreed with our core aim 3, Engaged

7.2 The consultation asked what is important to our customers. Starting with a suggested list found the three most important things that people believe parks should offer:

Habitats for wildlife	61%
Places to walk	45%
Opportunities for play	43%
Accessible to all	36%
Somewhere to relax	30%
Woodlands	23%
Places to take dogs	22%
Rivers / lakes / ponds	21%
Meadowland	19%

Places to sit	18%
Opportunities to keep fit	16%
Somewhere to socialise	14%
Opportunities to volunteer	7%

7.3 A small number of other things were suggested by consultees under this section including cycling, events, affordable parking, toilets and safety.

7.4 The consultation asked "what is the one most crucial thing we should focus on to meet our customers' needs in our parks and open spaces". From a suggested list the three most chosen things were Biodiversity (25%), Cleanliness (21%) and Safety (16%). Less chosen options were Attractiveness (9%), Health & Wellbeing (6%) and Accessibility (6%). Other choices ranging from 5% to 1% were Quality, Welcoming, Financial Sustainability, Information and Public Engagement.

7.5 65% of consultees agreed that all the key aspects of parks & open space development are covered in the strategy.

7.6 The questionnaire invited additional written feedback (from 94 consultees containing 154 separate comments) containing some concerns which are summarised here:

- There is too much emphasis on commercialism. 5% of the comments expressed that there should be no commercialisation and another 4% asked that we retain some balance by ensuring this does not impact upon the peacefulness of some parks or make them less accessible. Whilst this is an understandable concern, the strategy does not propose any initiatives that would harm the character or function of our parks. Whilst some may prefer our parks to be funded without the need to

generate some income, the Council must manage expectations by emphasising the financial constraints. The updated strategy attempts to soften some of the focus of commercialism following feedback.

- 3% of the comments expressed there should be no food vending, 1comment expressed there should be more, 1 cautioned about affordability for some residents; potentially making it harder to bring children to a park where food vending is present. There was a request that ice cream vans are only accepted where they have adapted from diesel to electric generators.
- The document will be revised to emphasise that initiatives will consider these concerns and that the food vending tender will have a target period within which successful vendors should adapt to this requirement. The Council will install power points on sites where this is feasible.
- Physical access was noted as a priority as we develop our open spaces. The feedback mentioned better access for cyclists as well as specific points including disabled visitors and interventions to improve wet weather access. Attention to footpath maintenance was also raised. These will be picked up in our individual greenspace action plans as these are continually revised.
- 3% emphasised that toilets should be provided in larger parks. The Council determined through its Community Toilet Scheme that toilets would not be provided directly by the Council. Two of our major parks provide access to toilets in our leisure centres, Hartham and Grange Paddocks. The former is located in the pavilion directly

adjacent to the busiest area of the park; the young children's play space.

- 11% of the comments expressed that the strategy should make more commitment to biodiversity and improving the environmental sustainability of our open spaces such as more planting including memorial trees and opportunities to develop effective verge/pollinator/wildflower initiatives. One group response felt that the Council should be "actively working toward" such objectives and not "exploring a way to deliver" them.

7.7 The document has been revised to express greater commitment to this area fitting more with the Council's strategic aim to keep: "sustainability at the heart of everything we do". The core aims; ACE have been updated to include Engaged whilst considering the Environment. The Council is already working with the County Council to identify highway verges that can be cut less frequently under the agency agreement and we have commissioned the Countryside Management Service to conduct an audit of our open spaces to identify further areas of potential improvement such as planting trees, creating meadows and reviewing the management of grass and hedges. Our tree risk inspection consultant has been asked to include an assessment of opportunities to replace trees that have been lost where we have not already done so.

- A wide range of other singular comments were received ranging from support for wellbeing initiatives, hiring out e-bikes and scooters, more parking, more focus on provisions for girls and more emphasis on woodland and hedge habitats. We will consider these other comments

as we continue to develop our individual greenspace action plans.

- Another group consultee provided detailed comments outlining a request for more definition between previous successful projects and ideas for new initiatives and greater detail of how these are to be achieved. The document will be modified to offer further clarity between past and present. This concise and aspirational strategy offers some commitment to further improvements but it is not designed to be a detailed action plan. Our ongoing greenspace action plans provide the detail of our intended improvements and will continue to be guided by this strategy.

Community Safety

- 2% of comments asked the Council to commit more resource to anti-social behaviour in our open spaces.

We support the police through our Community Wellbeing & Partnerships team as they deal with anti-social behaviour. The Council is committed to protecting our open spaces and we will emphasise this in our revised document. We will consider how we might find further resource within the wider public facing activities that the Council offer to encourage greater engagement on our smaller spaces. Increased littering as a form of anti-social behaviour was raised as an issue. Our contractor has been adjusting their working methods to optimise their effectiveness and our litter bins are already under review as part of the Council's savings commitments this year.

Data Protection
No

Equalities
Yes – an equalities impact assessment was undertaken. No issues have been raised through the consultation process.

Environmental Sustainability
Yes – forms a large aspect of the strategy

Financial
Yes – commercial approach considered as part of the strategy

Health and Safety
No

Human Resources
No

Human Rights
No

Legal
No

Specific Wards
No

8.0 Background papers, appendices and other relevant material

Appendix A: Parks & Open Spaces Strategy – 2022-27, Final Draft

Appendix B: Operating Policies and Guidance

Appendix C: Equality Impact Analysis

Appendix D: Comments from the Overview and Scrutiny Committee

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Parks & Open Spaces Strategy – 2022 – 2027

Executive Foreword

Parks provide a vital opportunity for our residents to enjoy the outdoors. Green spaces are central to the council's vision of offering health and wellbeing to all. They provide a calm environment for all generations to relax and exercise. Sustainable habitats provide an abundance of wildlife. The Council works closely with some energetic and dedicated volunteers in Friends Groups across the district and we are proud of the great contribution they make. Over many years we have committed to our vision to develop our parks to a high standard and have made some considerable achievements; great opportunities for sport and leisure at Hartham Common, majestic and historic landscapes at Pishiobury Park and natural environments at Southern Country Park. We have some first class play areas which are regularly reviewed and updated. We will continue to keep parks in the forefront of our minds, reflecting on their considerable contribution to helping us through some difficult times during the Covid epidemic and through our response to managing the impacts of climate change.

This strategy will operate closely alongside the Council's wider plans outlined in our corporate objectives and specifically supporting our Environmental Sustainability, Cultural Strategy and Heath & Wellbeing Strategies.

There are still some major projects to complete such as the improvements to Castle Park in Bishop's Stortford supported by the National Lottery Heritage Fund. The next five years will be committed to ensuring our parks remain fit for purpose to accommodate a higher volume of use as our District grows. We are aware of the problems that need tackling such as the increase in littering, these will be managed with a resilience to find effective and positive solutions.

The Council, like many authorities across the country, no longer receives its Revenue Support Grant from central government and therefore needs to manage its resources effectively. Our aim is to deliver cost effective services and explore inventive solutions which ensure our parks can continue to meet the needs of our communities whilst generating sustainable income.

Our Parks will be **ACE**; **Attractive & Accessible** to all, managed with a **Commercial** influence and **Engaged** with their users whilst considering the **Environment** and will continue to contribute to the wellbeing of our residents.

Cllr Eric Buckmaster

Executive Member for Wellbeing

Introduction

Our parks provide a wide range of leisure opportunities and habitats from small local play areas to wide open spaces for walking and playing sports. The following video provides a very brief insight into their diversity demonstrating why we are proud of the progress made to provide such attractive places to visit.

Figure 1 Strategy Introduction video

East Hertfordshire District Council (EHDC) has a strong history of providing high quality and well maintained parks and open spaces. Our corporate objectives over many years have recognised our green spaces as key assets able to deliver a wide range of benefits.

Our parks often form the heart of our communities. They have not stood still, we have invested and grown them to ensure they remain relevant and able to meet the wide needs of which they are capable.

Parks and Opens Spaces provide us with places to enjoy the open air, to keep fit and to play. They offer a brief escape from the hustle and bustle of normal life. There are many studies[1] that explore their benefits, demonstrating how important they are to our wellbeing from physical exercise, relaxation, play and socialising and connecting with nature.

We understand what parks can offer the community and in preparing this strategy, outline how our parks have been brought to life and maintained at a standard of which we are proud. We also look forward by setting out our key objectives and focus over the next five years to ensure our green spaces continue to thrive.

Our Vision

"***Our Parks and Open Spaces are highly valued by residents and used more and more to promote health and wellbeing and our sustainability ambitions***.

Figure 2 Southern Country Park main pond area

Reviewing our Achievements

We must take stock of our achievements to guide new directions and inform decision making.. New play areas, access enhancements and conservation initiatives have invariably been made possible through grant funding contributions, effective tendering and in-house project management.

The Council has delivered a wide range of development projects over the last eight years. These include simple refurbishment of small play areas, protecting woodlands, creating meadowland, improving access and transforming spaces.

Explored below are some key improvements in the context of our Green Space management plans recognising that facilities installed 20 years ago must be re-assessed periodically to be sure that they still meet needs. We have carried out audits that assess play value, check physical condition and monitor whether there are now better ways to deliver interesting and vibrant parks and play areas.

Our Green Space Action Plans[2] have used fundamental criteria laid out by the Green Flag Award[3] initiative to raise the standard of parks across the country We have used these for the last 20 years as a structure to guide our projects and maintenance regimes.

Projects are prioritised from the findings of audits to ensure open spaces with a lower profile are not left behind. Whilst balancing the right investment opportunities from a diverse range of contributions and the timing of projects we have created a wide network of parks and open spaces for our community.

This snapshot of development projects provides examples of work carried out under six of the key Green Flag criteria, drawing out successes that inform the direction of this new strategy.

1. A welcoming Place

Creating a space which, through its visual appearance, range of facilities, standards of maintenance and ease of access, makes people feel that they are in a cared-for place.

We have developed a new play space to welcome visitors to Hartham Common in Hertford as part of a high profile replacement project. This had been anticipated for a number of years but could not be justified until other play sites had been brought up to an acceptable standard. It was prudent to wait for an opportunity to deliver something special. Planning contributions from local developments bolstered the Council's own capital investment alongside support from the local community to crowd fund enough for a "gold standard" design.

Figure 3 Hartham Common - prior to new play area

Figure 4 Hartham Common new play area

Increased awareness of the project through working with local users in this way provided further opportunities to engage with local businesses and the media. A shared ambition with residents helped to create a design that met everybody's needs and to deal proactively with challenges along the way.

The resulting space offers an incredible range of play experiences promoting inclusivity and exceptional landscape design. It transforms what was previously a tired park entrance into an inspiring and welcoming gateway. These images from before and after show the wide range of play value that has been achieved and the space now welcomes visitors with open arms.

2. Healthy, Safe and Secure

Understanding users' needs, encouraging them to enjoy healthy activities using appropriate, safe-to-use facilities and activities, and to feel personally safe and secure.

Good access has been a key consideration in the development of many of our parks:

- Bishop's Park - new car parking and safer routes to walk
- Pishiobury Park – disabled access parking, woodland walk and boardwalk
- Southern Country Park – hard surface paths and boardwalk across lake

Trinity Close is a much smaller park in Bishop's Stortford which had a reasonably good range of play equipment but was ready for a makeover. The site had some access issues that were not going to be easy to resolve. It had previously experienced some problems with antisocial behaviour which to some extent had been resolved by clearing vegetation to increase natural surveillance from surrounding properties. When funds became available through planning contributions from an adjacent development, we were able to make best use of some additional capital investment to launch a visionary project.

Figure 5 Trinity Close new play area

This involved substantial changes to the topography of the site and considerable upheaval for the very supportive local community. The resultant play space, now with an area in which the local community will be able to hold events, and with access not seen before, has been warmly received.

The Council is committed to the health and wellbeing of its residents.

- Fitness zones at Bishop's Park
- Marked running tracks
- Active Friends Groups
    - having significant positive influence on anti-social behaviour, communication, wildlife… our eyes and ears in the park
    - community cohesion with local people working with the Council to develop parks.
    - a working presence in our parks, sharing our plans with visitors and letting us know what is important to our customer from first hand interaction on site
    - opportunities to work in teams, develop friendships and keep healthy
    - organising events for the wider community

3. Well Maintained and Clean

For aesthetic as well as health and safety reasons, issues of cleanliness and maintenance are addressed

We have developed systems of well-considered and connected maintenance. Experience learnt from delivering good quality maintenance through successive grounds maintenance contracts and investment in procurement specialists resulted in the successful re-tendering of the main contract in 2020 which now incorporates:

- Delivering a full tree maintenance service
- Working closely with our tree risk inspection management provider
- An holistic open space and play inspection and maintenance regime
- Flexible litter picking and collection services

4. Environmental Management

Ensuring the way the site is managed has a positive impact on the environment, locally and globally, both now and for the future.

Green spaces can really come alive when they have the benefit of two key ingredients; interested residents and healthy habitats.

Southern Country Park in Bishop's Stortford is a prime example of this:

Handed to Council by developers as a well maintained and tidy park but somewhat bland and sterile. We worked with local people to develop a greenspace action plan in partnership with CMS which resulted in the formation of the enthusiastic and active Friends of Southern Country Park. That management plan explored what could be done to improve the park and how residents felt about this. It created an agreed action plan of the higher priority works for a five year period. The Friends group were empowered to work with us to seek further investment and to carry out long term tasks alongside Council developed projects that progressively transformed the environment and won a Green Flag Award. These tasks included:

- Defra funded lake marginal planting
- Environment Agency funded fishing platforms
- Boardwalk across pond gabions to improve access and safety funded through planning contributions
- woodland thinning
- tree planting
- hedge laying
- pond restoration
- managing fish stock

Figure 6 Southern Country Park Friends group

Transformed habitats across the park created a more diverse and abundant wildlife, this in turn encourages even more reason to protect and improve.

5. Biodiversity, Landscape and Heritage

Attention to the appropriate management and conservation of natural features, wildlife and flora; landscape features; and buildings and structures.

Pishiobury Park in Sawbridgeworth had a similar trajectory:

Early intervention by the Council to invest in a Historical Landscape Character Assessment of the park, informed the first greenspace action plan.

Support from local people consulted through developing the plan resulted in the dedicated and committed Friends of Pishiobury Park working with us to achieve some important improvements:

- reforming woodland to achieve visible enclosure of the landscape
- Restoration of the English landscape (created in the 18th century)
- Creation of ponds
- Return of grazing, supporting rare breed livestock and a diverse grassland habitat
- Archaeological exploration of the park's history
- annual events
- repurposing of the Osier beds
- boardwalks to discover hidden areas and to cross wet areas in the winter

Figure 7 Pishiobury Park cattle at Love Parks Week event

Local Nature Reserve status and a protected historical landscape emphasised the need to conserve and develop the park's biodiversity and fascinating history.

We have made a lot of improvements to our open spaces by increasing meadowland areas, protecting reed beds, altering our grass cutting regimes to leave longer grass areas, creating wildlife areas,

improving our management of woodlands, increasing wetland areas and improving the management of chalk banks.

6. Community Involvement

Understanding the community; a park seeks to serve and actively involve people in making decisions about the site's development; providing opportunities for active participation in site projects; and ensuring that there is appropriate provision of recreational facilities and activities for all sectors of the community.

All our Friends groups are examples of how we work directly with residents to develop our parks. The Friends of Castle Park in Bishop's Stortford is one of our newer groups who have already been involved in a wide range of activities:

- created as part of the development of the National Lottery Heritage Funded project to transform the park they have
    - provided hands on support to develop events and inform the direction of the project
    - organised annual events
    - carried out youth engagement
    - supported archaeology projects
    - improved wildlife habitats through Groundworks partnership
    - planted trees
    - run health walks / HSBC Breeze Rides
    - supported Parkrun

Each year the Council celebrates Love Parks Week at the end of July with events in two of our major parks, Pishiobury Park and Southern Country Park. This wouldn't be possible without the dedicated support of our Friends groups. The events invite our residents to come and have fun and have grown each year, promoting our parks and providing us with an opportunity to reflect on how important the connection between the community and our parks really is.

We believe these 6 fundamental criteria underpin how our parks and open spaces should being managed. However, given the changing climate and priorities we need to bolster our commitments when looking to the future. The following sections of this strategy will illustrate the change in policies that we need to adapt to and build upon these foundations.

Strategic Context

- **The Corporate Plan**

The Council's overarching corporate aims[4] are captured in four priorities:

- Sustainability at the heart of everything we do
- Enabling our communities
- Encouraging economic growth
- Digital by default

The Council and partners have developed various plans and strategies which help to steer delivery of these corporate objectives and should be considered in the context of developing our parks:

- **East Herts Environmental Sustainability Strategy & Action Plan**

This strategy is being developed from the current working project Action Plan (below). It will be a succinct tool to guide the authority and will contain environmental target KPIs, (net gains for example) some of which are likely to be delivered through parks and open spaces over the next 5 years.

- **Hertfordshire Climate and Sustainability Partnership's (HCCSP) Biodiversity Action Plan**

The HCCSP represents the ten district and borough councils of Hertfordshire, the County Council, and the Local Enterprise Partnership. It formed in 2020 and identified four priority areas upon which to focus its collaborative efforts : Water, Biodiversity, Transport, and Carbon Emissions. Four subgroups were tasked each with the development of a Strategic Action Plan. The Biodiversity Subgroup has been preparing a working draft with an overarching aim to halt and reverse biodiversity declines across the county. This includes an audit of open spaces across the district which will have a bearing on parks and open spaces providing opportunities to work in partnership over some shared objectives.

- **Planning strategy (SPD) and Local Plan**

Opportunities through planning contributions (section 106 agreements) will continue to be important and future changes to these landing within the timeframe of this strategy may require some inbuilt flexibility.

- **East Herts Cultural Strategy 2021-2025**

The Council is currently consulting on this strategy. The vision it offers has considerable synergy with the aims set out to manage our parks: *East Herts will*

lead the way in demonstrating that when residents, community organisations and the creative industries come together extraordinary, surprising and delightful things can happen that enrich and enhance everyone's health, wellbeing and sense of inclusion.

It emphasises that partners can contribute to this in a number of roles; enabler, innovator, partner and provider. Our parks have rich opportunities for cultural activities and bringing people together with aspirations to have a positive impact on health and wellbeing.

- **East Herts Health and Wellbeing Strategy 2019-2023**

This strategy focusses on areas that can be assisted greatly through the delivery of parks for people. Wellbeing is closely connected to our health and is associated with a sense of purpose and contentment; it often relates to our values and beliefs. The Council is committed to helping individuals, families and communities look after their health and wellbeing.
Parks can offer access to events and activities for different ages; buggy fitness, local woods activities, cycle rides, community games, Get Park Active Events, scooting and walking.

- **East Herts Physical Activity Strategy**

The Council is committed to improving the health and wellbeing of its community and enhancing the quality of people's lives. We recognise that sport and physical activity is key to achieving this. We want every member of our community to have the opportunity to participate in physical activity in the way they choose. This might include walking in open spaces, cycling to work, playing sport with friends or going to a gym.

From a national perspective this documents also has some relevance:

- **England Tree Strategy**

This has now gone through consultation and the final Strategy is expected to be published in Spring 22. The Council aims to develop a separate Tree Strategy that will reflect on this, explore the services we provide and plan how will continue to care responsibly for a trees and woodlands.

Looking to the Future

Our ongoing ambition will be for our parks and open spaces to be **ACE;**
Attractive & Accessible, Commercial and Environmental & Engaged, inspiring others to partner with us to make them even better places to live and work in.

With these core aims, we will focus on our parks being:

Attractive & Accessible to all

Promoting equality and access for all whether its walking in our open spaces, accessible equipment in play areas or learning more about historic monuments in our parks and open spaces. We will:

- Maintain good access for all users including visitors with disabilities
- provide access to more information about our parks and open spaces online and promote the "park herts" web tool
- ensure our parks and open spaces are clean and welcoming with appropriate infrastructure to rest and move around them safely
- review our litter and dog waste provisions and look at ways to maximise the service efficiently whilst aiming to tackle the problems of littering
- ensure we protect our natural assets- biodiversity and sustainability

Commercial

Finding ways to keep our parks financially sustainable, we will:

- work with local providers to secure income through hiring out our open spaces for vending, physical activity and events
- maximise the use of our open spaces to commercial providers to generate income
- source external funding to enhance our parks and open spaces
- manage the grounds maintenance contract efficiently and grow its capacity to deliver improvements
- seek further opportunities to engage the community in crowd funding to support specific site improvement projects
- explore alternative delivery models working with the local community

Environmental and Engaged

Looking to our residents, we will:

- act upon recommendations from an independent audit of our parks that finds opportunities to improve habitats and increase biodiversity
- plant trees effectively informed by inspection data and the habitat audit
- identify locations within residential areas on Council owned land where tree planting can be increased
- develop a scheme to offer residents the opportunity to fund the planting of a native tree in predetermined locations informed by the two previous initiatives
- develop verge/pollinator/wildflower initiatives
- provide electric hook up points that ice cream vans can plug into in our parks, providing ice creams without noise and air pollution
- communicate with our customers effectively and promote positive messages
- continue to commit to events such as love parks week
- work with providers to promote activity in our parks and open space which support health and well being
- continue to support our Friends of Parks groups to
    - help us improve and develop our parks
    - provide opportunities for residents to socialise, keep fit and look after their health and wellbeing
    - contribute actively to the maintenance of our parks
    - engage with visitors positively on our behalf and help us to monitor our parks
- find ways to support smaller groups of volunteers where there may not be sufficient activity to create a fully-fledged Friends Group
- welcome community groups and organisations to support our objectives
- Secure economic vibrancy in our parks by increasing footfall and engendering a sense of ownership

Working closely with our residents will be important as we move forward. Local people have demonstrated to us through their interest in our parks and through the increased usage that they value these special places. Our message through this Strategy is that we need to nurture that support further by enabling people to get more involved, with a common aim to make them special places to visit.

The experience of managing parks through the Covid pandemic has brought many challenges but it has also introduced some of our open spaces to residents who had previously not been minded to visit them.

The unprecedented level of use may begin to decline as people return to other forms of leisure and take exercise in other ways but we anticipate that many new visitors will continue to return.

Managing this increased level of use has helped us to review what elements of our parks are most important to our visitors and how we can ensure that they continue to meet our needs.

Core Aims – some more detail

- ### Accessibility

We have learnt that our residents have recognised the significant opportunity that our parks offer for leisure and for our wellbeing, we must ensure that the infrastructure is reviewed and adjusted to cope with the increased future use.

Moving forward, we need to manage and control access at peak times. This may require the widening of pinch points and improved grass reinforcement to support car access to suitable areas for temporary parking. Our clients offering boot camps and events will benefit from this. During busy periods these routes might facilitate different entrance and exit points to manage congestion and will need well designed infrastructure to safely combine cycle and pedestrian access alongside vehicles where necessary.

Some parks with strong heritage or biodiversity value such as Pishiobury Park for example will be unsuitable for expanding hard surface networks. Whilst visitors should be encouraged to wear appropriate footwear, there may still be opportunities for resolving pinch points to facilitate social distancing. The ongoing Lottery funded project at this park includes work to improve the

signage at the park's extremities. Ensuring visitors can find our parks is something that we can do more of.

The Council is also supporting the new web based tool for residents to find and navigate parks in the County; ParkHerts[5].

- **Communicating with our customers**

We consistently offer useful advice about our parks and open spaces through our consultation events and deal promptly with customer enquiries. However, we could make it easier for customers to find out how we manage our services and what we can and can't do to help.

To make it much easier for customers to find answers without needing to ask and wait for a response, we will develop the Council's web based service to answer "Frequently Asked Questions" (FAQs). This will include answers to questions relating to overhanging trees, memorial benches and the scattering of ashes along with some detailed explanations of how we manage shrub pruning adjacent to people's properties and whether we allow drones in our parks.

We will also use this opportunity to bring together some policies and working procedures into one easily accessible format. The council has expressed an informal position for example on wild animals in circuses, memorabilia in parks and the use of helium balloons and sky lanterns. These will be formalised as part of the Council's adoption of this document. The FAQs are developed using the Operating Polices and Guidance listed in Appendix 1 and will be made available as a searchable tool on completion of the final approved version of the strategy.

We will work with our contractor to offer a web based facility for customers to find out about grass cutting in their local area. This area of service has always been of considerable interest to residents. The system will offer a postcode search of the grass cutting programme to inform residents when to expect the next visit.

As we improve our parks further, creating new features, updating existing ones and exploring how we manage them we will continue to develop our ideas and commitments through Greenspace Action Plans offering residents the opportunity to get involved.

Parks need to be used and cherished by local people. Community awareness of our open spaces and what they offer can result in a healthy partnership between the Council who manage these assets and the residents who enjoy them.

This is demonstrated strongly in our Friends of Parks groups where residents are able to influence how our parks develop, take an active role in their maintenance and help the Council to forge stronger relationships with the wider community. Where anti-social behaviour has once been a feature in some of our parks, this has improved with the positive presence of these groups. The Council will continue to provide resources to support volunteers who get involved through these groups and who also play an important role through other activities such as litter picking.

We aim to welcome visitors to our parks without unnecessary restriction by encouraging responsible behaviour.

Our observations are that park users are more likely to comply with sensible guidelines that they understand and can relate to. Where there is a specific issue we may target campaigns to that area but try to avoid generalised actions where there is no evidence of a problem. A sensible approach to dog fouling should foster peer pressure from dog owners for compliance.

An example of this is the way we aim to deal with issues relating to dogs. We work with dog trainers to help educate visitors and have installed dog training areas without banning dogs or installing prohibitive signs

Encouraging parents and young people to use play areas responsibly is another example of sensible communication, creating safe yet challenging play but without the need for restrictive regulations. "Keep off the grass" signs are not going to help us engage in a positive way with our customers.

- **Attractiveness**

There has been an unprecedented increase in the number of residents from East Herts and beyond visiting our parks during the pandemic (2020-2021). This is likely due to the constraint on residents from enjoying any other form of exercise or leisure activity. It is very encouraging that we are able to welcome so many new visitors to our parks but this has created some issues.

The amount of litter being dispensed into litter bins and being dropped across our sites has increased dramatically.

We encourage people to take litter home and with the support of organisations such as the Keep Tidy Britain Group who understand how to 'nudge' better societal behaviours. Other organisations such as The National Trust for instance do not provide litter bins on all their sites, preferring visitors to "take your litter home and leave no trace of your visit". We will continue to explore campaigns that go to the heart of the littering problem for those that choose to litter.

Our grounds maintenance contractor has diverted considerable resources into additional litter picking and increased the number of visits to empty litter bins. Many of our bins are emptied on a frequency basis and we have increased this frequency where possible. Some litter picking is carried out on a performance basis to ensure that high profile parks are litter picked as often as necessary to meet the given standard. There is however, a limit to the level of resources available to respond to pressures such as these where the whole service across all parks has been affected.

Going forward, we will be auditing our litter and dog bin service to ensure that it is fit for purpose, offers value for money and can adapt to any future ongoing increases in need. This may result in larger bins or a different style of bins.

We will review all the agreements we have with towns and parishes to empty bins on their open spaces, ensuring that there is consistency in relation to their location, purpose and funding. There may also be some bins on privately owned ground or on the highway that should perhaps not be managed by East Herts Council at all.

We will ensure that our cross cutting services coordinate litter picking and bin emptying services and engage positively and supportively with residents or community groups wishing to litter pick as volunteers.

We are committed to delivering attractive enhancements that signpost our facilities and offer a welcome to visitors with colourful planting. This includes our annual bedding schemes and containers, wild flower displays at high profile locations, herbaceous beds and an ongoing review of our shrub borders. These all combine to offer a mix of summer and winter colour.

- **Commercial**

We will continue looking after our parks to a high standard but need to recognise that the natural deterioration of assets requires a process of replacement and renewal. This can be delivered through a broad mixture of in-house and external opportunities.

The Council aims to continue allocating resources to keep the district attractive, clean and tidy and to protect investments already made to improve our parks. We will continue to seek sustainable funding from granting bodies such as the Environment Agency, Heritage Lottery Fund and other partner agencies. We will ensure businesses that benefit from the investment in delivering high quality parks are engaged to contribute toward their upkeep through initiatives such at vending outlets and events.

The Council welcomes local community groups and charities to book our parks and open spaces. We ask for evidence of a well-run and safe event before authorising any activity. Companies or charities proposing larger events that require input from officers and have an impact on an open space are required to pay a contribution to the significant costs of developing and maintaining our parks to a standard that offers such a useful and attractive resource.

Contributions from developers through the planning system (section 106 agreements) should continue to be directed toward the Council's portfolio of assets such as our open spaces to ensure their quality is maintained.

We believe there are a number of commercial opportunities we can explore for our parks and open spaces to ensure we are able to maintain standards of operation. The strategy will provide us the impetus to focus efforts in this area.

- **Engaged and Environmental**

The Council values the support it receives from the community both through volunteer work and through active engagement with our processes of consultation to develop our services.

We will continue to work with providers to promote activity in our parks and open spaces which support health and wellbeing and to commit to events such as "Love Parks" week in Southern Country Park, Castle Park and Pishiobury Park.

We support the parish and town councils by sharing our experience in managing play areas and particularly through an opportunity to benefit from our county wide procurement of annual play inspections.

The Council has made substantial improvements to the biodiversity of our parks through a range of initiatives including the creation of wild flower meadows, ponds, good woodland management and tree planting. These have largely been as a result of our commitment to responsible maintenance. It is now time, to approach this ambition in a more focussed and measurable way.

We will be working with other authorities through ParksHerts to consider what scope there may be for collaboration between authorities over verge/pollinator/wildflower initiatives. The Countryside Management Service are working on our behalf to identify opportunities for improving biodiversity across specific district portfolios. They will be carrying out an audit of our open spaces to pinpoint actual improvements that could be made; finding open spaces, or parts of open spaces that might for instance have grassland or woodland that could be improved. This data will be sense checked regarding any practical issues or future plans; for instance where grassland has been identified for other requirements such as additional football pitches.

This supports wider initiatives being delivered by the County Council through Hertfordshire Climate Change and Sustainability Partnership (HCCSP) sub group for Bio-diversity bringing a level of consistency to work across the County and exploring a base line for improvements.

The Council plants trees as part of an ongoing annual programme and is conscious of campaigns to increase tree cover by specific amounts.

East Herts as a district currently has approximately 10% tree canopy cover (4,728 ha) although this does not include small wooded areas and sites less than 0.5 ha. The Council is proud of the work it has already undertaken in terms of tree planting and management of our open spaces. Indeed over the last few years, through our Greenspace Action Plans, we have already undertaken considerable planting programmes in our open spaces, whilst at the same time attempting to maintain a balance to allow the continued multi-purpose use of these areas. We have more than 70,000 trees in our tree stock. These trees are located in a variety of settings such as woodland copses, hedgerow trees, enclosures around

major parks such as Pishiobury Park, a community woodland at Hartham Common, an extension to the woodland at Balls Wood and considerable planting schemes at Southern Country Park.

However, as the Council owns comparatively little land it is not possible for us to commit to planting significant new wooded areas ourselves unless some of that land currently used for other leisure purposes is given over to tree planting, this would be detrimental to our fundamental offer of recreational and sports facilities. Any purchase of new land is beyond the remit of this strategy.

The Council firmly recognises the need to work with other partners to encourage them to plant more trees not only for the purpose of carbon capture but also air quality and the general social benefits trees so clearly provide. We therefore expect to work with relevant partners where possible to consider options for planting additional trees on suitable land that they may manage.

We will continue to plant trees informed by the open space audit and by our risk management tree inspection programme which tracks potential opportunities to replace trees that have been lost for safety reasons. Whilst many of our larger open spaces have less capacity now for additional trees after several years of tree planting, we will begin to assess and plant in smaller Council owned spaces in residential areas where there is sufficient space.

We aim to set up a map supported web page for residents to express their interest in funding some of these new trees to help increase this valuable contribution to sustainability and climate control. This may be to remember a loved one or simply to demonstrate commitment. Volunteer planting will still be undertaken by our Friends Groups.

Figure 8 Buryfield Local Park

Appendix A

Key Actions

The strategy is supported by an annual action plan that will be revised in line with the Council's corporate plan refresh.

Ref	Action	When	Who	Resource
	Accessible and Attractive			
1	Create and maintain a comprehensive library of Frequently Asked Questions (FAQs)	2021	EHC	Operations
2	Work with our contractor; to offer a web based facility for customers to find out about grass cutting in their local area	2022	EHC	Glendale
3	Promote the "park herts" web tool	2022	EHC	Comms
4	Work with providers to promote activity in our parks and open space which support health and well being	2022-27	EHC	Operations / Providers
5	Complete litter and dog waste bin review	2022	EHC	Operations
6	Coordinate litter functions across services	2023	EHC	Operations / Waste
7	Take the lessons learnt through developing our major and larger parks to smaller open spaces, ensuring that the Green Flag concept of a good park is used to continue developing a network of accessible and attractive green spaces across the district	2022-27	EHC	Operations
	Commercial			
8	Work with local providers to secure income through hiring out our open spaces for vending, physical activity and events	2022	EHC/ Providers	Operations / Providers
9	Explore alternative delivery models	2022	EHC	Operations

Ref	Action	When	Who	Resource
10	Review all third party users and identify potential users to ensure that access improvements meet needs and to secure appropriate financial contributions toward maintaining parks as an asset	2023	EHC	Operations / External
	Environmental and Engaged			
11	Continue to provide support to our Friends of Parks groups through our partnership arrangements with the Countryside Management Service	2022-27	EHC / CMS	Revenue Budget
12	Actively work to find ways of delivering the maintenance of our parks and open spaces to improve biodiversity and sustainability	2023-27	EHC	Revenue Budget
13	Act upon recommendations from an independent audit of our parks that finds opportunities to improve habitats and increase biodiversity	2022-27	EHC / CMS	Operations / External
14	Plant trees informed by inspection data and the habitat audit	2022-27	EHC / CMS	Revenue Budget
15	Identify locations within residential areas on Council owned land where native tree planting can be increased and develop a scheme to offer residents the opportunity to help fund this	2023		Operations
16	Develop verge/pollinator/wildflower initiatives	2022-27	EHC / CMS/HCC	Operations / External
17	Provide electric hook up points that ice cream vans can plug into in our parks, providing ice creams without noise and air pollution	2022	EHC	Operations
18	Manage and develop the grounds maintenance contract efficiently	2022-27	EHC	Operations
19	Deliver Lottery funded improvements at Castle Park, Bishop's Stortford	2021-23	EHC	NLHF / Capital / CMS
20	Apply for National Lottery Heritage Fund grant to improve Hertford Castle Grounds	2021	EHC	Operations / CMS

Notes

[1]Some national studies relating to Parks & Open Spaces

https://www.parksmanagement.org.uk/wp-content/uploads/2021/06/Revaluing-Parks-and-Green-Spaces-Report.pdf

https://www.parksmanagement.org.uk/wp-content/uploads/2021/06/improving_access_to_greenspace_2020_review.pdf

https://www.parksmanagement.org.uk/wp-content/uploads/2021/06/the-value-of-public-space1.pdf

https://www.parksmanagement.org.uk/wp-content/uploads/2021/06/recreating-parks.pdf

https://www.parksmanagement.org.uk/wp-content/uploads/2021/06/managing-public-parks-during-covid-19-final-1.pdf

https://www.parksmanagement.org.uk/wp-content/uploads/2021/06/making-parks-count-compressed-document.pdf

[2]Green Space Action Plans

https://www.eastherts.gov.uk/sports-leisure-parks/how-we-look-after-our-parks-open-spaces

[3]Green Flag Award

https://www.greenflagaward.org/

[4]Corporate priorities

https://www.eastherts.gov.uk/about-east-herts-0/vision-and-corporate-priorities

[5]ParkHerts web based tool

https://www.parksherts.co.uk/

[6]Planning for Dog Ownership in New Developments: Reducing Conflict – Adding Value

https://documents.hants.gov.uk/ccbs/countryside/planningfordogownership.pdf

Appendix 1 - Operating Policies and Guidance, See separate document

Appendix B

Operations, Parks & Open Spaces Team

Operating Policies and Guidance

These operating policies have been developed over a number of years to explain the Council's position on a range of activities. These policies underpin the work of the parks and open spaces strategy.

We will do our best to help residents resolve issues where we can but our position must always bear in mind the resources we have available and certain parameters within which we must operate.

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Animals in Circuses

Whilst we have few circuses hiring our land and have not been approached by any which use wild animals, the Council has considered concerns raised about this matter and are confident it is not a practice which our customers would support. We have therefore introduced a clause within our rules and regulations for hiring open spaces which prohibits it.

Our research shows that this is a simple and effective control mechanism employed by a number of other local authorities.
The Council imposes a ban on the use of wild animals in circuses performing on East Herts Council land described in our open space hire rules as follows:
It is a condition of the grant of the authorisation that the organiser:

• *Will not include the use of performing animals at the event, except those which are normally regarded as domesticated in the United Kingdom (i.e. horses, dogs, cats, birds used in falconry demonstrations, caged birds and rabbits) which may be used as an ancillary part of a performance.*

Ballgames in open spaces and play areas

The Council manages more than 120 open spaces across the district including around 60 equipped play areas. Our play areas are located wherever possible at a reasonable distance from residential properties and in general we receive very few concerns about them. A small number of residents do have concerns about noise from children playing or kicking a ball about on an open space.

We installed play areas signs in 2011 to provide a welcome and to provide users with some sensible guidance. Those play areas which included a Multi-Use Games Area (MUGA) a goalball or basketball hoops or that are large enough to accommodate kick-abouts have a sign that permits ball games. All other play areas have a sign that includes "no ballgames". These signs on all our play areas include a note that "dogs are banned from this play area".
This reminds visitors that smaller play areas designed for younger children are not suitable for ballgames.

The Council does not and will not erect signs on any of our open green spaces to prohibit ball games. Our open spaces are there for all to enjoy including kicking a ball about. Our experience is that "no ball games" signs are not an effective solution to anti-social behaviour. There is no law to support this type of ban and such signs are therefore not enforceable.
We will always listen to concerns but our starting point is that young people have as much right to use our green spaces as any other resident.
If residents believe that a particular activity such a kicking a ball about is causing a nuisance they can contact customer services who will alert our Community Safety & Anti-Social Behaviour Team. They will work with us to investigate concerns.
In some instances they may not agree that kicking a ball about does constitute antisocial behaviour but where it does they will help to find a solution. That may include talking to the young people or if behaviour is exceptionally challenging, may involve support from the police. In some circumstances where the area is very small and close to property boundaries it might also include modifying the landscape with trees or shrubs to divert activity if there is a more suitable space nearby.

Events

Our parks and open spaces can be used for events however requests must go through the event application process before being approved.

- **Event application Process**

If residents or businesses are planning an event and would like to hire one of our open spaces, they are required to provide us with some initial information so that we can consider the application. We may ask for more details depending on how complex the ideas are so it's best to tell us as much as you can at the first stage. We won't necessarily need a complete event management plan, but will need to understand how the event might impact upon the open space and other users and to gauge whether you are likely to be able to run it safely. Residents and businesses are to contact customer services to log their interest, the council will send the applicant an initial application form from which we can decide whether to authorise the event and to set an appropriate fee. The Council will make a charge where appropriate to offset the costs of maintaining and developing our parks. Customers should allow sufficient time to organise the event and seek our approval.

The type of information that we will need to know about are the intended activities are where in the park the customer would like to locate, number of participants, level of resources, health and safety issues, parking, access, expertise, any equipment you intend to use and whether the applicant has Public Liability Insurance in place if it is needed.

If applicants are planning a large event they may also need to seek guidance from our Safety Advisory Group (SAG). Further information can be found here: https://www.eastherts.gov.uk/community-wellbeing/community-events

Fireworks in a Council park

Any group or person letting off fireworks in a Council owned park or open space without authorisation would be breaking the law as explained on the government's web site;
https://www.gov.uk/fireworks-the-law
This states that "you must not set off or throw fireworks (including sparklers) in the street or other public places."
Organised firework displays will be authorised only where the organisers are able to demonstrate sufficiently rigorous event management including risk assessments covering crowd control and the provision of appropriately trained personnel. Organisers will be required to hold sufficient liability insurance cover to indemnify the Council. Applications are assessed through the event application process.

Bouncy castle / gazebo / tent / barbecue in a Council park

We encourage residents to make the most of our parks and enjoy them in any way that does not adversely affect the park or have negative impact on other users.

Organised events must have our formal authority to proceed so that we can ensure risks have been properly considered and that the Council is able to make a charge where appropriate to offset costs of maintaining and developing our parks.

Families or groups of friends however, may gather in our parks as long as participants take sensible precautions to keep themselves and other park users safe. In some parks where space is limited, it is not appropriate for any group to spoil the enjoyment of the park for others.

We do not permit barbecues as they can present a risk to users and often result in hot coals being left that might present a fire risk. We would not allow the use of calor or butane gas in our parks unless as part of an authorised event.

Likewise, bouncy castles are not permitted unless erected and supervised by a professional supplier as part of an authorised event.

Camping is not permitted in our parks but we are happy for families to use gazebos for “one day” events. Gazebos cannot be left overnight. They should be located mindfully to avoid blocking access or enjoyment of the park for other users.

All litter and arisings from gatherings must be cleared. Litter can be left in bins but if they are full, as can happen on busy days, user must take home for disposal.

Cattle in parks

We have grazed cattle in our parks for many years on and off. It is very important that visitors follow the country code and keep their dogs under control. The few incidents that have been reported to the council are where the animals have been frightened by dogs that have not been kept under control or on a lead in the park. This is of course the same across the country in areas where the public come into contact with cattle through parks or across public rights of way. If residents and visitors visit any of our parks where there are cattle with a dog we ask that this is taken into consideration.

We are aware that some residents are worried by the presence of cattle in some of our parks such as Pishiobury Park, Stortford Meadows and Hartham Common and would like to provide some reassurance.

We are aware that the cattle can be quite inquisitive, especially when they arrive at the beginning of the season (April/May). If residents are not comfortable with

this, waving arms about will send the animals in the opposite direction but the more natural reaction to run away from them is not advised. The cattle are then likely, given their inquisitive nature, to follow.
Our graziers are in the park a number of times during the week and are always happy to talk to visitors about their animals.

The cattle are an important part of conservation grazing and ecological management of the park. We have been fortunate enough to have a herd of rare breed cattle in Pishiobury for over ten years and we can assure residents that there is no great risk to the public. The cattle are all aged under 30 months and are carefully selected, by the grazier, for their suitability to maintain this important permanent parkland pasture. Only steers (bullocks) are used for grazing at Pishiobury and are known for their docility and calm temperament. The animals seen at Pishiobury are all from pedigree, rare or traditional breeds. The Longhorns come from our oldest recorded indigenous breed. The Herefords are from some of the oldest known bloodlines and British Whites have been seen on parkland pastures for centuries.

We understand that some visitors are not used to seeing large animals in parks and may be un-nerved but the benefits in terms of conservation and education are huge. We hope therefore to be able to continue to help people understand these benefits and to be able to enjoy the park alongside the cattle and of course all the wildlife that it supports.

We install signs to provide visitors with some guidance and information about the animals. For further information about why we graze our parks in this way and about the animals in general c b found on the Council website.
https://www.eastherts.gov.uk/sports-leisure-parks/local-parks-open-spaces-0/parks-open-spaces-sawbridgeworth/pishiobury-park

Dogs in our Parks

- **Dog Fouling**

We aim to ensure our parks welcome visitors without unnecessary restriction by encouraging responsible behaviour. For example, we work with dog trainers to help educate visitors, have installed a dog training area in one of our parks and have introduced some legislation which we believe is fair and proportionate.

This legislation was considered through a consultation process and is contained within a Public Spaces Protection Order (PSPO). It does not ban dogs from any of our parks but does deal with a range of issues including dog fouling and control. It excludes dogs from certain areas including fenced tennis courts,

bowling greens and marked football pitches when a game is in progress. It is an offence to allow a dog to foul in any East Herts owned open space.

There are 12.5 million dogs in the UK in 33% of households. The majority of dog owners behave responsibly and many share concerns about the few who do not. Our view is that residents generally prefer to comply with sensible guidelines that they understand and can relate to. This approach should help to retain the support of dog owners.

Further information on the PSPO with links to the specific rules relating to dogs can be found at:
https://www.eastherts.gov.uk/community-wellbeing/public-spaces-protection-order-pspo

We will along with the police take action on dog fouling if we witness anybody not picking up after their dogs. We regularly patrol our parks, if residents are concerned that a dog owner is not meeting the requirements to clear up after their dog in one of our listed parks and open spaces they can report this on our "Report Dog Fouling Form" at
https://www.eastherts.gov.uk/environmental-health/dog-fouling-dog-control/report-dog-fouling-form

If residents believe that an owner has allowed their dog to behave aggressively or dangerously then they may report this to the police on their non-emergency number 101 or 999 if the incident is serious and ongoing. East Herts Council is not empowered to deal with or enforce issues with dangerous dogs.

- **Dog control - fencing**

Whilst we try to make our parks great places for all residents to visit, the Council cannot prioritise expenditure on dog proof fencing. The Council has a finite budget available to maintain and develop its parks and open spaces. We believe that our parks are already good places to walk dogs but that secure fencing to contain dogs is not a justifiable expense.

The shrubs and vegetation around the boundaries of our parks need to be pruned back periodically in order to promote healthy growth and in some instances to afford access to our contractors to clear litter or fly tipped material. They are generally planted to attractively screen out buildings and to create an enclosed character but are not planted to provide security to residents or to create a barrier to prevent dogs from escaping.

We do understand that our parks are very popular with dog owners and we welcome such use. We are keen to promote responsible dog ownership and for dog owners to have sufficient control of their pets to be able to let them run without the need for secure fencing. It is important that dog owners are able to get their dogs to return when needed, not just for their own safety but for the benefit of other park users. Even in our parks where we have stock proof cattle fencing, there are still kissing gates through which dogs are able to escape. Stock proof fencing may not contain smaller dogs. It is far better that dog owners take responsibility for their animals than for the council to try and guarantee enclosure.

We understand that some dogs may chase rabbits or suddenly scatter if spooked but would advise that where there is a risk nearby such as a rail line, road, cattle or other potential hazard, they should then be kept on a lead. The Council cannot commit to installing and maintaining dog proof fencing around the perimeter of all its parks.

Drones and model aircraft

The Council's parks are there for all to visit and explore. We have no problem with people enjoying their hobbies in our parks as long as they are doing so legally and with respect for other visitors.

Byelaws
We have introduced byelaws in some of our larger parks; Southern Country Park, Bishop's Stortford, Northern Parkland, Bishop's Stortford, Lower Park Crescent, Bishops Stortford and Pishiobury Park, Sawbridgeworth.

https://www.eastherts.gov.uk/sports-leisure-parks/rules-regulations-parks-open-spaces

The Northern Parkland and Pishiobury Park byelaws were designed to include the following regulation on the basis of their location and previous record of people flying model aircraft.

PART 5
MODEL AIRCRAFT
16. In this Part:
"model aircraft" means an aircraft which weighs not more than 7 kilograms without its fuel;
"power-driven" means driven by:
(a) the combustion of petrol vapour or other combustible substances;

(b) jet propulsion or by means of a rocket, other than by means of a small reaction motor powered by a solid fuel pellet not exceeding 2.54 centimetres in length;
or
(c) one or more electric motors or by compressed gas.
General prohibition
17. No person shall cause any power-driven model aircraft to:
(a) take off or otherwise be released for flight or control the flight of such an aircraft in the ground; or
(b) land in the ground without reasonable excuse.

This byelaw is still active and enforceable.

New legislation
Since November 2019, anyone flying a drone or model aircraft between 250g-20kg must have it registered and be able to demonstrate that they are able to fly responsibly by passing an online theory test.

https://dronesafe.uk/drone-code/

If it's a "toy" drone that we are sure is under 250g then as long as the user is respecting others and not causing a nuisance and adhering to the "dronesafe" guidance, we wouldn't have any objection to them flying in our parks.

Reporting misuse
The Council is not empowered to enforce the law on this but we do have an interest in ensuring our customers are behaving responsibly and safely. Our advice to residents is that they should make the police aware of any incidents of concern on the 101 non-emergency number. If we are on site and find customers flying drones over 250g in our parks, we will ask them to stop if they cannot prove that the aircraft is registered.

If a customer makes us aware of what they believe to be unsafe behaviour involving such aircraft in one of our open spaces, our Enforcement Inspectors will monitor during their routine visits. If they see a drone or anyone that looks like they are piloting one they will speak to them if possible. However, the reality is that some of these aircraft have a long range, pilots can potentially fly them remotely from other locations.

Council officers may need to call the police themselves if somebody is flying dangerously and refuses to stop.

The Civil Aviation Authority provides some further guidance about reporting misuse of unmanned aircraft and drones: https://www.caa.co.uk/Consumers/Unmanned-aircraft/General-guidance/Reporting-misuse-of-a-unmanned-aircraft-and-drones/

E-scooters in parks

Whilst there is interest in developing alternative modes of transport, it still remains illegal to use privately owned electric scooters on footpaths or in public spaces. They are covered by the same laws and regulations that apply to all motor vehicles.

The law is explained by the government on their website should residents wish to find out about this in more detail: https://www.gov.uk/government/publications/powered-transporters

If residents witness illegal activity involving a privately owned e-scooter either on the highway or in one of our parks we would ask that they make the police aware. This should be through the non-emergency 101 number unless its believed that the behaviour of the rider is such that immediate apprehension may be required. The Council are not empowered to enforce the laws relating to e-scooters. If the police find that there is an increasing problem identified in our parks through calls from the public and their own observations, they may, subject to available resources, be able to focus patrols on this and take appropriate action.

Our own monitoring officers will continue to observe areas for anti-social or illegal behaviour in our parks and would make the police aware in the same way.

The Council will of course revise this position should the law change to make these vehicles legal to use in a public place.

Graffiti in parks

The Council is defined as a Principal Litter Authority and has a statutory duty (under the Environmental Protection Act 1990) to keep “relevant land” (that is, land in the open air that is under its control including the public highway) clear of litter and refuse. However, it does not have a duty to remove graffiti from

property it does not own. Under the Anti-Social Behaviour Act (2003) the Council may issue a Graffiti Removal Notice requiring the owner of the land to remove the graffiti with a statutory 28 day period but this power can only be used against 'statutory undertakers' e.g. Highways authorities; telecoms and utility companies that have street furniture on the highway itself. It does not apply to private property adjacent to the highway.

In practice it is generally not constructive to impose such fines on private residents that we may be working with to try to resolve the problem. Our Environmental Inspectors are accredited in order to be able to take action against anyone caught defacing property. The Clean Neighbourhoods Act (2005) enables East Herts Council to issue Fixed Penalty Notices (FPNs) to those found to be committing "Environmental Crime". This legislation allows the Council and the residents to work together in keeping the streets, parks and open spaces free from graffiti, fly-posting and other Environmental Crime.

As part of this new legislation we will issue FPN's to anyone caught carrying out acts of graffiti. Graffiti in this context is classed as unauthorised writings or drawings on a surface in a public place. If residents in the area are able to identify the culprits we will take what action we can to bring them to justice.

If we can identify culprits there is also sometimes the opportunity to take further action with Acceptable Behaviour Contracts (ABCs) or Anti-social Behaviour Orders (ASBOs).

The Council's policy is to remove racist or offensive graffiti from private structures as soon as it is identified. For non-racist/ offensive graffiti (e.g. tagging) we aim to identify and make contact with the land owner to request its removal.

We are also able to offer a service to residents to remove graffiti from their property charging them only the cost to the Council.

Where we take action to remove incidents of graffiti on behalf of residents, we need also to be aware of the liability for any damage caused to private property as a result of removing graffiti and will seek a waiver from property owners.

Helium Balloons and Sky Lanterns

The Council bans the intentional release of sky lanterns and helium balloons from its land. We have taken this action to protect the environment as outlined below and to highlight to residents and event coordinators as well as Council tenants and property occupiers, the hazards in releasing lanterns and balloons.

This policy applies to all East Herts District Council holdings and land ownership.

The principles and commitments set out in this policy apply to all services and decisions of the Council and to our contractors and partners delivering council services on our behalf.

This policy does not apply to piloted hot air balloons.

Background

- The release of sky lanterns and helium balloons can be a visual spectacle often used during festivals, anniversaries and as a part of large and small events.
- Sky lanterns and helium balloons have been identified as a hazard for wildlife and farm animals. Balloons, plastic parts, wire and ribbons can all be eaten by animals and wildlife causing a risk of choking or blockage leading to starvation and other internal injuries. In addition they can get mixed together with grass cut for silage which is then fed to livestock.
- Sky lanterns pose a further risk as a fire hazard with the potential to spark fires in crops, heath, moorland, forests and buildings.
- Plastics which are used in sky lanterns and balloons are a major source of aquatic and global marine pollution. They cause harm by entering the food chain as they are broken down by the sun and the action of water.
- The Marine Conservation Society (MCS) – is an internationally recognised charity for the protection of seas, shores and wildlife which has produced a detailed Pollution Policy and position statement on balloons and sky lanterns, asking UK Local Authorities to recognise balloons and sky lanterns as a form of littering and to ban all outdoor releases. This stance is actively supported by the Royal Society for the Prevention of Cruelty to Animals (RSPCA), the National Farmers Union (NFU) and many other public organisations.
- Debris from both balloons and lanterns has been found littered across the County and District Council estate and wider countryside.

Principles and Commitments

- The Council will not permit the release of any sky lanterns or helium balloons from land or property which it owns and/or controls.
- It is the responsibility of all Services to comply with and implement this policy as appropriate to their Service.
- The Council will highlight to residents and event organisers as well as Council tenants and property occupiers who enquire about releasing lanterns and balloons what the hazards are in releasing them and why the Council prohibits the release.

Notes

It should be noted that this policy is intended to prohibit the deliberate release of sky lanterns (including helium balloons) such as the mass release of lanterns and balloons at events. The council recognises that there may be instances where single helium balloons will be accidentally released into the environment such as may happen at children's parties.

Invasive plants

- **Giant Hogweed on private land visible from highway**

The Council will carry out an inspection if Giant Hogweed is found on our own land and will remove it if we determine that it is presenting a risk to the public.

Residents more often notice this large weed in areas of land not owned by East Herts Council. The Council has no duty or powers to take action with regard to invasive plants on privately owned land.

There is information available on the government's web site about control measures should residents find Giant Hogweed on their own land and wish to find out more:
https://www.gov.uk/guidance/prevent-the-spread-of-harmful-invasive-and-non-native-plants

Giant hogweed is one of the most commonly found invasive, non-native plants. The advice provided is that landowners do not have to remove these plants or control them on their land. This is with the exception of Japanese knotweed whereby if landowners allow it to grow on anyone else's property they could be prosecuted for causing a nuisance.

If residents spot Giant Hogweed near to the highway on land that they believe may be owned by the County Council or where pedestrians might easily come into contact with it the County Council may investigate and decide whether any action is necessary as part of their highway fault reporting assessments. Noxious weeds are likely to be categorised by County as a potential hazard but the risk level they attribute would depend upon the proximity of the infestation to a public area and the likelihood that pedestrians might come into close proximity with it. Noxious weeds are those covered by the Weeds Act 1959 and Wildlife and Countryside Act 1981. The prescribed weeds are: Ragwort, Broad Leaved Dock, Curled Dock, Creeping Thistle, giant hogweed, Japanese knotweed, Himalayan balsam and Spear Thistle.

Customers who have concerns about such issues on or near the highway should report them on the County's Highways Fault reporting web page:

https://www.hertfordshire.gov.uk/services/highways-roads-and-pavements/report-a-problem/report-a-street-light-or-pothole.aspx

If it is on private land, they may decide not to investigate and if it is on County land they will make an assessment of risk and may decide not to take any action. If noxious weeds are found on highway verges managed as part of the agency agreement we have with County, they may commission us to action their removal but this is not required as part of our routine verge maintenance works that we carry out on their behalf.

- **Japanese Knotweed on East Herts Council land**

Japanese knotweed was brought to Britain as an ornamental garden plant in the mid-nineteenth century. Since then it has become widespread in the wild and can cause serious problems by displacing native flora and causing structural damage.

The Council's Role
The Council monitors the occurrence of Japanese Knotweed on the Council's own Parks, Open Spaces and verges and will take appropriate action when it is identified.

The Council does not have a responsibility to either monitor or control Japanese Knotweed on land that it does not own. We may record sightings on land for which the Council is not responsible to help us track its presence in the district but we will take no action relating to its control unless it is on our own land or on neighbouring land where it might potentially create a threat to Council Property.

Concerns relating to the illegal disposal or transporting of Japanese Knotweed can be reported by residents directly to the Environment Agency on their 24hr incident hotline on 0800 80 70 60. They will also provide advice about managing waste on their customer services line 08708 506 506.

Concerns relating to the illegal planting or spreading of Japanese Knotweed in the wild should be reported to the police. Local Authorities have some enforcement powers in this specific area but this has not been identified as a District Council responsibility in East Hertfordshire.

Legislation

- The Wildlife and Countryside Act 1981 provides the primary controls on the release of non-native species into the wild in Great Britain. It is an offence under section 14(2) of the Act to 'plant or otherwise cause to grow in the wild' any plant listed in Schedule 9, Part II. This includes Japanese Knotweed.
- It is not an offence to simply have it growing in your garden or on your land and there is no legal requirement to control it if it is (unless doing so forms part of a legally binding contract or agreement with another party).
- Private landowners may be wise to consider how the weed on their own land might affect others if it were to grow outside their boundary.
- It is not listed in the Weeds Act and is not a 'notifiable' weed so there is no need to report its presence on your land (unless doing so forms part of a legally binding contract or agreement with another party).
- The Environmental Protection Act - Duty of Care - Regulations 1991 state that any material containing Japanese Knotweed taken off a site must be safely contained and disposed of at a licensed disposal site according to current guidelines.

What we can do

Where Japanese Knotweed is found on land within the Council's control the Council will take appropriate action to minimise the risk of spread and where appropriate, endeavour to eradicate it in line with current good practice.

No specific inspection of Council owned land is carried out to locate potential occurrences of Japanese Knotweed. There is no legal requirement to do so and this would be prohibitively time consuming. However, monitoring officers have been trained to identify the weed and to record any occurrence of it whilst carrying out other routine contract or open space inspections.

The Council's grounds maintenance contractor is responsible through our contract to report occurrences on council land and to ensure that all their staff are trained to do so.

A property check of land ownership may be undertaken to identify the adjacent landowner. This would only be necessary however if they are likely to be affected by any proposed control of the weed or they own the land where the weed may have originated from. If necessary, they will be notified of our intention to control the weed and of the risks to the environment if the weed is allowed to continue growing. The Council may offer assistance to apply the appropriate herbicide to control the weed on their land if it is present if they give their written permission.

If approached by a landowner wanting to control a patch that spreads onto Council owned land, the Council will co-operate with control measures provided any other potentially affected landowners are willing to participate and providing that sufficient funds are available to do so.

If the weed is allowed to grow on adjacent land and is found to cause damage to Council property, appropriate action would be considered in relation to the offence to 'plant or otherwise cause to grow in the wild'.

General Control considerations
The control and eradication of the weed is the responsibility of the land owner, and on sites where it is present, a policy of control leading to eradication is regarded as best practice.

Studies of the weed have been undertaken by various organisations. A chemical application applied to the whole leaf growth at a height of approximately 1 metre has been found to be the most satisfactory control during active growth. Control may be applied before the plant reaches this height dependent upon the density of the canopy. If the growth has become woody, the stems should be cut and the new growths sprayed. The height of the plant early on in the season may reduce as treatment continues.

Timing of the application will depend upon vegetative growth that season. This is likely to be April to May followed by subsequent applications as determined by our specialist contractor.

Ongoing treatment will only be continued where it is can be justified and will be stopped once control has effectively prevented any regrowth. Each site will be

inspected periodically to check for regrowth until the Council is confident that the plant at that location has been eradicated.

Grass cutting and Japanese Knotweed
As research has shown that the plant can be spread by the smallest amount of cut stem material' extreme care should be taken to ensure that areas of Knotweed are not cut, flailed or strimmed unless the work is being undertaken as part of an agreed control operation.

- **Herbicide Use**

The Council carry out weed killing on pavements and gullies across the district on behalf of the County Council as part of an agency agreement.

The work is aimed at keeping the district tidy. One of the benefits of controlling weeds on highway pavements is that it minimises and supports the work that our street cleansing team would otherwise have to carry out to mechanically remove weeds. Where pavements are regularly brushed, the weeds cannot take a hold so easily. Some weeds are more persistent than others however and some areas need sweeping less frequently. Controlling weeds helps to prevent damage to the surface infrastructure and reduces trip hazards.

Our grounds maintenance contractor delivers two applications of herbicide each year under this agreement using a product called glyphosate. The brand we use is Roundup. This is a non-selective herbicide meaning it will kill most plants. It is widely used to control unwanted vegetation in parks and gardens and works by entering the leaves of the plant.

We also use herbicide to control weeds in shrub beds and to prevent encroachment of grass and weeds across footpaths in some of our open spaces.

We explored different alternatives to chemical control through the retender of our grounds maintenance contract in 2019 and were advised by tenderers that this is the most cost effective solution. Whilst we are aware of other weed control systems such as hot foam and propane flame, these are still relatively expensive and not proven to be as effective as herbicide.

We ensure our contractors apply herbicide in accordance with the relevant legal guidelines which include optimising their effectiveness whilst minimising the volume applied. They must design their weed control regime to control the use of chemicals, by ensuring that they are applied at the correct time and using the most effective application method at the minimum effective dosage rate.

Glyphosate is not used as an exclusive solution but as part of a chemical regime which uses another product earlier in the season; a residual chemical (Chikara) applied in February to supress (hold back) weed growth. This reduces the volume of glyphosate used.

We employ the use of hand weeding and hoeing in some ornamental areas including herbaceous beds and annual bedding where it is the most effective way of maintaining high standards. Hand weeding across the entire district however is not economically viable.

We do not use herbicide in areas of our parks set aside for conservation or habitat improvement unless absolutely necessary; to control invasive weeds such as Japanese Knotweed for example. We aim to maintain our Green Flag awarded parks without the use of herbicide to comply with their criteria.

Benches, plaques and memorial trees

- **donating a bench or plaque**

We will consider all applications for new benches or plaques. We will only install new benches where we feel there is a real need for them. We won't fill our parks with too many benches but find that most requests are for larger parks where it is usually possible to accommodate a new one.

If the location is one where we have already identified the need for a new bench, we may consider funding the installation. If not then residents will be asked to pay the full cost. We will meet residents on site to agree the precise location. This will take into consideration preferences (a favourite view perhaps) but must also include a sensible approach to spreading our benches out to create convenient stopping points for visitors wishing to take a rest. We will not place them where they might encourage anti-social behaviour such as unreasonable noise near residential properties.

We generally use two styles of benches to retain some design consistency across our parks and because they are tried and tested to resist vandalism. In most of our parks we use the earth anchor Evergreen recycled plastic bench which has cast Iron

end frames and boards made from recycled material.

In some of our rural parks we use a bespoke chunky oak bench designed and supplied to us by a local specialist (e.g. Pishiobury Park).

These come flat packed and can be installed by volunteers if that is appropriate.

We do not allow standalone plaques in our parks to commemorate trees. With the exception of benches, our view is that the place for memorials is the local churchyard or cemetery. Previously we have allowed brass plaques which residents have arranged for themselves. We have installed these by routing out to let the plaque sit flush with the surface, glued and screwed. However, we now prefer to have words engraved directly into the seat back which is far more vandal resistant.

This can either be retro fitted to an existing bench by replacing a slat or ordered with a new bench. Residents will be asked to pay for the full cost of this but we will make the arrangement with the supplier on their behalf as part of an order for a new bench. Once we have agreed initial details, customers would email the precise text to us before we contact the supplier who would then confirm to both parties. If retro fitted the resident would also pay the installation cost.

We've not found it necessary to set up any formal agreement to control these arrangements or to protect the authority. We would transfer an engraved slat free of charge if we need to replace a bench. We cannot fund a replacement if an engraved board is damaged or stolen.

- **Request to plant a memorial tree**

We are happy to support any initiative to plant new trees in our parks where we have space to do so and where it fits in with our wider plans. When we receive a request for a memorial tree we will consider whether the proposed location is appropriate in relation to the landscape and the environment. We will also discuss the cost. New trees planted as part of our normal programme can be the subject of vandalism but in some parks they fair better than others. Where we have sufficient funds we will sometimes install protection fencing but often we will simply plant a greater number of whips (very small tree saplings), some of which will reach maturity.

The location and the species are important. We aim to plant only native trees in our wider park landscapes. Ornamental trees are appropriate in a formal landscaping scheme or residential garden but not appropriate for our larger open spaces or reserves that are managed in the interests of biodiversity.

Some parks such as Hartham Common, whilst being a large park does not have a great need for more trees in its open areas. It is possible in some of these parks however that we can carry out some replacement planting in woodland areas, at perimeters where we may seek to soften fencing or in localised areas of formality.

If residents would like to consider planting a new tree with our guidance in a different location, we would be happy to discuss this.

We do not allow plaques near trees or any other feature in our parks to commemorate people but we can consider donations from families to plant a tree in memory of a loved one. We also encourage residents to think about engravings on our benches. *(see links to Memorabilia in parks / donating a bench or plaque)*

We can offer guidance on suitable trees and can help to find the right location. In dedicating a tree or bench to a park or open space, it is placed there for all users to enjoy and retained as public property.

- **Memorabilia in parks**

The Council understands that floral tributes and cards, while they remain, provide a visible and poignant focus of grief for families and friends. Other items such as articles of clothing, photographs and toys provide a very personal and heart felt reminder to families of their loved ones.

In the same way as many highway authorities, we are supportive of short term acts of remembrance, whether this is at the roadside or in a place that is special to family or the person grieved for. The County Council for instance allows flowers or small decorations to be placed at the roadside for one month after a collision.
https://www.hertfordshire.gov.uk/services/births-deaths-marriages-and-citizenship/deaths/roadside-memorials.aspx
They do not however allow permanent memorials on the roadside and remove them after a period of time, working with the police liaison officers and the families to deal with this as sensitively as possible.

East Herts District Council does not allow memorabilia such as toys, clothing and banners to remain on display in our parks. We do not allow plaques near trees or any other feature in our parks to commemorate people. We understand that some residents find comfort from these actions but our view is that the place for memorials is the churchyard or cemetery. We find that floral tributes or any other memorabilia compromise visual amenity and can hinder maintenance of our parks.

We will ask for items to be removed or will make arrangements to have them taken away. We may support residents for a period of two weeks while they consider where or how they might like to more permanently remember their relatives or friends.

We appreciate cooperation in this matter. If residents would like to consider a lasting memory in one of our parks, we can offer a service in some circumstances to donate a bench with an engraving or plant a tree (see links to donating a bench or plaque / request to plant a memorial tree)

In dedicating a bench to a park or open space, it is placed there for all visitors to enjoy and use.

Metal detecting and magnet fishing

Whilst we endeavour to allow as many diverse activities on our open spaces as we can, we regret that we cannot permit metal detecting on our land.

We have reflected on the National Trust approach to guide us.

We know most metal detectorists have a genuine interest in history and archaeology, and take care to report their finds, but we need to guard against finds being removed without proper recording or archaeological supervision. All our land has archaeological potential and is managed for the benefit of everyone – when finds are taken out of context we lose a piece of the jigsaw, making it harder for us to care for our archaeology.

Some detectorists are covered by National Council for Metal Detecting insurance and we are encouraged that they follow their guidelines for responsible metal detecting. We do not however, have the resources to evaluate those wishing to metal detect on our land, to assess any project they may have designed or to decide which of our parks might or might not be suitable.

Where we believe that archaeological investigations are needed to explore the history of one of our parks or to support our own developments, we will employ a specialist company. On these occasions we work closely with the Hertfordshire Historic Environment Team to ensure that our consultants are coordinating effectively and operating within the relevant legislation and guidance.

We commissioned a company; Oxford East Archaeology for example, to explore history below the ground at Grange Paddocks to support our plans to develop the leisure centre.

Pests & nuisance from wildlife

- **Pest Control**

The Council has no duty to control rats, wasps or other pests across the district and is not able to provide a service to do so. There are professional companies widely available that are able to offer such services.

We will carry out pest control on our own land (open spaces, buildings etc) where we believe there is a problem. This will not however include attempting to trap or poison rats in our parks. We see rats in our parks particularly where there is a water source and where there is food to sustain them. Unfortunately where there is litter or where visitors feed ducks with bread, this provides them with a food source.

We try to encourage visitors not to drop litter and to feed ducks with appropriate food that is neither harmful to ducks nor left as food for rats. (see link Feeding ducks)

Trying to reduce rat populations in our parks with pest control methods would be ineffective and a waste of resources. It would also risk harming wildlife present in our parks such as other small mammals and birds.

A wasps nest in one of our parks is unlikely to present an actionable risk to the public but we will investigate where residents have legitimate concerns.

Service for Vulnerable Residents

We are however able to provide a pest control service for vulnerable residents, that is residents on income related benefits who own their own homes.

If residents rent their property then they should contact their landlord or housing association as they are the owner of the building and are ultimately responsible for the building's condition.

The council only provides a service, for vulnerable customers of owner occupied properties. For other customers we recommend that they use an approved company which has signed up to one of the industry bodies such as the npta.org.uk or the bpca.org.uk

The company that council use to deliver a service to vulnerable customers is Glendale but they are not currently able to provide any external service to other residents. If residents are employing a company to provide pest control, we advise them to get a number of quotes, confirm what is actually included in the treatment cost and get recommendations from others or use a trade review site such as checkatrade.com.

More information on how to prevent pests can be found on our web site:

https://www.eastherts.gov.uk/environmental-health/pest-control

- **Bird Droppings from trees**

We occasionally receive calls about birds roosting in the trees near to houses and creating a mess.

Trees growing on highway verges are either owned by or under the management of the County Council.

We inspect of all our own trees regularly and carry out any maintenance that is needed to manage the risk of damage or injury. Any nuisance presented by birds however, is not the fault of the tree or the Council.

The Council values the trees under its care and does not accept that any nuisance experienced from bird droppings, from birds roosting or nesting in a tree is sufficient cause to fell or carry out pruning. It is indeed an offence to disturb birds while they're nesting, building a nest, in or near a nest that contains their young.

https://www.gov.uk/guidance/wild-birds-protection-surveys-and-licences

Pruning trees is not the solution, as the birds will simply roost on the remaining branches or other nearby trees. Even when trees are pruned, they will continue

to be inhabited by wildlife. Healthy and attractive trees are an asset to the environment.

If vehicles are affected, residents are advised to consider, garaging, covering, regular cleaning or alternatively parking away from the tree.

Where residents own trees in which birds are roosting there are alternative actions that residents might want to consider:

- Installation of commercially available pigeon spikes onto the level limbs where birds are likely to land
- Use of strung wires placed along the landing areas
- Application of a non-toxic bird repelling caulk
- Installation of audio devices
- Use of 'mock' birds, targeted towards the correct species

The Council will not fund these sorts of initiatives on its own trees.

- **Bees around Ivy**

The Ivy Bee (Colletes Hederae), is a species of plasterer bee, and are harmless. They are a relatively new species to the UK. Many residents report these bees as nesting in large patches of Ivy, mostly during the autumnal months of September through to November. The females collect pollen from the ivy flowers, whilst the males dig burrows and prepare for winter. These bees are often found in large numbers but are harmless and best left alone. Their work is vital to their survival, and the Council advises that residents do not disturb them.

- **Feeding ducks**

It is important to know what is healthy to feed ducks as the wrong food can have serious consequences. Please don't feed bread to the ducks in our parks. We have provided some information to explain why this is at:
https://www.eastherts.gov.uk/sports-leisure-parks/feeding-ducks

Play areas

- **Sand play – animal faeces**

The vast majority of people we talk to about play areas with sand are fully in favour of these facilities. Not only is it a safe surface to minimise the risk of head injuries, it is also a fun play and learning element in its own right and adds an attractive character to a play area.

For instance; at Trinity Close in Bishop's Stortford the "bowl" characteristic tucked into the hillside provides a more natural and welcoming feel than it

would had we just used grass matting or rubber pads. The huge sand pit in Hartham Common play area in Hertford has proved incredibly popular and provides a great platform for the water play facilities.

We find that sand is very popular wherever we install it.

We install fences and gates on most of our play areas. These are installed for a range of reasons, sometimes where busy roads or rivers may present a potential hazard. They are generally installed though to prevent dogs from entering play spaces designed for young children to minimise the risk of Toxocariasis, a rare infection caused by roundworm parasites. Humans can catch it from handling soil or sand contaminated with infected animal faeces. Roundworm parasites are most commonly found in cats, dogs and foxes, and are more likely to affect young children. This is because children are more likely to come into contact with contaminated soil when they play and put their hands in their mouths. Older children are generally less likely to do this.

We believe, along with many other authorities across the country and leading play safety experts that the benefits of sand are considerable and outweigh the low risk of any health issues from animal droppings, particularly with the control measures we put in place.

Whilst cats are able to climb fences and gain access to our play spaces, the risks of Toxocariasis are reduced by preventing access to dogs. Dogs are excluded from all our play areas through the Public Spaces Protection Orders.

https://www.eastherts.gov.uk/environmental-health/dog-fouling-dog-control

All our play areas with sand are inspected and maintained at least three times per week which includes raking through the sand to remove any debris or animal faeces. The wider park areas are also visited regularly to clear litter.

- **Play area noise and frequent use (Antisocial behaviour)**

We appreciate that noise from play areas can become an annoyance for some at certain times. While many of us are now working from home, we are experiencing different pressures and it is understandable that we might prefer a quiet environment during periods when we would not normally have been at home. However, we must stress that these are public open spaces.

Play areas are an essential part of the community, providing somewhere for young people to play and socialise. Most of our play areas have been in their current location for many years and do not present any significant problems.

Young people and parents are likely to gather at play areas on their way home from school. We would expect a certain amount of noise generated from this and do not agree on the face of it that children playing in or around a play area is unreasonable behaviour.

We do have a Community Safety & Anti-Social Behaviour team at East Herts Council who are able to investigate concerns in more detail. Residents can find out more about their work here: https://www.eastherts.gov.uk/community-wellbeing/anti-social-behaviour

We advise that residents consider the information provided and, if residents would like to seek further assistance, submit concerns through the Anti-Social Behaviour Report Form with a little more information about how often residents are disturbed by noise and whether it is always at the same time. Our team can then consider this further and advise whether they feel that the behaviour residents are describing is unreasonable or not, and if so how they may be able to help.

Risk assessments in parks

The Council carries out routine inspections of all its parks and open spaces including those with woodland areas.

These are predominantly undertaken through our grounds maintenance contract. Their purpose is to ensure that the areas are as safe, secure and fit for use as is possible (having regard to practicability and available resources), and to ensure that any areas or items requiring reactive maintenance identified during the course of an inspection are speedily addressed. These inspections will be undertaken in two ways; frequent routine visual checks and less frequent operational inspections to a more detailed level. Routine inspections are planned but not formally recorded, operational inspections are planned and recorded in detail.

These inspections are supplemented by audited client inspections to assess open spaces and to monitor contract performance.

We also commission detailed inspections of trees in our parks.

- **Rope swings in Woodlands**

The Council carries out risk assessments in relation to its operations which are periodically reviewed and updated. These note considerations for open space inspections including any obvious signs of play such as worn grass on slopes (running, makeshift sledges, bmx bikes etc), clearings in woodland, graffiti, ropes in trees, concentrated litter collection indicating social gathering spots. Our inspectors will decide whether these should these be removed, made safer, encouraged and/or monitored.

There is of course a good argument that "natural" play is important and that young people are actually very good at assessing risks. We like where possible to encourage and facilitate young people making use of our open spaces for play. There have however been incidents across the country involving serious injury where rope swings have been erected without the benefit of professional guidance.

In practice, rope swings are generally removed as they have been installed without the Council's input or any informed risk assessment that we are aware of and may not therefore provide for safe use.

Scattering of Ashes on East Herts Council Open Spaces

We aim to ensure our parks and open spaces can be used and enjoyed by as many people as possible for as many diverse activities as we can. We consider how we can accommodate people's needs fairly and sensitively. As with any request to carry out an activity in our parks we consider how that might affect other users, the environment and our maintenance regimes.

We are aware families are increasingly choosing to scatter ashes at favourite beauty spots or in places their loved ones were fond of. The general consensus amongst professionals in this field is that there are no legal restrictions to prevent this but it is widely accepted that relatives should seek the landowner's permission.

If able to satisfy some simple criteria, we will provide our permission, offering our condolences at such a sad time. If we decide a requested location is inappropriate, we will try to suggest a more suitable site. There may be occasions when we are unable to help.

We will not agree to people scattering ashes in all our public parks and gardens, especially in urban areas. Many of our parks are relatively small and visited by high numbers of people. If relatives wish to conduct a ceremony, it is unlikely they will have the privacy or space that they need to make it a special event. Some of our parks are environmentally sensitive or need to be maintained to high ornamental standards.

Some sites however, such as The Warren in Hartham Common or the woodland areas surrounding Pishiobury Park are natural spaces with a fair degree of seclusion where residents would be able to scatter their relative's ashes without adversely affecting others' enjoyment of the park or causing any damage to the environment.

If choosing to scatter on a river on our land – we would still like to be consulted. Residents don't need special permission, but should consult the Environment Agency's guidance:
https://www.scattering-ashes.co.uk/wp-content/uploads/2010/03/GEHO0306BKIK-e-e.pdf

Once we have agreed a location in a suitable park, we simply ask that people let us know when they would like to proceed so we can make a note in our events database. This information will not of course be shared outside the authority but means that, should we receive any enquiries, our team will be aware of the permission.

We receive some requests for memorial plaques in our parks and do not allow these other than upon benches. We will not permit residents to use trees or other features in the park as memorials or to leave flowers or personal items. We feel that this sort of remembering of loved ones is best confined to our local cemeteries. If residents wish to arrange a bench engraving we can provide details of the cost of benches and discuss a suitable location. We may decide in some of our parks that there are already sufficient benches.

The planting of a memorial tree may be authorised where there is sufficient space and need. Species choice is determined by the surrounding landscape.

We ask that people do not make any permanent marks or leave items at locations where they have scattered ashes or where a tree has been authorised. We are happy to provide a map of the chosen site so that relatives are able to record the location. We appreciate relatives are likely to want to remember the site and record it for future generations and feel that this is the best way to do this.

We suggest to those disposing of ashes that they might provide a courtesy note to Parish Councils as Burial Authorities. In 50 years' time there may be mystified searchers or historians and a routine search place will still be burial records. A note in them would be a help to researchers of all kinds in the future.

We have reviewed some of the information available about scattering ashes and ask that residents consider the following:

- Scatter in a secluded area, ideally away from other people and avoiding the main pathways
- Be aware of the environment - avoid areas of special conservation and try not to disturb the ground
- Try to avoid busy periods such as Bank Holidays, if choosing a popular spot then sunset or sunrise will be less busy
- Try to avoid windy days, be aware of the direction of wind and proximity of family members and other park users
- Avoid scattering on land where animals are grazing
- It is probably better to hold a discreet, informal gathering rather than an official ceremony
- Residents might find it easier to use an ashes scattering container known as a 'scatter tube' to help scatter the ashes
- Ashes should not be scattered in one solid mass on the ground and should be scattered evenly

Things to consider when making a record of the day:

- **Where** – Keep it simple but be detailed, so for example: Hazel Wood, 50m to the easy of the main bridge
- **When** did the resident conduct scattering? eg. dawn, midday, sunset
- The date – Any particular reason why residents have chosen this date? A birthday or anniversary?
- **Why** – Why residents have chosen to scatter there, this might help future generations to understand the significance
- **Who** – Who was there at this special occasion
- Details/Readings – did everyone sprinkle some ashes? Did anyone say a few words?

We do not require the completion of any formal application request. Relatives can email our Customer Services Team at customer.services@eastherts.gov.uk or telephone us on 01279 655261 to arrange for one of our Enforcement Officers to consider their request.

Their request will be logged on our customer enquiry database. The inspector will consult with colleagues before making a decision. Once a location has been agreed we only need confirmation of the relative's full name and address and the approximate time and date they are planning to visit. We don't need to know the precise location but ask that they keep slightly away from the main footpaths and follow our general guidance.

Shrubs / shrub beds / hedges

- **Shrub bed / hedge encroachment to boundary**

All our hedges should be pruned twice a year, some are faced off to keep them tidy and to minimise encroachment across paths. Some are also "topped" to keep them to a manageable height.

All our shrub beds are pruned once every year and then visited regularly through the year to control weeds and prune back any encroachment across paths or signs.

Most hedges are pruned back to previous year's growth and shaped to a tidy hedge of approximately 800mm wide and 1200mm to 1800mm high.

Shrubs are pruned to various heights according to species and location.

The Council does not reduce the height of hedges to afford access to resident's walls or fences.

The purpose of shrub beds and hedges planted by developers when houses are built, are to enhance the visual amenity for all residents and often to hide or "screen" fences from public spaces.

After having adopted any such areas for maintenance, we maintain the landscape as it was intended. Walls should have been designed by developers to withstand the presence of any trees and hedges included in their landscape schemes.

The Council advises residents who install fences adjacent to hedges in the public amenity to ensure that they are removable from the inside should they wish to access the outer side of panels.

Shrub beds may sometimes be reduced in height (to approximately 400mm) on a rotational basis (e.g. every 5 or 7 years) where it is beneficial to the species and where it is more cost effective than annual pruning, e.g. Laurel.

Our grounds maintenance contractor will remove any litter in the hedge base or shrub bed as part of each pruning operation. Any other litter picking would be carried out through any scheduled street cleansing operations under the Waste contract.

We are confident in most cases that our maintenance regime is sufficient to keep vegetation tidy and to minimise the potential for any damage. If residents believe however, that vegetation on Council owned land has caused any damage to their property (such as a garden wall, fence or residents house) through subsidence or root/branch movement, we would advise that they consult their household insurance provider to arrange an investigation. If residents wish to pursue a claim, guidance can be found at:
https://www.eastherts.gov.uk/about-east-herts-0/insurance-claims

- **Ivy growing over boundary from a Council open space**

Ivy is a woody stemmed, self-clinging climber that can grow relatively quickly to cover fences, walls and buildings. English Ivy supports itself by aerial roots and where these penetrate, cracks or joints they may cause structural damage – but, sound masonry is generally unaffected.

In our wider parks, where wildlife conservation is of consideration, ivy is not removed.

Ivy uses trees and walls for support, allowing it to reach upwards to better levels of sunlight. It is not a parasitic plant and has a separate root system in the soil, absorbing its own nutrients and water. It forms an beneficial and naturally occurring part of woodland habitats.

We will not remove ivy that is growing across a boundary but residents are at liberty to prune it at the boundary line. If it is growing in an ornamental shrub bed and encroaching other plants, we may remove it during the winter remedial works.

If residents feel that ivy is encroaching from property owned by the Council and causing potential damage, then residents should report concerns to our Customer Services Team. One of our inspectors will investigate.

- **Hedge or shrubs close to residential fence, concerns about encroachment and height**

The Council does not reduce the height of hedges to afford access to resident's walls or fences. Hedges would have been planted by developers to "screen" such infrastructure for the benefit of the public amenity. Once the Council adopts any such areas for maintenance we will maintain the landscape as it was intended. Walls should have been designed by developers to withstand the presence of any trees and hedges included in their landscape schemes.

The Council advises residents who install fences adjacent to hedges in the public amenity to ensure that they are removable from the inside should they wish to access the outer side of panels.

Shrub beds may sometimes be reduced in height on a rotational basis (e.g. every 5 or 7 years) where it is beneficial to the species and where it is more cost effective than annual pruning, e.g. Laurel.

If residents are concerned that vegetation may have caused any damage to their property such as the brick supporting wall through subsidence or root/branch movement, we would advise that residents consult their household insurance provider to arrange an investigation. If residents do wish to pursue a claim, guidance can be found at:

https://www.eastherts.gov.uk/about-east-herts-0/insurance-claims

- **High Hedge complaints**

Some residents may be unhappy with the height of their neighbour's hedge where it is affecting reasonable enjoyment of their property. The Council is empowered under the Anti-social Behaviour Act 2003 (High Hedges) to consider disputes. Our planning enforcement team may be able to help.

Information about high hedges can be found on the Planning Portal website and in High Hedges Complaints: Prevention and Cure [768KB] .

To complain about a high hedge, this is a chargeable service of £515 (at 2021 fees and charges). If residents are receiving benefits they may be eligible for a discount. Please complete our High Hedges Complaint Form [199KB]

Trees owned by the Council

- **Tree safety**

The Council operates an independent tree risk management inspection programme to inspect our trees regularly and diligently. Our inspection methods are reviewed regularly and updated wherever necessary to keep up with nationally recognised good practice.

Where our inspections reveal there is any cause for concern regarding the safety of trees, we endeavour to take appropriate action. We investigate each request we receive and refer to the findings of the latest inspection as well as considering the position of the trees in relation to customer's properties.

The Council invests considerably in this robust inspection process to fulfil our duty of care to residents and to minimise the risk of injury or damage to property. Whilst we do all can to achieve this however, trees are naturally growing in the environment and not always predictable.

We prioritise the budgets available to manage our entire tree stock to prune or remove those trees which do present a risk, ensuring that the most urgent cases are dealt with first.

We can reassure residents that we employ a specialist arboricultural consultancy practice. They are involved in a wide range of relevant work including planning consultancy, large scale computerised tree surveys, legal expert work, subsidence, insurance consultancy, state of the art tree management software and general consultancy advice relating to both trees and the landscape.

All their arboricultural surveyors delivering the service have a minimum level 3 qualification in Arboriculture and are LANTRA accredited to ensure a high level of assessment for all trees. Quality management systems, key performance indicators and quality checks are carried out by a senior consultant regularly on site and all survey data is signed off by a senior member of staff before being issued.

The Council recognises that regular tree inspections are crucial to minimise risk to the public and to present a strong case against potential allegations of negligence. It is committed to maintaining a defendable and responsible system of tree risk management.

All trees and tree groups are individually assessed to determine their “risk category” based on their proximity to high value targets in relation to their height and size. Trees or tree groups capable of falling on a very high or high value target are inspected annually (Category 1). All other trees and tree groups are inspected every three years or more frequently if specifically recommended by the surveyor (Category 2).

Our consultant uses the Quantified Tree Risk Assessment (QTRA) method for assessing the risk from trees. All arboricultural staff engaged in our inspections are trained, registered users. Tree safety management under this system is a matter of limiting the risk of harm from tree failure while maintaining the benefits conferred by trees. Although it may seem counterintuitive, the condition of trees should not be the first consideration. Instead, tree managers should consider first the usage of the land on which the trees stand, and in turn this will inform the process of assessing the trees.

The system moves the management of tree safety away from labelling trees as either ‘safe’ or ‘unsafe’ and thereby away from requiring definitive judgements from either tree assessors or tree managers. QTRA quantifies the risk of significant harm from tree failure in a way that enables tree managers to balance safety with tree values and operate to pre-determined limits of tolerable or acceptable risk.

By quantifying the risk from tree failure as a probability, QTRA enables a tree owner or manager to manage the risk in accordance with widely applied and internationally recognised levels of risk tolerance.

While defects in trees are relatively common, only a small minority of trees with observable defects require works. However, the possibility of structural failure is assumed to increase with time, therefore where trees are not to be re-inspected for three years the surveyor is justified in taking a more cautious approach to making recommendations than where 12-15 month inspections are scheduled.

QTRA is based on data calculated over a 1-year period. A detailed assessment of the Risk of Harm (RoH) informs the prioritisation of resources to deal with all “urgent” and “necessary” works as soon as is practically possible within one year. Other “appropriate” works are dealt with on a priority basis through the year with any remaining resource capacity. The Council sets aside a reasonable budget to meet these demands but in years where “urgent” and “necessary” works increase, the level of “appropriate” works may decrease.

"Appropriate" works might include landscape improvement, good arboricultural practice, established maintenance, specialised pruning of ancient or veteran trees, managing nuisance or clearing basal vegetation for access.
This process of realising "tolerable" or "acceptable" risk enables us to demonstrate that risks are managed reasonably and proportionately (As Low As Reasonably Practicable ; ALARP) in relation to our duty of care whilst making the best use of our finite resources and maximising the many benefits our trees provide.

Our inspection contractor works closely with our maintenance contractor to ensure our budgets are prioritised effectively and recommended works are carried out efficiently.

The Council is committed to providing a responsible regime of tree risk management that reduces risk from injury and property damage. However trees are living organisms and may fail despite our best efforts. We aim to ensure that trees do not present an unacceptable risk to residents and that our policy and decisions are defendable in the event of claims.

If residents would like further information, for the methodology of the QTRA system currently used, the link below provides further information.
https://www.qtra.co.uk/cms/index.php?section=4

The Council will only commission works based on current survey results. **We will not carry out works to trees that have not been recommended as part of our rigorous inspection process** other than in the unusual circumstances where the condition or status of a tree has suddenly changed. High winds may for instance have fractured a branch that requires pruning.

Trees will naturally move in the wind and make noises as they sway which can sometimes create concern for residents. The guidance we receive from our expert consultant does not conclude however that all large trees near to buildings must be removed or reduced in size. We reassure our customers that carrying out unnecessary heavy pruning to trees is not recognised arboriculturally as necessary to prevent a tree from falling.

Some pruning may be required for example where a tree has been unexpectedly exposed to the prevailing wind or where it has developed a weakness or disease. In some instances heavy pruning can in fact cause structural weaknesses in the tree that can create problems in the future.

Where a tree is healthy it is far better to monitor it and carry out work in response to regular inspections. (see link How does the Council keep its trees safe?)

- **Tree dropping fruit/seeds/leaves onto resident property**

The Council values its trees across the district including those on its own land.

We recognise that actions taken need to be proportionate to the actual risks involved and the importance of trees in our environment. Our inspection regime is thorough and carried out by specialist arboriculturalists qualified to undertake risk assessments. Management decisions are taken in light of the wider benefits of trees; aesthetic, ecological, environmental and sociological. Trees offer many benefits; they reduce carbon dioxide levels, filter and absorb pollution, absorb noise, produce oxygen, reduce the stress of modern lifestyles, encourage wildlife, have an aesthetic value and offer shade and shelter.

Trees are naturally growing, shedding organisms. Leaves, twigs, fruit litter, pollen and dead branches are a normal consequence of living with trees and are not sufficient justification for felling or pruning.

We will not fell or prune any trees without sound evidence that the tree is likely to cause damage or injury or where for conservation reasons, its removal will benefit the wider environment.

If a tree presents a real risk of damage or injury we will take appropriate action to deal with it. A build-up of leaves in a gutter or covering a patio may be seen as a nuisance to some people but fallen leaves are a natural phenomenon and there is no obligation or duty for a landowner to collect or dispose of leaves that fall onto neighbouring land. We would advise that residents don't locate structures or features beneath the canopy of a tree that might naturally shed debris.

We don't pick leaves up from our own trees falling in our parks, other than on hard surfaces or in shrub beds when they are pruned. We recognise that leaves are a crucial part of the natural cycle of plants growing in the environment.

The Council does not own or manage trees on highway verges. These are the responsibility of the County Council. If residents have concerns about a

County owned tree they can make them aware through their fault reporting process at:
https://www.hertfordshire.gov.uk/services/highways-roads-and-pavements/report-a-problem/report-a-street-light-or-pothole.aspx

Honeydew deposits during the summer months are produced by aphids which feed on the leaves of trees. This is common with tree species such as Lime and Sycamore. Heavy infestations of these insects can create significant deposits of honeydew which will fall on anything under the tree and drift in the wind. This feeding activity is a natural process and there is no practical treatment which will control insect numbers or prevent honeydew secretion.

The Council manages thousands of trees across the district, many of which are adjacent to gardens, footpaths, roads and parking areas. We receive complaints about some of these trees in relation to fruit dropping onto patios, leaves blocking gutters, sap from aphids falling onto cars and droppings from bats and birds falling onto cars and garden sheds. It would be incongruous with our commitment to protect trees to accept their loss for such reasons.

The Council is not legally obliged to clean honeydew deposits from an adjoining property, vehicle or structure. **We will not fell or disfigure trees to deal with this issue.**

If vehicles are affected, residents are advised to consider, garaging, covering, regularly cleaning or alternatively parking away from the tree. One approach residents may consider is to install the type of plastic spikes on branches above their property used to prevent birds from roosting. A tree surgeon may be able to advise on this alternative.

- **Tree/shrubs: allergies and pollen**

Whilst the Council sympathises with allergy suffers, it would not be practical nor beneficial to our environment to stop planting all the trees and shrubs which create pollen. Many of these trees are native to the UK and are an important part of our landscape. Oak for example is one of the main allergenic pollen and affects about 20% of suffers. As one of the countries most loved and splendid trees and one which creates habitat for a huge variety of other species it would not be acceptable to stop planting it. If we were to adopt such a strategy we would also of course need to consider the future of the grass areas in our parks as grass pollen is the most common trigger of hay fever in the UK.

The reality is that pollen from a wide number of species travels freely in the wind and does not remain in the close vicinity of each plant. We understand that it may be possible to reduce symptoms by choosing plants carefully for resident's own contained gardens but this is neither practical nor would it be effective for the wider landscape.

We are mindful of what we plant and how our schemes impact the wider environment. We are conscious of how plants can have an adverse effect on people but we cannot remove certain plants or modify our planting programmes in relation to allergies.

- **A Council tree overhanging resident's property.**

Residents are only permitted to cut back growth to the boundary line of their property and no further.

Our general advice regarding vegetation overhanging property boundaries is that householders are legally within their rights to remove any branches that are overhanging the boundary up to and no further than the line of the boundary and preferably no higher than 3 metres.

This does not allow residents to reduce the height of a Council owned tree in any way. It is important to note that any such pruning may damage the visual appearance of a tree and could seriously destabilise it. For that reason the Council would only agree to any major pruning to one side of trees near boundaries if it can be achieved sympathetically to the tree and the landscape.

We manage the trees and woodlands in our parks and open spaces carefully and in line with good practice. We commit to a programme of responsible management which will often include thinning woodlands (removing a number of trees) where they have been purposely planted too close together. Woodlands are often planted at a high density in the knowledge that some trees fail and to provide the opportunity to choose the best trees to reach maturity.

- **A Council tree blocking light from resident garden**

The Council will not prune trees to afford light to residents.

We operate an independent tree risk management inspection programme to inspect our trees regularly and diligently. Where our inspections reveal there is any cause for concern regarding the safety of trees, we endeavour to take

appropriate action. We investigate each request we receive and refer to the findings of the latest inspection as well as considering the position of the trees in relation to customer's properties. Any change to the condition of trees is assessed as part of the ongoing inspection regime. We prioritise the budgets available to manage our entire tree stock to prune or remove those trees which do present a risk, ensuring that the most urgent cases are dealt with first.

Many residents have concerns about the amount of light they feel is obscured from their property by vegetation. The only practical solution to this would be to either fell a huge proportion of specimen trees and trees in our woodlands or to commit to a long term exercise of reducing the height of thousands of trees at the cost of many thousands of pounds every year. This would be to the detriment of our trees and woodlands.

We advise all customers there is no legal entitlement to light in this respect. There are common law rights relating to developments which might affect an uninterrupted use for a number of years such as the building of a new extension. This does not however relate to trees present in the landscape.

We can only consider the effects of trees or shrubs with regard to any physical effects that they may have to properties. Our view is that it would not be fair to all residents for the Council to spend a high proportion of funds on ongoing pruning or felling that is not necessary for the health and safety of the tree but only to afford light.

Our general advice regarding vegetation overhanging property boundaries is that householders are legally within their rights to remove any branches that are overhanging the boundary up to and no further than the line of the boundary and preferably no higher than 3 metres. This does not allow residents to reduce the height of a Council owned tree in any way. It is important to note that any such pruning may damage the visual appearance of a tree and could seriously destabilise it. For that reason the Council would only agree to any major pruning to one side of trees near boundaries if it can be achieved sympathetically to the tree and the landscape.

We manage the trees and woodlands in our parks and open spaces carefully and in line with good practice. We commit to a programme of responsible management which will often include thinning woodlands (removing a number of trees) where they have been purposely planted too close together. Woodlands are often planted at a high density in the knowledge

that some trees fail and to provide the opportunity to choose the best trees to reach maturity.

We understand resident's natural concerns with regard to the safety of the woodland trees adjacent to their property. The Council will not however, prune trees to afford light to residents. We can explain in more detail why this is and what positive work we are able to carry out in our woodlands.

We operate an independent tree risk management inspection programme to inspect our trees regularly and diligently. Where our inspections reveal there is any cause for concern regarding the safety of trees, we endeavour to take appropriate action. We investigate each request we receive and refer to the findings of the latest inspection as well as considering the position of the trees in relation to customer's properties. If we find that a tree is in a condition that might cause injury or damage, we carry out the necessary work to keep it safe.

Any change to the condition of trees in the future will be assessed as part of the ongoing inspection regime. We prioritise the budgets available to manage our entire tree stock to prune or remove those trees which do present a risk, ensuring that the most urgent cases are dealt with first.

Trees will naturally move in the wind and make noises as they sway which can sometimes create concern for residents. The guidance we receive from our expert consultant does not conclude however that all large trees near to buildings must be removed or reduced in size. We reassure our customers that carrying out unnecessary heavy pruning to trees is not recognised arboriculturally as necessary to prevent a tree from falling. Some pruning may be required for example where a tree has been unexpectedly exposed to the prevailing wind or where it has developed a weakness or disease. In some instances heavy pruning can in fact cause structural weaknesses in the tree that can create problems in the future. Where a tree is healthy it is far better to monitor it and carry out work in response to regular inspections.

The Council values its trees across the district including those on its own land. We recognise that actions taken need to be proportionate to the actual risks involved and the importance of trees in our environment. Our inspection regime is thorough and carried out by specialist arboriculturalists qualified to undertake risk assessments. Management decisions are taken in light of the wider benefits of trees; aesthetic, ecological, environmental and sociological. Trees play an important role to reduce carbon dioxide levels, filter and absorb pollution, absorb noise and produce oxygen. They can

reduce the stress of modern lifestyles, encourage wildlife, have an aesthetic value and offer shade and shelter. They are naturally growing, shedding organisms.

Leaves, twigs, fruit litter, pollen and dead branches are a normal consequence of living with trees and are not sufficient justification for felling or pruning. We will not fell any trees without sound evidence that the tree is likely to cause damage or injury or where for conservation reasons, its removal will benefit the wider environment. Whilst we understand that some residents see trees near their properties as a nuisance, we cannot fell any tree because it is dropping seeds or leaves. This would set a precedent which could result in the loss of thousands of trees growing in our urban areas.

Some residents have concerns about the amount of light they feel is obscured from their property by vegetation. The only practical solution to this would be to either fell a huge proportion of trees in our woodlands or to commit to a long term exercise of reducing the height of thousands of trees at the cost of many thousands of pounds every year. This would be to the detriment of the trees and the woodland. We advise all customers there is no legal entitlement to light in this respect. There are common law rights relating to developments which might affect uninterrupted use for a number of years such as the building of a new extension. This does not however relate to trees present in the landscape.

We can only consider the effects of trees or shrubs with regard to any physical effects that they may have to properties. Our view is that it would not be fair to all residents for the Council to spend a high proportion of funds on ongoing pruning or felling that is not necessary for the health and safety of the tree but only to afford light.

Our general advice regarding vegetation overhanging property boundaries is that householders are legally within their rights to remove any branches that are overhanging the boundary up to and no further than the line of the boundary and preferably no higher than 3 metres. This does not allow residents to reduce the height of a Council owned tree in any way. It is important to note that any such pruning may damage the visual appearance of a tree and could seriously destabilise it. For that reason the Council would only agree to any major pruning to one side of trees near boundaries if it can be achieved sympathetically to the tree and the landscape.

The felling of trees in woodlands without good reason is the sort of work that we would seek to prosecute against if carried out without permission in a

Conservation Area. If the Council were to carry out such work on its own land it would set a very poor example to local contractors and residents who have trees in their own gardens to manage and care for. We provide a consistent response to all requests for what we believe to be unnecessary pruning or felling. Our advice supports the Council's corporate objectives to protect the environment.

Our woodlands provide an important wildlife habitat and an attractive natural backdrop for local people to enjoy. It would be incongruous with our commitment to manage our parks responsibly for both wildlife and people, to consider removing woodland trees unnecessarily. We manage our trees and woodlands carefully and in line with good practice. We commit to a programme of woodland management which will often include thinning (removing a number of trees) where they have been purposely planted too close together. Woodlands are often planted at a high density in the knowledge that some trees fail and to provide the opportunity to choose the best trees to reach maturity. They are often planted by developers to screen new properties from view in order to protect the visual amenity or to compensate for a loss of biodiversity.

In some instances where developers have planted near to properties, we may decide to remove trees that we believe are too close and to create a clear buffer zone between property and woodland, usually around 3.0m in width. This is not always popular as some residents see the vegetation behind their property as a natural security measure to prevent others from reaching their boundaries. We have carried out such work where we believe it is has an overall benefit to the woodland and neighbouring residents. In some instances we have also thinned (removed some trees) or coppiced trees further into the woodland if it is appropriate for the type of woodland and species. Our prime objective is good woodland management which may sometimes help to lessen any undesired impact of trees on our neighbours.

- **Branches from a Council tree are touching resident building**

If a tree is touching private property (dwelling, house, garage etc) and is owned or managed by the Council, we may take action to avert the nuisance by the most appropriate means.

In many cases, the solution will be for the Council to prune the tree, but in rare circumstances, where a tree is found to have health conditions or has been planted too close by the developers from whom the Council has adopted land, it may need to be removed.

- **Trees blocking light to solar panels**

The Council supports sustainable alternatives to producing energy. However, it is not reasonable to ask us to commit to pruning or removing hundreds of trees where they might block light.

Residents should ensure that panels are orientated to maximise their potential but must take into consideration the location of nearby trees when doing so. If residents have too much tree cover near their property, they may not be able to benefit from solar panels.

- **Trees affecting TV/Satellite reception, or hanging wires**

We receive some requests from residents to carry out work to our trees in relation to light, television reception and other concerns. Our view is that it would not be fair to all residents for the Council to spend a high proportion of funds on ongoing pruning or felling that is not necessary for the health and safety of the tree.

We advise all customers that there is no legal entitlement to light and we are not aware of any legal obligation for landowners to remove trees or branches that may be affecting a television signal.

The Council can only consider trees or shrubs with regard to their physical effects on the structure of properties. It would be poor arboricultural practice to reduce the height of any tree on a regular basis unless the health of the tree was in question or there was a significant risk of damage or injury to the public.

We appreciate concerns about the poor television reception in some areas but would advise that there might be various reasons for this. The signal for instance may be weak or resident's antennae or dish may require lifting higher or boosting.

Trees are a crucial part of our landscape and play an important ecological role. A commitment to remove or reduce the height of trees across the district where they may perhaps be affecting television signals is unacceptable for the Council in terms of both cost and the protection of our environment.

Statutory undertakers such as telecommunications companies will carry out pruning to trees on the highway to protect the integrity of their system and

have exception to do so on protected trees. These statutory undertakers, or contractors working at their request, are advised to liaise with local authorities prior to carrying out work to trees protected by a Tree Preservation Order. It is expected that all vegetation control is carried out in accordance with best arboricultural practice. They should also take care to not contravene the provisions of legislation protecting plants and wildlife.

- **CCTV & Security Cameras are blocked by Council owned tree branches**

If residents have security cameras protecting their property, there is no reason for these to be directed into a public space.

Residents may prune branches hanging across their boundary.

- **Tree roots lifting my patio, pathway or drive.**

We do not routinely inspect or repair root damage made to private property, even if residents feel the tree is located on land owned by East Herts Council.

Cutting the roots of any tree is generally ill-advised as it may affect the tree's health and stability. If a tree is covered by a Tree Preservation Order (TPO), or if it stands within a Conservation Area, an application will be required before root pruning can take place.

We are confident in most cases that our maintenance regime is sufficient to keep our trees safe and to minimise the potential for any damage. If residents believe however, that a tree on Council owned land has caused any damage to their property (such as a garden wall, fence or house) through subsidence or root/branch movement, we would advise that residents consult their household insurance provider to arrange an investigation. If residents wish to pursue a claim, guidance can be found at https://www.eastherts.gov.uk/about-east-herts-0/insurance-claims

- **Trees damaging drains**

It is rare for trees to block up or cause damage to drains. In order for the roots to gain access into a drainage system, the drain must already be damaged. Instances of underground pipes being broken by the growth of tree roots are rare.

The Council will not undertake the topping, thinning or felling of trees to prevent roots entering damaged pipes. The necessary repairs of the defect in the pipe are the only certain remedy that will prevent future problems.

Modern materials and joints will significantly reduce pipe damage and subsequent root encroachment in the future.

- **Council tree with fungus growing on it**

There are many types of fungi that live happily on trees. However, if the fungal growth is close to the base of the tree, or from the stem or branches, this may suggest wood decay.

Removing fungal fruiting bodies from trees will not get rid of the fungus since, by the fruiting stage, it will already be well established. They are an invaluable habitat for insects and beetles and should not be removed from the tree.

We inspect all our trees on a regular basis and our inspectors are expert in the identification of fungi and the effect if varying types on trees. Our inspectors are likely therefore to have noticed anything that might present a risk in one of our trees. Their recommendation for work, if they decide it necessary, is added to our system and work will be prioritised according to the level of risk.

If residents believe that a tree on Council owned land is diseased and unsafe, then please report this to us. We can check the most recent inspection.
If the tree is on a resident's own property and they are unsure if its condition, then residents are advised to contact an experienced arborist for a professional opinion.

- **Council owned trees that are covered in ivy**

Ivy is a climbing, scrambling plant abundant as a groundcover shrub in many types of woodland. It has a variety of conservation benefits and forms an integral part of a woodland's habitat.

It supports many species of wildlife which use ivy for nesting and hibernation for insects, birds, bats and other small mammals. Nectar, pollen and berries of ivy are a nutritious food resource for insects and birds during autumn and winter when there is little else about. It also provides food for some butterfly and moth larvae.

In a public open space, there is a need to balance certain considerations for its retention: tree safety, conservation and aesthetics. Ivy causes no direct damage to trees. However, in some situations, it may be considered unsightly and more importantly, can create problems for efficient management by obscuring structural defects and fungal fruiting bodies. It can in some cases increase the weight of a tree's crown and the 'sail' effect during the wet, windier, winter months, when deciduous trees have shed their leaves.

The Council only undertakes the removal of ivy from trees where considered necessary to aid the health of an ailing tree or to support the inspection of tree.

- **Cracks/splits in a Council tree.**
  Cracks and splits in a trunk can be an indicator of an unstable tree.

Residents should report any such concerns issues to us through our Customer Services Team. Our inspection staff can make an initial assessment and call in our specialist arborist consultant if necessary.

The Council cannot offer a service to inspect trees that it does not own.

Trees on the highway

- **The street lights obscured by trees**

Trees on the highway are owned or managed by the County Council. We carry out grass cutting, hedge and shrub pruning on their behalf as part of an agency agreement but we do not manage their trees.

If residents would like to report an issue of concern as a fault to the County Council they can do so through their web site at: https://www.hertfordshire.gov.uk/services/highways-roads-and-pavements/report-a-problem/report-a-highway-fault/what-type-of-fault-are-residents-reporting.aspx

East Herts Council will undertake work to trees owned or managed by the Council, to ensure that the presence of trees does not substantially stop the light omitted by lighting columns in our parks or open spaces.

Residents should contact Customer Services or report this through our web site and we will investigate and carry out pruning if it is necessary.

- **Tree, bush or hedgerow encroaching on a public footpath from a private garden**

East Herts Council are not empowered to intervene where a resident has allowed plants in their garden to obstruct a footpath.

Residents may report this to the County Council via their online fault reporting page, on their website https://www.hertfordshire.gov.uk/services/highways-roads-and-pavements/report-a-problem/report-a-highway-fault/what-type-of-fault-are-residents-reporting.aspx

The County Council manage the safety of the highway and may, if they feel there is a problem, contact the householder under the powers granted to them through the Highways Act.

They may ask the householder to carry out the work necessary to remedy the problem or they may arrange for the work to be carried out and re-charge the householder. In that instance they may ask us to arrange for our contractor to carry out work under the agency agreement we have with them.

This is entirely at the discretion of the County Council according to their resources and assessment of the issue.

General Tree Health

- **Inspection of an unsafe tree on privately owned or common land**

Generally the Council cannot take responsibility for somebody else's tree.

It would not be appropriate for the Council to offer a service to inspect trees on land for which it is not responsible. Apart from the complexities of using council funds to maintain land for which it is not responsible, there would be liability issues with us identifying works that might need to be carried out without having the means to do so.

It is very unusual for common land not to be owned by somebody. If residents are concerned about a tree on neighbouring land should try to identify a responsible party. They should then aim to impress upon the owners that they have a duty of care to the public to ensure their tree is not presenting a risk.

Any resident can apply for a land search through the Land Registry. https://www.gov.uk/government/organisations/land-registry

Another potential source of information might be the County Council who are responsible for identifying common land and ensuring that it is properly registered to protect its future. They may be able to advise from their own records whether land has been identified as common land and, if they have no record of an owner, may be able to advise further.

East Herts Council does have powers under section 23 of The Miscellaneous Provisions Act 1976 in relation to dangerous trees in the district. Our view however is that this is designed to provide a remedy where there is imminent risk of injury or damage from a tree where there is not an immediate solution. Residents may for instance have been unable to find record of who owns a tree which has been identified as dangerous or there is uncertainty as to who may own the land upon which the tree is growing. The powers referred to in the Act are at the Local Authorities' discretion. They allow us to take remedial action to avert a risk.

In most instances there is no imminent risk of danger and therefore no immediate remedial work required. We would only consider acting under these powers to avert an immediate risk of danger and then seek costs from the owner.

In some instances residents have asked the Council to use these powers to intervene where they believe their neighbour is not carrying out work to a tree which they believe is necessary. This however is not a matter for the Council. We would urge residents who are not able to resolve concerns about a tree in their neighbour's property to work through a process of mediation to find a resolution. Citizen's Advice may be able to provide some advice on how to do this.

Residents can obtain expert advice from a tree specialist to determine whether their concerns about a tree are well founded or not.

We have a considerable task in managing our own trees (in excess of 70,000) and must focus our limited budgets carefully to ensure that we are acting reasonably to minimise risk.

The Council is not able to provide any specialist advisory service to determine the condition of a tree or to mediate on behalf of residents where they are in dispute with a neighbour.

- **Tree advice**

We have a considerable task in managing our own trees (in excess of 70,000) and must focus our limited budgets carefully to ensure that we are acting reasonably to minimise risk.
The Council is not able to provide any specialist advisory service to determine the condition of a privately owned tree and does not have sufficient resource to offer a general advice service.

We may sometimes discuss issues with residents in relation to an application for works to a protected tree in their garden once they have made an application for tree works and as part of our determination process. Residents must make an application for tree works before we are able to discuss their tree with residents and in most instances we are able to inspect and determine the application without needing to do so.

We would suggest that residents approach a local tree surgeon or consultant to obtain expert advice on the health and management of their trees. Details of tree contractors and consultants operating throughout the UK are available from the Arboricultural Association.
https://www.trees.org.uk/Find-a-professional

Equality Impact Analysis Form

1. Equality Impact Analysis (EIA) Form

Title of EIA (policy/change it relates to)	Parks & Open Spaces Strategy – 2022-27	**Date**	December 2021
Team/Department	Leisure & Parks / Operations		
Focus of EIA What are the aims of the new initiative? Who implements it? Define the user group impacted? How will they be impacted?	This strategy replaces the outgoing Parks and Open Spaces Strategy and draws from previous parks improvements to outline the Council's commitment to parks and opens spaces. It also sets out key areas of focus for the next five years. Implemented by the Council with support from partners. Parks and open spaces are potentially used by a wide range of residents from all age groups and ethnicities. Impact is related to access and facility improvements and working with other departments on initiatives to engage with users through volunteering.		

***Please note**: Prepopulated data for protected categories other than Age and Gender come from 2011 census results[1] on the district, the Age and Gender data comes from ONS mid-year estimates[2]. If the service has specific demographic data for service users/residents than this should be used instead.*

[1] https://www.nomisweb.co.uk/census/2011
[2] https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalesscotlandandnorthernireland

2. Review of information, equality analysis and potential actions

Please fill in when appropriate to the change. If it does not, please put N/A

Protected characteristics groups from the Equality Act 2010	**What do you know?** Summary of data about your service-users and/or staff		**What do people tell you?** Summary of service-user and/or staff feedback	**What does this mean?** Impacts (actual and potential, positive and negative. Clearly state each)	**What can you do?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Age	Under 20 20-24 25-29 30-44 45-59 60-64 65-74 75-84 85-89 90	24.2% 4.5% 5.5% 19.8% 22.9% 5.4% 9.6% 5.6% 1.6% 0.9%	Age data was not collected through the consultation but evidence from routine inspections suggests a broad age range use our parks. The consultation did not reveal any concerns from residents about any age related discrimination.	Our service needs to accommodate young people including both the very young and older teenagers both of whom require opportunity to play and socialise through to the other end of the spectrum including older people who may have mobility issues and also benefit from opportunities to socialise.	We provide a good range of equipped play areas designed to cater for the full range of ages and are mindful of creating opportunities for natural play. We ensure our parks are as accessible as possible with appropriate gates and parking where possible. We install seating at intervals throughout our parks. We commit to continue delivering a high quality of service in this respect. We continue to commit to delivering

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff	What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				opportunities for volunteer work through our Friends Groups and are aware that these are enjoyed to a good extent by the 45-74 yr brackets capturing the larger age profile for the district.
Disability	11,663 households in East Herts have one person in household with a long-term health problem or disability.	The consultation did not find any issues relating directly to any long term health or disability problems. 36% of consultees advised that "accessible to all" is one of the three most important things that people	Physical access was noted as a priority as we develop our open spaces. The consultation feedback mentioned better access for cyclists, parking for disabled visitors and interventions to improve wet weather access. Attention to	These have been and will continue to be picked up in our individual greenspace action plans which are routinely revised. The strategy commits to continue focusing on good access for all users.

Protected characteristics groups from the Equality Act 2010	**What do you know?** Summary of data about your service-users and/or staff	**What do people tell you?** Summary of service-user and/or staff feedback	**What does this mean?** Impacts (actual and potential, positive and negative. Clearly state each)	**What can you do?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
		believe parks should offer. When asked "what is the one most crucial thing we should focus on to meet our customers' needs in our parks and open spaces" the relevant options were Health & Wellbeing (6%) and Accessibility (6%) both demonstrating very limited concern.	footpath maintenance was also raised.	

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff		What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Gender reassignment	Neither this consultation, nor our previous public engagements relating to green space action plans have identified any data relating to gender reassignment.		Our strategy consultation found no issues raised about gender reassignment.	We have been conscious not to discriminate against this group.	Continue awareness.
Pregnancy and maternity	Neither this consultation, nor our previous public engagements relating to green space action plans have identified any data relating to pregnancy or maternity.			We have been conscious not to discriminate against this group.	Continue awareness.
Race	**White** English/Welsh/Scottish/Northern Irish/British Irish Gypsy or Irish Traveller Other White **Mixed/multiple ethnic groups** White and Black Caribbean White and Black African White and Asian Other Mixed **Asian/Asian British**	**95.47%** 90.25% 1.14% 0.04% 4.04% **1.61%** 0.45% 0.15% 0.62% 0.38% **1.95%**	Our strategy consultation found no issues raised about race discrimination.	We have been conscious not to discriminate against this group.	Continue awareness.

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff		What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
	Indian	0.73%			
	Pakistani	0.15%			
	Bangladeshi	0.20%			
	Chinese	0.37%			
	Other Asian	0.49%			
	Black/African/Caribbean/Black British	**0.71%**			
	African	0.43%			
	Caribbean	0.22%			
	Other Black	0.07%			
	Other ethnic group	**0.26%**			
	Arab	0.10%			
	Any other ethnic group	0.16%			
Religion or belief	Christian	62.75%	Our strategy consultation found no issues raised about religious discrimination.	We have been conscious not to discriminate against this group.	Continue awareness.
	Buddhist	0.32%			
	Hindu	0.45%			
	Jewish	0.33%			
	Muslim	0.72%			
	Sikh	0.12%			
	Other religion	0.32%			
	No religion	27.75%			
	Religion not stated	7.26%			

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff	What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Sex/Gender	The district is 51% female and 49% male	The data indicates an even spread of need for female and male visitors to our parks. Our consultation has raised no issues from our customers in relation to sex or gender.	We are confident that our services provide an equal opportunity for all groups. Some research suggests that play areas may not always offer as much opportunity for play or socialising for girls as for boys.	Our strategies in the past and going forward are to ensure that we offer a wide range of play types including those traditionally enjoyed by girls such as netball. We ensure that equipment and seating is designed to offer socialising for all young people. There is a general increase in interest in football by girls and so less risk of our Multi Use Games Areas which offer football and basketball being gender biased.
Sexual orientation	Neither this consultation, nor our previous public engagements relating to green space action plans have identified any data relating to sexual orientation.		We are confident that our services provide an equal opportunity for all	We can be mindful during our engagement with users and as we develop our services of any

Protected characteristics groups from the Equality Act 2010	**What do you know?** Summary of data about your service-users and/or staff		**What do people tell you?** Summary of service-user and/or staff feedback	**What does this mean?** Impacts (actual and potential, positive and negative. Clearly state each)	**What can you do?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				groups.	potential discrimination in this area.
Marriage and civil partnership	Single Married Civil partnership Separated Divorced Widowed	30.5% 52.3% 0.2% 2.3% 8.6% 6.2%	Our consultation has revealed no evidence of any discrimination against any of these groups	Our parks and open spaces are freely accessible to any visitor and offer sports, leisure and relaxation to all.	We can be mindful during our engagement with users and as we develop our services of any potential discrimination in this area.

Assessment of overall impacts and any further recommendations

The services offered through our parks and open spaces, the consultation undertaken and the strategy going forward are designed to offer a wide range of activities and benefits to all residents.
Parks are crucial places for residents and visitors to relax, play and keep fit, supporting our health and wellbeing, no better emphasised than through the pandemic experience. We offer to ensure they remain fit for purpose; have good access, are clean and welcoming and that we continue positive engagement with users.
We are confident that there is neutral impact from this strategy and no issues of concern.

3. List detailed data and/or community feedback which informed your EqIA (If applicable)

Title (of data, research or engagement)	**Date**	**Gaps in data**	**Actions to fill these gaps: who else do you need to engage with?** (add these to the Action Plan below, with a timeframe)
Prepopulated EHC data		**None identified**	**n/a**
Eight week consultation process receiving 179 responses to an online questionnaire.	**Aug to Sept 2021**	**None identified**	**n/a**

4. Prioritised Action Plan (If applicable)

Impact identified and group(s) affected	Action planned	Expected outcome	Measure of success	Timeframe
NB: These actions must now be transferred to service or business plans and monitored to ensure they achieve the outcomes identified.				

EqIA sign-off: (for the EQIA to be final an email must sent from the relevant people agreeing it or this section must be signed)

Lead Equality Impact Assessment officer:		**Date:**	
Directorate Management Team rep or Head of Service:	**Jess Khanom-Metaman**	**Date:**	**5.1.22**
Author of Equality Impact Analysis:	**Ian Sharratt**	**Date:**	**23.12.21**

Appendix D: Comments from the Overview and Scrutiny Committee

Comment from Committee	Reasons from the Committee	Executive Member/Officer Comment	Recommended Action
Why is there no mention within the Strategy of access for people with disabilities?	Concern that an important user group may not have been considered.	The strategy focuses strongly on "Promoting equality and access for all whether its walking in our open spaces, accessible equipment in play areas or learning more about historic monuments in our parks and open spaces". This inherently includes people with disabilities. All protected characteristics have been considered as part of the Equality Impact Assessment for this strategy including disability. The strategy was found to have neutral impact. The draft strategy, pending approval, now emphasises that our parks being Attractive and Accessible includes disabled visitors (Appx 1, p.13). A new core aim commits to "maintain good access for all users including visitors with disabilities".	List the suggested change
Can the Executive Member ensure that the strategy is amended to reflect the inclusion of fireworks and	Concern that the proposed policies do not address a potential problem of visitors letting off fireworks in	Open spaces are currently hired out to local community groups or with partners such as Town Councils for the purpose of holding firework displays. Our position is that these will be authorised only where the organisers are able to demonstrate sufficiently rigorous event management including risk assessments covering crowd control, the provision of appropriately trained personnel and sufficient liability insurance cover.	List the suggested change

non-organised displays?	our open spaces.	Any group or person letting off fireworks in a Council owned park or open space without our authorisation would be breaking the law as explained on the government's web site; https://www.gov.uk/fireworks-the-law This states that "you must not set off or throw fireworks (including sparklers) in the street or other public places." The draft Operating Policies and Guidance, pending approval, now include a section clarifying that fireworks in open spaces are illegal unless part of an organised display which has been authorised by the Council (Appx 2, p.5).	
The operating guidance in the strategy does not clarify that sand in play areas is routinely raked to remove all faeces including foxes and cats as well as dogs.	Concern that young people may be at greater risk from coming into contact with faeces if there is not a commitment to consider all animals.	The current contract requires the contractor to rake sand play areas at each inspection/maintenance visit. This must include the removal of all litter, glass, debris and other deleterious matter. This will be daily, three times a week or weekly depending on the type of play area and volume of use according to a schedule. That schedule can be varied if circumstances alter. The draft Operating Policies and Guidance, pending approval now clarifies that raking of play sand is carried out to deal with all animal faeces (Appx 2, p.25).	List the suggested change
The strategy could go further to commit to safe use of	There has been some media coverage relating to the use of	The draft Operating Policies and Guidance, pending approval, now clarifies how herbicides are used as part of the Council's open space maintenance regime and that this usage is kept to a minimum in accordance with legally enforceable conditions of	List the suggested change

herbicide in relation to its potential environmental impact.	glyphosate. The Council aims for Environmental Sustainability to be at the heart of everything it does.	use requiring the responsible use of pesticides in amenity areas (Appx 2, p.18).	

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East Herts Council Report

Executive

Date of meeting:	8 February 2022
Report by:	Councillor Graham McAndrew –Executive Member for Environmental Sustainability
Report title:	Introduction of Electric Vehicle (EV) charging tariffs
Ward(s) affected:	All

Summary

The purpose of this report is to outline the proposal to introduce a tariff for the use of electric vehicle (EV) charging points within the car parks managed by the council in line with the council's fees and charges policy.

RECOMMENDATIONS FOR EXECUTIVE:

a) **Consider the comments from the Overview and Scrutiny Committee, as shown at Appendix C, and endorse the recommended actions shown.**
b) **Endorse and adopt the Electric Vehicle Charging Tariff Policy, as amended by Recommendation (A)**

1.0 Proposal(s)

1.1 To introduce a charge for use of newly installed EV charging points within council managed car parks and other assets in line with the council's fees and charges policy

1.2 To, over time, remove the current free EV charging points within the council's car parks and replace them with points

requiring a tariff to use, subject to funding for upgrading the infrastructure, in line with the tariff charging described in this report.

2.0 Background

2.1 Council's July 2019 declaration on climate change stresses the importance of tackling climate change both in terms of reducing greenhouse gas emissions and planning for the local impacts of climate change.

2.2 In line with Council's commitment to environmental sustainability and aspiration to achieve carbon neutrality by 2030, there is a commitment to investigate environmental opportunities within council managed car parks and install EV charging points, subject to a viable funding model.

2.3 This is supported by a recommendation from the member parking task and finish group in 2019 to "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". Council, in February 2020, endorsed monitoring deliverability of this aspiration subject to funding availability.

2.4 The council provides the following EV charging points:

- four EV charging points, 7 kWh capacity, in Gascoyne Way Multi Storey, Hertford (7kWh)
- six, up to 11kWh capacity, in Causeway, Bishop's Stortford, two of which are currently used for the East Herts e-car pool. It is anticipated these chargers will move to Link Road car park

- three, 7 kWh capacity, at Wallfields, Herford, two of which are within the council's own car park for staff and members.

2.5 The council has recently undertaken a number of major capital developments including a new leisure centre in Bishop's Stortford (Grange Paddocks) and Northgate End car park (due to complete in May 2022). Both projects include the installation of new charging bays, the new Grange Paddocks leisure centre will have 2 bays and the new Northgate End MSCP will have 54 EV bays. In addition, three EV charging points are in the process of installation at Bell Street car park, Sawbridgeworth.

2.6 Subject to successful external funding, there is an aspiration to extend EV charger provision further.

2.7 Given the capital investment into this new infrastructure and ongoing maintenance requirements, a charging mechanism is proposed to ensure operational costs are recovered to reduce the burden on the council's medium term financial plan.

2.8 The number of electric vehicles registered in East Herts has significantly increased over the last 12 months to approximatively 1,300 vehicles (2020/21 Department for Transport, DfT data). By 2027/28 this figure is expected to be in the order of 26,000 vehicles (25% of the total number of cars in the district) based on DfT/UK Power Network trajectory models. Thus, there is considerable risk that the electricity cost to the authority will increase sharply without a tariff in place to recover cost and so, in line with the council's over-riding fees and charges policy that service users should make a direct contribution to the cost of providing services (both

discretionary and statutory) at their point of use a tariff as described in paragraph 2.11 is proposed.

2.9 A Traffic Regulation Order (TRO) is already in place to allow enforcement of EV charging bays in council managed car parks. The key feature of the scheme limits use of the EV vehicles to a maximum of 5 hours charging to enable a greater number of vehicles to make use of the facilities. It is anticipated that as further EV chargers become available this approach will be reviewed.

2.10 In addition to paying for electricity, the normal parking tariffs will apply for those car parks. The proposal for tariff introduction is aimed at recovering costs associated with the operation and maintenance of the chargers themselves.

2.11 The tariff proposed is 25p/kWh for fast chargers (7kW). A breakdown of costs can be found below with commercially sensitive information in appendix A.

Cost Item	**Cost**
Average cost of electricity across EHDC estate	20p/kWh
Provider and Council costs	5p/kWh
Proposed charge (included VAT)	**25p/kWh**

2.12 Based on 25p/kWh, a typical charge for 3hrs would be:

- 25px7kWh x 3hrs = £5.25 in addition to the cost of parking itself.

2.13 It is proposed that, as with all the council's fees and chargers, the tariff will need to be regularly reviewed.

2.14 In terms of payment, the appointed provider would manage all customer contact including the payment app. Costs will be reconciled with the provider either quarterly or six monthly.

2.15 For information, tariffs imposed by other Hertfordshire authorities are highlighted below. The table below demonstrates that the proposed charge is at the mid-point locally.

Authority	**Tariff charge**
North Herts	42p/kWh for 45kW output (max 3hrs)
Watford	32p/kWh for 7kW output
East Herts proposal	25p kWh for 7-11 kWh output
Stevenage	17p/kWh for 7kW output

2.16 A strategy for the implementation of *future* electric vehicle bays and infrastructure is in the process of being developed and will be put forward for member consideration in due course. In the meantime, however, some *current* projects are nearing completion and a pricing strategy needs to be determined before these can be made available for the public and be enforceable.

2.17 The report was considered by the Overview and Scrutiny Committee at its meeting on 18 January 2025. Comments and recommended actions are shown at Appendix C

3.0 Reason(s)

3.1 The council has committed to its climate change declaration made in 2019 and subsequently the development of an environmental sustainability action plan commits the council to the installation of EV chargers where appropriate and it is financially viable to do so. In line with the new fees and charges policy, the council needs to recover its costs of operation and maintenance to reduce any anticipated pressure on the Medium Term Financial Plan (MTFP). Therefore a charge is being proposed for EV charging points.

4.0 Options

4.1 Do nothing – NOT RECOMMENDED. Not charging for EV charging use will result in additional pressure on the council's revenue position. Furthermore, without establishing a means to enable additional chargers to cover their costs, it will not be possible to install new chargers, thus compromising the council's role in facilitating reductions in carbon emissions.

4.2 Introduce charges but not on a cost recovery basis – NOT RECOMMENDED as this would only lessen the financial burden

on the council of EV charging infrastructure and thus, as discussed under the 'do nothing', this approach would compromise the council's ability to install chargers and encourage carbon reduction.

4.3 Implement a cost recovery approach as proposed, including coverage of lifecycle cost/capital investment – RECOMMENDED for the reasons outlined in this report.

5.0 Risks

5.1 Risks associated to a charged service include potential for increased customer contact should the software not work. This is mitigated by the provider managing all customer contact.

5.2 There is reputational risk associated with the introduction of any new charge which could possibly be amplified by being seen as a disincentive to switching to an e-vehicle. In response to this, however, the principle of paying to use an EV charger is now well-established nationally with only a minority of chargers in operation still providing free electricity.

6.0 Implications/Consultations

6.1 A number of implications have been considered as part of this report.

Community Safety

Yes – the cost of repairing any damaged/vandalised charging points is incorporated as part of the replacement programme.

Data Protection

Yes – Terms and conditions of the payment app will be managed directly between the user and provider.

Equalities

Yes – the trend for EV payment is cashless and via apps and could possibly have a differential impact on those less familiar with technology. It is considered, however, that those using an e-vehicle are likely to be familiar with more modern methods of payment and so it is considered that no mitigation is required.

Environmental Sustainability

Yes – this supports the Council's climate change declaration and associated actions plans.

Financial

Yes – the approach fulfils the requirements of the fees and charges policy. A breakdown of costs can be found in Appendix A.

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

Yes – Terms and conditions with provider has been considered by the Council's legal team. Standard terms and conditions have been accepted.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

7.1 Appendix A – Breakdown of costs – confidential

7.2 Appendix B – Equalities Impact Assessment

7.3 Appendix C – Comment from Overview and Scrutiny Committee

Contact Member

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Equality Impact Analysis Form

1. Equality Impact Analysis (EIA) Form

Title of EIA (policy/change it relates to)	Introduction of Electric Vehicle (EV) charging tariffs	**Date**	15.12.21
Team/Department	Parking – Operations		
Focus of EIA What are the aims of the new initiative? Who implements it? Define the user group impacted? How will they be impacted?	The aim of the policy is to introduce a tariff for the use of electric vehicle charging bays in East Herts Managed car parks. The key user group impacted are motorist who own electric vehicles as they will now need to pay for charging their vehicles in East Herts managed car parks (where the infrastructure allows receipt of payment)		

***Please note**: Prepopulated data for protected categories other than Age and Gender come from 2011 census results[1] on the district, the Age and Gender data comes from ONS mid-year estimates[2]. If the service has specific demographic data for service users/residents than this should be used instead.*

[1] https://www.nomisweb.co.uk/census/2011
[2] https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalesscotlandandnorthernireland

2. Review of information, equality analysis and potential actions

Please fill in when appropriate to the change. If it does not, please put N/A

Protected characteristics groups from the Equality Act 2010	**What do you know?** Summary of data about your service-users and/or staff	**What do people tell you?** Summary of service-user and/or staff feedback	**What does this mean?** Impacts (actual and potential, positive and negative. Clearly state each)	**What can you do?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Age	*A study for Department for Transport (2015) found that: Most private EV owners are currently middle-aged, male, well-educated, affluent, and live in urban areas with households containing two or more cars and with the ability to charge at home. Looking ahead to the next 3-5 years, and based on insights from more developed EV markets, the basic socio-demographic profile of EV owners in the UK is not likely to change significantly The evidence suggests more people in this same demographic are going to start buying EVs	In conversation with our Environmental Sustainability Co-ordinator, we learned that the uptake of those with electric vehicles are overwhelmingly amongst company car drivers (as it is financially & tax-wise easier to select a low emission vehicle). A third of electric vehicle owners are those who are leasing those vehicles privately (across all age groups), but	If more people within the middle-aged demographic buy and use electric vehicles then it could be forecasted that the electric vehicle buying age 'could normalise with the broader new vehicle buying trend' and that the 'gender distribution could be more balanced'. www.fuelinstitute.org (EV consumer behaviour, pg4)	There are few ways to mitigate the impact of this action, however the impact does not appear to discriminate or negatively impact those with protected characteristics.

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff	What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
		people who have been purchasing them have been at the higher age range, due to a higher income.		
Disability	11,663 households in East Herts have one person in household with a long-term health problem or disability.	A report from the Research Institute for Disabled Consumers (RIDC) has found that two thirds of disabled people fear that they would find electric car charging "either difficult or very difficult to navigate" in its current form. (Study reveals disabled drivers' concerns about EV chargers | Autocar)	The rise in tariff for electric vehicle owners may indirectly make electric vehicles more accessible for disabled car drivers, if there is a decline in uptake and therefore more available charging ports for the disabled. However the navigation issue in its current state will	East Herts could consider making the charging ports for electric vehicles more accessible for disabled users.

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff		What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
				remain unchanged.	
Gender reassignment	No reliable data at this time				
Pregnancy and maternity	No reliable data at this time				
Race	**White** English/Welsh/Scottish/Northern Irish/British Irish Gypsy or Irish Traveller Other White **Mixed/multiple ethnic groups** White and Black Caribbean White and Black African White and Asian Other Mixed **Asian/Asian British**	**95.47%** 90.25% 1.14% 0.04% 4.04% **1.61%** 0.45% 0.15% 0.62% 0.38% **1.95%**	In conversation with our Environmental Sustainability Co-ordinator, we learned that the uptake of those with electric vehicles are overwhelmingly amongst company car drivers (as it is financially & tax-wise easier to select a low	If some BAME groups are less likely to own electric vehicles, then the budget change would have would be less of an impact on this group. Any impacts would be financial and not of a discriminatory nature.	There is little action to take on this example.

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff		What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
	Indian	0.73%	emission vehicle). A third of electric vehicle owners are those who are leasing those vehicles privately (across all age groups), but people who have been purchasing them have been at the higher age range, due to a higher income. Due to the recognition of shared socioeconomic barriers amongst BAME groups, it could be speculated that this group is less likely to buy an electric car,		
	Pakistani	0.15%			
	Bangladeshi	0.20%			
	Chinese	0.37%			
	Other Asian	0.49%			
	Black/African/Caribbean/Black British	**0.71%**			
	African	0.43%			
	Caribbean	0.22%			
	Other Black	0.07%			
	Other ethnic group	**0.26%**			
	Arab	0.10%			
	Any other ethnic group	0.16%			

Protected characteristics groups from the Equality Act 2010	**What do you know?** Summary of data about your service-users and/or staff		**What do people tell you?** Summary of service-user and/or staff feedback	**What does this mean?** Impacts (actual and potential, positive and negative. Clearly state each)	**What can you do?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
			however a more granular look at the different races is needed to support this claim, as there is disparity in income between different ethnic groups.		
Religion or belief	Christian Buddhist Hindu Jewish Muslim Sikh Other religion No religion Religion not stated	62.75% 0.32% 0.45% 0.33% 0.72% 0.12% 0.32% 27.75% 7.26%	Due to the recognition that intersectionality exists between BAME groups and those belonging to minority faiths (e.g Buddhism, siks, hindu, jewish etc), there could be a shared impact on the number of BAME residents impacted by this budget change.	If some religious groups are less likely to own electric vehicles, then the budget change would have would be less of an impact on this group. Any impacts would be financial and not of a discriminatory nature.	There is little action to take on this example.

Protected characteristics groups from the Equality Act 2010	What do you know? Summary of data about your service-users and/or staff		What do people tell you? Summary of service-user and/or staff feedback	What does this mean? Impacts (actual and potential, positive and negative. Clearly state each)	What can you do? All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
Sex/Gender	The district is 51% female and 49% male		Men, particularly those aged between 30 and 45 years with higher levels of education, working in the not-for-profit sector or academia, are **more than twice as likely to own electric cars than women**. Women most likely to buy electric cars - if asked right - electrive.com	The rise in price for electric vehicle charging may indirectly impact men more than women, however the impact will be negligible and not of a gendered nature.	There is little action to take on this example.
Sexual orientation	An estimated 14,000 identify as LGBT+		No reliable data at this stage.		
Marriage and civil partnership	Single Married Civil partnership Separated Divorced	30.5% 52.3% 0.2% 2.3%	No reliable data at this stage.		

Protected characteristics groups from the Equality Act 2010	**What do you know?** Summary of data about your service-users and/or staff		**What do people tell you?** Summary of service-user and/or staff feedback	**What does this mean?** Impacts (actual and potential, positive and negative. Clearly state each)	**What can you do?** All potential actions to: • advance equality of opportunity, • eliminate discrimination, and • foster good relations
	Widowed	8.6% 6.2%			

Assessment of overall impacts and any further recommendations

The United Kingdom committed to a target of net zero emissions by 2050, and proposed a ban on the sale of all polluting vehicles by 2035..[5] Electric vehicle trends | Deloitte Insights

This could mean that any impacts discussed in this assessment could increase in years to come.

3. List detailed data and/or community feedback which informed your EqIA (If applicable)

Title (of data, research or engagement)	**Date**	**Gaps in data**	**Actions to fill these gaps: who else do you need to engage with?** (add these to the Action Plan below, with a timeframe)

*https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/464763/uptake-of-ulev-uk.pdf

- **Office for National Statistic survey – 2020**
  https://www.ons.gov.uk/economy/environmentalaccounts/articles/overhalfofyoungerdriverslikelytoswitchtoelectricinnextdecade/2021-10-25

4. Prioritised Action Plan (If applicable)

Impact identified and group(s) affected	Action planned	Expected outcome	Measure of success	Timeframe
NB: These actions must now be transferred to service or business plans and monitored to ensure they achieve the outcomes identified.				

EqIA sign-off: (for the EQIA to be final an email must sent from the relevant people agreeing it or this section must be signed)

Lead Equality Impact Assessment officer:	**Corrine Crosbourne**	**Date:**	**22/12/21**
Directorate Management Team rep or Head of Service:	**Jess Khanom**	**Date:**	**22/12/21**

Appendix C: Comments from the Overview and Scrutiny Committee

Comment from Committee	Reasons from the Committee	Executive Member/Officer Comment	Recommended Action
The Overview and Scrutiny committee asked that pricing from commercial operators were provided and considered by the Executive	There was some discussion about whether the price point proposed in the report was appropriate, points were raised both on whether it should be higher or remain as it is.	The price proposed is based on cost recovery in line with the fees and charges policy. Pricing from commercial operators are as follows (source: Zap-map). **Birchanger Services M11** Price: 39p/kWh (19p/kWh for Ecotricity customers) Output: 43kW **Stansted Mountfitchet Station Car Park** Membership: • Fast/slow: 28p/kWh, • Rapid: 32p/kWh, • Ultra-rapid (100+kW): 38p/kWh. PAYG: • Fast/slow: 33p/kWh, • Rapid: 38p/kWh, • Ultra-rapid (100+kW): 44p/kWh.	Executive to discuss at meeting

		Contactless / guest: • Fast/slow: 35p/kWh, • Rapid: 40p/kWh, • Ultra-rapid (100+kW): 50p/kWh. **Tesco – Hertford** Price: free Output: 7kW	

East Herts Council Report

Executive

Date of Meeting: 8 February 2022

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

Report title: Discretionary COVID-19 Additional Relief Fund (CARF) scheme

Ward(s) affected: All

Summary

To approve a discretionary business rates relief scheme funded by Government.

RECOMMENDATIONS for Executive:

(A) To approve the discretionary scheme as detailed at paragraph 2.3

1.0 Background

1.1 On 25 March 2021 the Government announced a new COVID-19 Additional Relief Fund (CARF) of £1.5 billion. They advised that the fund would be available to support those businesses affected by the pandemic but that were ineligible for existing support (see paragraph 1.8) linked to business rates. The scheme details were published on 15 December 2021.

1.2 The relief is available to reduce chargeable amounts in respect of 2021/22 only.

1.3 The Government will, in line with the eligibility criteria set out in its guidance, reimburse local authorities where relief is granted using discretionary relief powers under section 47 of the Local Government Finance Act 1988. It will be for individual billing authorities to adopt a local scheme and determine in each individual case whether, having regard to this guidance and their own local scheme, to grant relief under section 47.

1.4 The guidance can be viewed here.

1.5 East Herts has been allocated £3,087,717.

1.6 Background paper 4.2 (below) lists those businesses which the Government considered eligible for the expanded retail discount, and are therefore **not** eligible for this relief. Point 7 lists those businesses which whilst falling within this board definition, the Government chose to exclude from the expanded retail relief, and accordingly could apply for this relief if they met all other criteria.

1.7 However there are other business types, including manufacturing businesses, and service businesses which were not open to visiting members of the public which will also be eligible to apply for support.

1.8 The Government criteria states that billing authorities will be responsible for designing the discretionary relief schemes that are to operate in their areas. However, in developing and implementing their schemes local authorities must, if they are funding the relief from the section 31 grant:

a) not award relief to ratepayers who for the same period of the relief either are or would have been eligible for the Extended Retail Discount (covering Retail, Hospitality and Leisure), the Nursery Discount

or the Airport and Ground Operations Support Scheme (AGOSS),

b) not award relief to a hereditament for a period when it is unoccupied (other than hereditaments which have become closed temporarily due to the government's advice on COVID-19, which should be treated as occupied for the purposes of this relief), and

c) direct their support towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to that impact.

d) In line with the legal restrictions in section 47(8A) of the Local Government Finance Act 1988, billing authorities may not grant the discount to themselves, certain precepting authorities (e.g. a parish or county council) or a functional body, within the meaning of the Greater London Authority Act 1999.

e) Depending upon how local authorities choose to award CARF, the amount of relief awarded may need to be recalculated in the event of a change of circumstances. This could include, for example, a backdated change to the rateable value or the hereditament. This change of circumstances could arise during the year in question or during a later year.

2.0 Report

2.1 As usual with these schemes it is unclear exactly how many businesses will be eligible. It is therefore proposed to open the scheme for one month and determine the value of allocations at the end.

2.2 The Government have used their own estimates in their

assessment methodology to determine the size of each allocation but that is based on incomplete data and without knowing how many potentially eligible businesses will self-exclude due to subsidy limitations etc.

2.3 The table below shows the proposed scheme:

A	An application window is open for one month
B	Funds are granted based on dividing the allocated available funding by the total qualifying liability and pro rata if oversubscribed (up to the maximum liability for each qualifying applicant). The RV on the date of application will be that which determines entitlement. However allocations will be recovered if RV's are subsequently reduced but no additional awards will be made if RV's increase. See 1.6 (iii) above. If funds remain available, a further application window may be offered, or late applications accepted.
C	That no specific business type is excluded (other than by the mandatory criteria), however we will require that the 'premises' is a place where **business** is operated/conducted from, making awards to **personal use** facilities unlikely. This is consistent with the mandatory requirement that the ratepayer demonstrate that they have been "*adversely affected by the pandemic and have been unable to adequately adapt to that impact.* "

3.0 Risks

Only as referenced in the report

Implications/Consultations

No

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

Only as referenced in the report

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

No

Specific Wards

No

4.0 Background papers, appendices and other relevant material

4.1 https://www.gov.uk/government/publications/covid-19-additional-relief-fund-carf-local-authority-guidance

4.2 **Eligibility for the Expanded Retail Discount**

Annex A from:

https://www.gov.uk/government/publications/business-rates-expanded-retail-discount-2021-to-2022-local-authority-guidance/business-rates-expanded-retail-discount-2021-to-2022-local-authority-guidance

1. Hereditaments that meet the eligibility for Expanded Retail Discount will be occupied hereditaments which meet all of the following conditions for the chargeable day:

a. they are wholly or mainly being used:

i. as shops, restaurants, cafes, drinking establishments, cinemas and live music venues,
ii. for assembly and leisure; or
iii. as hotels, guest & boarding premises and self-catering accommodation,

2. We consider shops, restaurants, cafes, drinking establishments, cinemas and live music venues to mean:

i. Hereditaments that are being used for the sale of goods to visiting members of the public:

- Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
- Charity shops
- Opticians
- Post offices
- Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
- Car/caravan show rooms
- Second-hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale/hire)

ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as: hairdressers, nail bars, beauty salons, tanning shops, etc)
- Shoe repairs/key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/TV/domestic appliance repair
- Funeral directors
- Photo processing
- Tool hire
- Car hire
- Employment agencies
- Estate agents and letting agents
- Betting shops

iii. Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

iv. Hereditaments which are being used as cinemas

v. Hereditaments that are being used as live music venues:

- Live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).
- Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).
- There may be circumstances in which it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music. Although we would expect this would be clear in most circumstances, guidance on this may be found in Chapter 16 of the statutory guidance issued in April 2018 under section 182 of the Licensing Act 2003[footnote 4].

3. We consider assembly and leisure to mean:

i. Hereditaments that are being used for the provision of sport, leisure and facilities to visiting members of the public (including for the viewing of such activities).

- Sports grounds and clubs
- Museums and art galleries
- Nightclubs
- Sport and leisure facilities
- Stately homes and historic houses
- Theatres
- Tourist attractions
- Gyms
- Wellness centres, spas, massage parlours
- Casinos, gambling clubs and bingo halls

ii. Hereditaments that are being used for the assembly of visiting members of the public.

- Public halls
- Clubhouses, clubs and institutions

4. We consider hotels, guest & boarding premises and self-catering accommodation to mean:

i. Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:

- Hotels, Guest and Boarding Houses
- Holiday homes
- Caravan parks and sites

5. To qualify for the discount the hereditament should be wholly or mainly being used for the above qualifying purposes. In a similar way to other reliefs (such as charity relief), this is a test on use rather than

occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief. For the avoidance of doubt, hereditaments which have closed due to the government's advice on COVID19 should be treated as occupied for the purposes of this relief.

6. The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied uses that exist within the qualifying purposes. There will also be mixed uses. However, it is intended to be a guide for authorities as to the types of uses that the government considers for this purpose to be eligible for relief. Authorities should determine for themselves whether particular properties not listed are broadly similar in nature to those above and, if so, to consider them eligible for the relief. Conversely, properties that are not broadly similar in nature to those listed above should not be eligible for the relief.

7. The list below sets out the types of uses that the government does not consider to be an eligible use for the purpose of this discount. Again, it is for local authorities to determine for themselves whether particular properties are broadly similar in nature to those below and, if so, to consider them not eligible for the discount under their local scheme.

i. Hereditaments that are being used for the provision of the following services to visiting members of the public

- **Financial services (e.g. banks, building societies, cash points, bureaux de change, short-term loan providers)**
- **Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)**
- **Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers)**
- **Post office sorting offices**

ii. Hereditaments that are not reasonably accessible to visiting members of the public

Contact Member

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Policy for the granting of COVID-19 Additional Relief Fund Discretionary Non-Domestic Rate Relief

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1.0 Purpose of the Policy

1.1 The purpose of this policy is to determine the level of discretionary relief payable under the Council's COVID-19 Additional Relief Fund (CARF) scheme.

1.2 Central Government has provided the authority with funding to assist those ratepayers who businesses have been (and continue to be) affected by the pandemic but that are ineligible for existing support linked to business rates.

1.3 The Government has not changed the legislation relating to the business rates reliefs available to properties. Instead, the Government will, in line with the eligibility criteria set out in this policy, reimburse local authorities where relief is granted using discretionary relief powers under section 47 of the Local Government Finance Act 1988.

1.4 Whilst funding is provided by Central Government, it is for the Council to decide its own local scheme and determine in each individual case whether to grant this particular relief.

1.5 Relief under the CARG scheme will only be available to reduce chargeable amounts in respect of the 2021/22 financial year.

1.6 This document outlines the following areas:

- Details of the criteria for receiving Discretionary Reliefs under the COVID-19 Additional Relief Fund (CARF) scheme;
- The Council's policy for the granting of the relief;
- General guidance on granting and administering the reliefs and awards;
- Subsidy Controls applicable; and
- The Council's Scheme of Delegation.

1.7 Where ratepayers apply for relief they will be granted (or not granted) relief under the COVID-19 Additional Relief Fund (CARF) scheme in line with the following policy.

2.0 Discretionary Relief – Legislative Background

Introduction

2.1 The original purpose of discretionary relief was to provide assistance where the property does not qualify for mandatory relief, or to 'top' up cases where ratepayers already receive mandatory relief.

2.2 Over recent years and particularly since 2011, the discretionary relief provisions have been amended to allow authorities the flexibility to provide more assistance to businesses and organisations.

2.3 The range of bodies, which are eligible for discretionary rate relief, is wide and not all of the criteria laid down by the legislation will be applicable in each case.

2.4 The Council will expect all businesses provide such information and evidence as required in order to determine whether relief should be awarded.

2.5 There is no statutory appeal process or Tribunal against any decision made by the Council although, as with any decision of a public authority, decisions can be reviewed by Judicial Review. The authority will however, upon request, review decisions made. Details of the internal review process are given within this policy.

2.6 The decision to grant or not to grant discretionary relief is a matter purely for the Council.

3.0 Eligibility for discretionary relief under the COVID-19 Additional Relief Fund (CARF) scheme

3.1 Whilst the Council has determined its own scheme, the Department for Levelling Up, Housing and Communities has stated that, in order for the Council to receive the allocated funding, it must:

(a) **not** award relief to ratepayers who for the same period of the relief either are or would have been eligible for the Expanded Retail Discount (covering Retail, Hospitality and Leisure), the Nursery Discount or the Airport and Ground Operations Support Scheme (AGOSS);

(b) **not** award relief to a hereditament for a period when it is unoccupied (other than hereditaments which have become closed temporarily due to the government's advice on COVID-19, which should be treated as occupied for the purposes of this relief), and

(c) direct their support towards ratepayers who have been adversely affected by the pandemic and have been unable to adequately adapt to that impact.

3.2 In line with section 47(8) of the Local Government Finance Act 1988, the Council must not grant any relief to itself or to either local or major precepting authorities.

3.3 The relief will be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, excluding those where the Council has provided relief using its wider discretionary relief powers introduced by the Localism Act 2011 which are not funded by section 31 grants.

3.4 Where any reduction or remission is granted to a ratepayer under S49 Local Government Finance Act 1988 (where hardship is proven to the Council), then there will be no requirement to grant CARF Discretionary Rate Relief for that amount.

3.5 In certain cases, the order in which relief is granted is specified. Mandatory relief shall be granted in all cases where the relevant criteria are met irrespective of whether discretionary relief can be granted or not.

4.0 Discretionary Relief to be awarded under the COVID-19 Additional Relief Fund.

4.1 Over the past few years, a number of schemes (such as the COVID-19 Additional Relief Fund) have been led by Central Government but without specific legislative changes.

4.2 The Council is keen to support such initiatives especially where they are designed to help local businesses and will look to maximise both the reliefs given as well as maximise any grants receivable.

4.3 In view of this, the council has decided that where a ratepayer meets **ALL** eligibility criteria, the allocation of funding will be calculated by dividing funding by the total qualifying liability and pro rata if oversubscribed (up to the maximum liability for each qualifying applicant). The RV on the date of application will be that which determines entitlement. However, allocations will be recovered if RVs are subsequently reduced but no additional awards will be made if RV's increase.

4.4 The criteria for the COVID-19 Additional Relief Fund are as follows:

(a) the ratepayer is **not** eligible (or would **not** be eligible) for the Expanded Retail Discount (covering Retail, Hospitality and Leisure), the Nursery Discount or the Airport and Ground Operations Support Scheme (AGOSS);
(b) the ratepayer is not entitled to either Small Business Rate Relief or Rural Rate Relief granted at 100%;
(c) the ratepayer is **not** entitled to mandatory relief (80%) and discretionary (top up) of 20% which is funded through business rates retention;
(d) the hereditament is treated as occupied by the Council;

(e) the ratepayer confirms that they have been adversely affected by the pandemic and have been unable to adequately adapt to that impact;

(f) the ratepayer is **not** subject to Subsidy Control as defined within section 6; and

(g) the hereditament is not excluded under the section 5 below

5.0 Excluded hereditaments

5.1 The Council has decided that hereditaments / ratepayers will be excluded from relief under the Council's COVID-19 Additional Relief Fund (CARF) scheme if they fail to meet the eligibility criteria set down within this policy.

6.0 Subsidy Control

6.1 The Council's COVID-19 Additional Relief Fund (CARF) scheme is subject to the subsidies chapter within the UK-EU Trade and Cooperation Agreement (TCA). However, for CARF there is an exemption for subsidies under the value of approximately £2,243,000 per economic actor (broadly speaking, for example, a holding company and its subsidiaries).

6.2 This allowance comprises 325,000 Special Drawing Rights (at current exchange rates about £343,000) for Small Amounts of Financial Assistance and a further £1,900,000 for COVID-19 related subsidy.

6.3 Therefore, to be awarded CARF the ratepayer must not have claimed over the period 2019/20 to 2021/22 more than £2,243,000 from schemes which fell within the Small Amounts of Financial Assistance or COVID-19 related allowances.

6.4 Any COVID-19 business grants a ratepayer has received from local government generally and the 2019/20 Retail Relief should count towards this limit, but the ratepayer should not count any Extended Retail Discount they have received since 1 April 2020.

6.5 Further details of subsidy control can be found at:
https://www.gov.uk/government/publications/covid-19-additional-relief-fund-carf-local-authority-guidance

6.6 The ratepayer will need to indicate to the Council:

- if they have not to date received any subsidy which fell within the Small Amounts of Financial Assistance or COVID-19 related allowances; or
- if the ratepayer has received other such subsidies, they will be required to provide the name and total value of those subsidies.

6.7 A ratepayer must not apply for CARF if they have already exceeded the £2,243,000 allowance. However, the Council will still consider applications for support under

the CARF scheme if they have reached this limit provided you can evidence that they:

(a) Intend to use the support to fund uncovered fixed costs (costs not covered by profits for insurance etc) during the period of COVID-19. Economic actors may claim for up to 70% of their uncovered costs (although this 70% limit does not apply to small businesses with less than 50 employees and less than £9 million turnover where the limit is instead 90%); and

(b) Have shown a decline in turnover of at least 30% within the April 2020 to March 2021 period, compared to the same 2019 to 2020 period.

6.8 The ratepayer may claim up to a further £10 million of additional allowance (on top of the £2,243,000) if they meet the above tests and they have not claimed any other support from the additional allowance up to an aggregate £10 million limit (such as from the COVID-19 business grants).

6.9 Government and the Council will not tolerate any business falsifying their records or providing false evidence to gain this relief including claiming support above these thresholds.

6.10 A ratepayer who falsely applies for any relief or provides false information or makes false representation in order to gain relief may be guilty of fraud under the Fraud Act 2006.

7.0 Effect on the Council's Finances

7.1 As Central Government leads this initiative, funding will be provided through section 31 of the Local Government Act 2003. This is not automatic and Central Government will look to the Council to adopt the recommended approach when granting in these areas.

7.2 In order to guarantee funding, the Council will ensure that the criteria in this policy are met in full

8.0 Administration of Discretionary Relief

8.1 The following section outlines the procedures followed by officers in granting, amending, or cancelling discretionary relief and reduction. This is essentially laid down by legislation[1]

Applications and Evidence

8.2 The Council will specify how (and if) applications are to be made and received. This may vary from time to time.

[1] The Non-Domestic Rating (Discretionary Relief) Regulations 1989

8.3 Where appropriate, ratepayers are required to provide such evidence necessary to allow the Council to make a decision. Where insufficient information is provided, then no relief will be granted. In some cases, it may be necessary for officers to visit premises and we would expect ratepayers claiming relief to facilitate this where necessary.

8.4 **The Council will provide this service and provide guidance free of charge. Ratepayers are encouraged to approach the Council direct and NOT pay for such services through third parties. Applications will be accepted from ratepayers only.**

Granting of relief

8.5 In all cases, the Council will notify the ratepayer of decisions made.

8.6 Where an application (if required) is successful, then the following will be notified to them in writing:

- The amount of relief granted and the date from which it has been granted;
- If relief has been granted for a specified period, the date on which it will end.
- The new chargeable amount;
- The details of any planned review dates and the notice that will be given in advance of a change to the level of relief granted; and
- A requirement that the applicant should notify the Council of any change in circumstances that may affect entitlement to relief.

8.7 Where relief is not granted, then the following information is provided, again in writing:

- An explanation of the decision within the context of the Council's statutory duty; and
- An explanation of the appeal rights (see below).

8.8 Discretionary relief is to be granted from the beginning of the financial year in which the decision is made or when liability begins whichever is the later. Since 1997 decisions can be made up to 6 months after the end of the financial year for which the application was made. In such cases, the Council *may* backdate its decision. Given the timing of this relief, awards will only be made for the 2021/22 financial year.

Variation of a decision

8.9 Variations in any decision will be notified to ratepayers as soon as practicable and will take effect as follows:

- Where the amount is to be increased due to a change in rate charge (excluding rateable value increases) or a change in the Council's decision which increases the award – this will apply from a date determined by the Council as appropriate;

- Where the amount is to increase for any other reason, it will take effect at the expiry of a financial year unless it is granted for a fixed period;
- Where the amount is to be reduced due to a reduction in the rate charge or liability including any reduction in rateable value, awarding of another relief or exemption this will apply from the date of the decrease in rate charge; and
- Where the amount is to be reduced for any other reason, it will take effect from a date determined by the Council as appropriate;

8.10 A decision may be revoked at any time and a one-year period of notice will be given and the change will take effect at the expiry of a financial year. However, the Council will terminate the relief at any time the ratepayer fails to meet **any** of the relevant eligibility criteria.

9.0 Scheme of Delegation

Granting, Varying, Reviewing and Revocation of Relief

9.1 All powers in relation to reliefs are given under the Local Government Finance Act 1988, the Local Government and Rating Act 1997, the Local Government Act 2003 and the Localism Act 2011.However section 223 of the Local Government Act 1992 allows for delegation of decisions by the Council to Cabinet, Committees, Sub-Committees or Officers.

9.2 The Council's Discretionary Rates Relief scheme (to which this policy will be appended), states that in cases where the application meets the criteria and there is no additional funding implication to the Council, the authority to award the relief is delegated to the Head of Revenues & Benefits services and those officers administering the scheme.

9.3 Applications that are refused will, on request, be reconsidered if additional supporting information is provided or the refusal is subsequently considered to be based on a misinterpretation of the application.

Reviews

9.4 The policy for granting relief will be reviewed annually or where there is a substantial change to the legislation or funding rules. At such time, a revised policy will be brought before the relevant committee of the Council.

Disputes

9.5 Where the Council receives a dispute from the ratepayer regarding the granting, non-granting or the amount of any discretionary relief, the case will be reviewed by the Head of Revenues and Benefits. Where a decision is revised then the ratepayer shall be informed, likewise if the original decision is upheld.

9.6 Where the ratepayer wishes to appeal, the case will be considered by the Council's Section 151 Officer whose decision on behalf of the Council will be final.

9.7 Ultimately the formal appeal process for the ratepayer is Judicial Review although the Council will endeavour to explain any decision fully and openly with the ratepayer.

10.0 Reporting changes in circumstances

10.1 Where any award is granted to a ratepayer, the Council will require any changes in circumstances which may affect the relief, to be reported as soon as possible or in any event within 21 days of the change. This will be important where the change would result in the amount of the award being reduced or cancelled e.g. where the premises comes unoccupied or is used for a purpose other than that determined by the Council as eligible for relief.

10.2 Where a change of circumstances is reported which would cease or revise eligibility, the relief will, if appropriate, be revised or cancelled as appropriate. Where any award is to be reduced, the Council will look to recover the amount from the date the change of circumstances occurred.

11.0 Fraud

11.1 Where a ratepayer falsely applies for any relief, or where the ratepayer provides false information, makes false representation, or deliberately withholds information in order to gain relief, prosecutions will be considered under the Fraud Act 2006.

East Herts Council Report

Executive

Date of meeting: 8 February 2022

Report by: Councillor Linda Haysey – Leader of the Council

Report title: Harlow and Gilston Garden Town: Future Leadership and Governance

Ward(s) affected: Hunsdon. Small parts of Sawbridgeworth and Much Hadham away from the main settlements. Potentially small part of Stanstead Abbotts.

Summary

The Harlow and Gilston Garden Town (HGGT) will enable approximately 16,000 new homes by 2033 with an additional 7,000 delivered beyond that. To bring these homes forward the Garden Town will require over £1.7 bn of infrastructure investment into transport, education, healthcare, emergency services, community facilities, open space, sports and leisure, utilities and flood defences.

The growth will cross the boundaries of the five council Partners (which comprise East Hertfordshire, Epping Forest, Harlow, Essex County and Herts County) with the Garden Town initiative originally being established under the Local Plan 'Duty to Cooperate' arrangements.

The scale of planned activities poses a significant delivery challenge to the partner Authorities and this report outlines the options for the

future governance of the Harlow and Gilston Garden Town (HGGT) project. It sets out the work carried out by officers, the HGGT Board and the governance task and finish group (T&F) established by that Board, in appraising options and their recommendation, in principle, to explore the proposal of a HGGT Joint Committee. This report recommends that the Executive approve, in principle, to the exploration of the creation of an HGGT Joint Committee.

This work has and continues to progress assisted by input from HGGT legal advisers, Weightmans LLP.

RECOMMENDATIONS FOR Executive

A) That the Executive agrees 'in principle' to explore the creation of a Harlow and Gilston Garden Town Joint Committee, consisting of representation by all five Garden Town Partner Councils.

B) That, subject to the outcome of A above, the details of the constitution, priorities and operating model of the proposed Joint Committee are to be returned to the Executive for further consideration.

1.0 Introduction

1.1 In early Summer 2021, a piece of research was commissioned by the HGGT team on behalf of the Garden Town Partners. The purpose of the research was to formally review the Partners' understanding of the purpose of the HGGT partnership to ensure the significant growth and investment, through both the public and private sectors, will enable achievement of the Garden Town Vision. The research work was completed in July 2021 and the Final Report is attached as **Appendix A** to this report.

1.2 The interim findings of the research were reported to the HGGT Board at its meeting on 14 June 2021. It was accepted at that meeting that there were key drivers for a governance refresh which included:

- Lack of formal governance arrangement and inequitable risk share between the Partners:
- The necessity for a strategic 'single view' oversight of the Garden Town Programme;
- Speedier agile decision-making to match the pace of the Project and the importance of current growth priorities;
- Commitments to central government to accelerate growth to a specific housing trajectory by March 2025; and
- A greater appetite for dealing with difficult strategic cross-boundary issues

1.3 At that meeting the Board also considered a report on governance and next steps, and agreed the following recommendations:

- The establishment of a T&F Group with the primary objective of making recommendations on interim governance arrangements and, in due course, developing the future governance structure for the HGGT partnership.

- That the T&F Group membership is comprised of two representatives from each of the five partner local authorities – being a lead Member and a lead officer.

- That the T&F Group advises the HGGT Board to make recommendations to the Partner Authorities' to take the necessary formal decisions, including enabling any appropriate delegations, for the governance structure for the HGGT partnership with the aim of submitting draft proposals in late summer 2021, with any formal decisions by the Partner Authorities to commence scheduling by no later than October 2021 with a view to implementation in the current financial year.

1.4 Following the HGGT Board meeting of 14 June 2021, the HGGT Governance Review T&F Group was established alongside officer working groups to look at key issues. The HGGT legal advisors, Weightmans also supported and provided advice.

1.5 The following sections of the report set out the case regarding governance arrangements, the options considered by the T&F Group and next steps in the process.

2.0 HGGT Governance Arrangements – the case for change

2.1 HGGT's ambition is to deliver 14,000 new homes by 2033, and 7,000 more in the years that follow, creating four new Garden neighbourhoods in and around Harlow and the supporting

transport (and other) infrastructure to sustain growth on this scale.

2.2 The project has been managed through an informal collaborative process with an advisory Board which has no decision-making powers but rather endorses guidance and approaches with recommendations (where necessary) presented to each Council for approval and decision through their respective existing constitutional decision-making processes.

2.3 There is a significant risk that unless a more streamlined and robust governance structure is put in place that the Council's strategic ambition for the Garden Town will not be delivered to trajectory and to the Garden Town vision each Council partner has agreed.

2.4 Also, the Council's individually and collectively are already exposed to considerable risk in terms of governance, aspirations, and finances due to an absence of formally agreed risk share. There is no overarching agreement setting out how those risks are to be allocated and shared between the partners.

2.5 It is also likely that blended delivery mechanisms (governance structures and contractual collaboration) will be proposed to achieve economies of scale. Any proposed process will need to take account of the statutory and geographic responsibilities currently held by each partner.

3.0 Governance Options considered

3.1 In July 2021, the T&F Group, assessed four governance options provided These were as set out below.

Option 1 – Status Quo – Informal Partnership

3.2 **Key Features:** - Informal arrangement, HGGT Board has no decision-making powers and underpinned by non-legally binding memoranda of understanding agreements between the Councils.

3.3 **Key Pros:** - Flexible, retains autonomy of decision making for the Councils, relatively inexpensive to operate

3.4 **Key Cons:** - Slow and cumbersome decision making, significant exposure to risk without clear sharing mechanisms, lack of clear focus on delivery of the project

Option 2 – Joint Committee/Lead Authority supported by Inter Authority Agreement / Contractual Joint Ventures

3.5 **Key Features:** - Joint committee with members appointed by all Councils and responsibilities in relation to the project agreed by all Councils, underpinned by resourcing through a Lead Authority Model and an Inter Authority Agreement setting out which authority will lead on key aspects of the project (e.g. Town Centre or Sustainable Transport STCs), how decisions will be made, how risks will be allocated and shared. Contractual joint ventures/collaboration agreements would be utilised between the Partners for delivery on a project by project basis (e.g. Sustainable Transport Corridors). County Councils would

continue to act as local highway authority and District Councils would continue to act as local planning authority.

3.6 The membership of the joint committee would need to be agreed but would likely be 1 or 2 members appointed by each authority. Voting would normally be in accordance with usual local authority principles of simple majority with chair exercising casting vote.

3.7 **Key Pros:** - Quicker decision making, tried and tested model, relatively cost effective and quick to establish (6-12 months).

3.8 **Key Cons: -** The HGGT Partnership may lack critical resources / staff and annual budgets dedicated to HGGT delivery teams (policy/oversight/programme management functions); Continuing need for Partners need to make tough decisions on resourcing with relative speed and urgency; risk of Joint Committee not functioning effectively without equitable share of resources and financial risk by partners hence Lead Authority Model/IAA agreement is recommended.

Option 2A - Joint Planning Committee

3.9 **Key Features: -** Potentially three of the Partners, namely the district Councils and local planning authorities for the Garden Town (i.e. East Herts, Epping Forest and Harlow) would merge their planning functions by delegation to a single joint planning committee ("JPC"). The JPC would comprise members from all the constituent LPAs who would make decisions (whether to grant or refuse) planning applications within the Garden Town or potentially straddling Garden Town boundaries. This option

can be utilised alongside Option 2: Joint Committee or as a standalone proposal.

3.10 **Key Pros: -** Greater prominence of HGGT and Vision, effective coordination and enhanced expertise of both members and officers dedicated to Garden Town JPC; aligned with Garden Town Principles and Partner Objectives to deliver cohesive Garden Town communities through a consistent approach to strategic planning issues.

3.11 **Key Cons:** - Perceived loss of planning powers or democratic deficit; cost v benefit analysis would be required to justify a Joint Planning Committee

Option 3 – Locally Led Development Corporation ("LLDC")

3.12 **Key Features: -** There are different types of development corporation. They do not have longevity and are not intended as long term or legacy solutions. Urban and Mayoral development corporations have not been included as they are centrally led and cede control of planning and compulsory purchase powers to central government (via Secretary of State). A locally led new town development corporation, with planning and CPO powers, set up specifically to enable local oversight and delivery of new town developments is ostensibly suited to the objectives and principles of delivering a new Garden Town. Numerous considerations such as the current status of the project, ceding powers, the necessity and costs of merging in-house functions of the partners (e.g. policy, development management, capital delivery teams etc.), would need to be explored. High capital and revenue costs combined with the complexity of setting up a LLDC which includes two rounds of

consultation and a parliamentary process warrant further appraisal and financial modelling before proceeding.

3.13 **Key Pros:** - Clarity of roles and functions; single entity with a clear strategic focus on delivering the Garden Town Vision and developments; consistency of application of planning policy and principles; policy making, planning and compulsory purchase powers in a single entity.

3.14 **Key Cons:** - Loss of control for individual Partner authorities, time and costs required to set up (from current position to a LLDC being operational estimate at two to three years); LLDCs subject to current reform by Government; most effective /appropriate in earlier stages of the project, complex to set up - need for a parliamentary order and extensive work prior to that being obtained.

Option 4 Future Legacy Stewardship Body

3.15 **Key Features:** - The primary purpose of an FSB is to add value to the new community through the management and maintenance of community assets, open space and public realm and developing services required by residents. Typically, FSBs are constituted not for profit entities (e.g. land trust or community interest company among others). The role of a stewardship body is an evolving one. It is essential that stewardship is considered at planning application stages and that a long term stewardship strategy is aligned with the approach at planning application stage to secure stewardship of assets in perpetuity.

3.16 **Key Pros:** Early planning for long term stewardship of community assets is an integral part of delivering a Garden Town in line with the established principles; vision and best practice; it is a necessity (not an option) to plan for long term stewardship; places the community centre stage in managing the assets and infrastructure of the Garden Town.

3.17 **Key Cons:** Significant liabilities associated with long term maintenance of assets which are typically a developer responsibility and so further analysis required as to whether HGGT would wish to take on this liability or provide an oversight role; risk of fragmented stewardship and failure to realise its full potential to ensure the success of the Garden Town as a community.

4.0 Governance Option Recommendation

4.1 The HGGT legal advisors recommended that Partners proceed with **Option 2: HGGT Joint Committee plus lead local authority model**. This option was considered to offer the best opportunity for the improved, streamlined and robust governance required to move forward with the appropriate programme and risk management in place. It was also considered to be achievable within a realistic timescale - anticipated to take 6-12 months (relative to the Partners commitment of time and resources).

4.2 Option 2 was considered to meet the Partners' view that the focus of the new governance arrangements needs to be on putting in place (i) appropriate policy to secure infrastructure contributions that enable the Garden Town growth and (ii) mechanisms for delivery and oversight of programme. On this basis, Option 2A – a joint planning committee was not

considered to be desirable for the Partners' at this point in time.

4.3 The principal reason Option 3 - LLDC should not be pursued was due to the resources and time to set up such a body and the stage which the project has reached. The report noted that there are undoubtedly benefits of a LLDC but that given the circumstances and stage at which HGGT is, the pros are currently outweighed by the cons. The report noted that if the Partners wish to pursue and LLDC further this would not preclude a phased approach setting up a joint committee which could lead on the creation of a LLDC.

4.4 It was clear that creation of a stewardship body would be essential whatever governance option is adopted and the Partners should include the work necessary to plan and set up such a body whichever governance model is adopted.

4.5 The T&F Group considered the advice and agreed Option 2, the establishment of a joint committee (JC), be taken to the next meeting of the T&F Group as a detailed proposal, and that the design and creation of a stewardship body should be brought forward as part of this option.

4.6 Following this meeting of the T&F Group, officers were instructed to undertake further work to develop a detailed proposal for the establishment of a Joint Committee and creation of a stewardship body. In order for this to proceed, it is now necessary for each of the partner Councils to consider and determine if, in principle, it is in agreement with the creation of a Joint Committee approach, based on the assessment of options set out in this report.

5.0 Next Steps

5.1 If the recommendation is approved by all the partner councils further work will be undertaken as set out below to progress to the detailed stages of working up the delegations and operating model of a Joint Committee.

Task	Who needs to do it	By when	Status
Agree joint committee responsibilities	Partner Councils	Working group negotiations July 21 -April 2022	Underway
Draft Terms of Reference for JCC	Legal advisors – to be agreed by all Partner Councils	First Draft – September 2021	Underway
Draft rules of procedure for JCC	Legal advisors – to be agreed by all Partner Councils	First draft – February 2022	Underway
Draft Heads of Terms for Inter Authority Agreement (IAA)	Partner Councils / legal advisors	First draft – March 2022	Underway
Draft report to HGGT Board on	HGGT team / legal advisors	Dec/January 2022	Underway

proposed governance arrangements			
Final report to HGGT Board	HGGT team / legal advisors	June 2022	To be actioned
Draft final report to Councils	Partners / HGGT Team / legal advisors	July 2022	To be actioned
Draft report for Council Executives and full Council meetings	Partner Councils / legal advisors	July 2022	To be actioned
Executive approvals for joint committee and Inter Authority Agreement (IAA)	Partner Councils	July 2022	To be actioned
Council approvals / appointments for joint committee	Partner Councils	July 2022	To be actioned
Joint committee begins operation	Partner Councils / HGGT Team / legal advisors	Sept 2022	To be actioned

6.0 Options

6.1 The various alternative governance options available are as set out in the main body of the report above, along with the consideration and why they have been discounted.

7.0 Risks

7.1 The risks relating to each option are set out in the report above. It is considered that pursuing the recommended Joint Committee approach will ensure that risks are properly assigned and managed. For a project of this scale they remain significant however, such as the inability to draw down central government funding or the loss of control over the alignment of development proposals with the jointly agreed Garden Town Vision. Other governance options set out above can also achieve a greater level of risk management – but each with the other disadvantages referred to in the report above.

7.2 Proceeding on the basis of the current approach in relation to delivery of the project, as opposed to any of the options set out in this report, is considered to comprise a greater risk with regard to project delivery in accordance with the Garden Town Vision.

8.0 Implications/Consultations

Community Safety

Yes – in a broad sense in that robust governance and delivery arrangements will support the delivery of the programme of development in accordance with the Garden Town Vision. The Vision

seeks to ensure the delivery of a safe, active, healthy and inclusive new community.

Data Protection
No – no immediate impact. The delivery of the Garden Town will continue to ensure that data protection requirements are met.

Equalities
Yes – in a broad way as in relation to community safety above.

Environmental Sustainability
Yes – again broadly. The agreed position of the Garden Town partners is to seek to achieve net zero delivery by 2030.

Financial
Yes – no direct and immediate impacts. Delivery of the project will continue to require resources both direct and in kind from the partner authorities.

Health and Safety
No

Human Resources
No

Human Rights
No

Legal
Yes – as per the consideration given to the various options set out in the report.

Specific Wards
Yes – the Garden Town relates to development in the Hunsdon and Sawbridgeworth wards.

9.0 Background papers, appendices and other relevant material

None

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Harlow and Gilston Garden Town (HGGT) - Stakeholder Objectives Refresh – final report

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Introduction

Harlow and Gilston Garden Town (HGGT) commissioned an independent piece of stakeholder research into the **value of the HGGT partnership** in summer 2021. The work was commissioned to inform a discussion amongst partners about potential changes to HGGT's governance arrangements.

This report sets out the **findings from that research.**

This stakeholder research was commissioned alongside a more technical piece of research examining the legal implications of a change to governance arrangements.

Context

HGGT brings together **five local authorities** to deliver one of the **largest growth initiatives in the UK**. The five authorities are Essex and Hertfordshire County Councils and the districts of Harlow, East Hertfordshire, and Epping Forest.

Those five partners have developed an **ambitious vision** for HGGT:

"The pioneering New Town of Gibberd and Kao will grow into a Garden Town of enterprise, health and sculpture at the heart of the UK Innovation Corridor. Harlow and Gilston will be a joyful place to live with sociable streets and green spaces; high quality homes connected to fi bre optic broadband; local centres accessible by walking and cycling; and innovative, affordable public transport. It will set the agenda for sustainable living."

The vision establishes the four characteristics of the place as being adaptable, healthy, sustainable, and innovative.

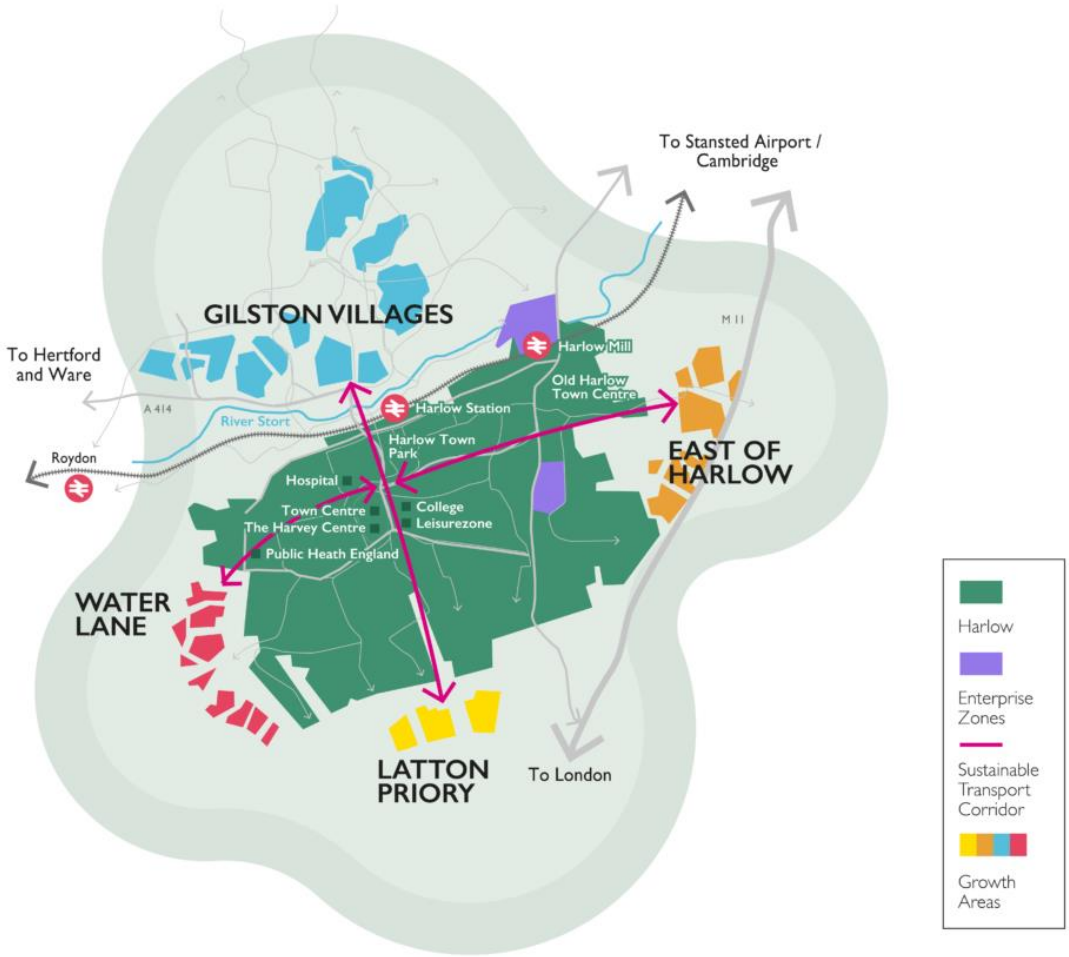
To realise that vision, the **most significant developments** within the HGGT geography are:

- 10,000 homes across seven new mixed use villages to the north of Harlow in the Gilston Area.
- 3,350 homes in a new mixed use neighbourhood to the east at East of Harlow.
- 1,050 homes in a new mixed use neighbourhood to the south at Latton Priory.
- 2,100 homes across a new mixed use neighbourhood to the west at Water Lane.
- Between 1,700 and 2,400 new homes through regeneration of the town centre.
- Harlow Enterprise Zone comprising the 50,000sqm Harlow Science Park; 32,000sqm data centre, 20,000sqm business space at KAO Park, and up to 80,000sqm regeneration of the Templefields employment area.

To connect these sites, partners aim to create **Sustainable Transport Corridors and an attractive public transport, walking and cycling network** that connects the new garden communities and existing neighbourhoods with the town centre, employment areas and major rail and road transport interchanges.

The vision also anticipates the delivery of **community and cultural infrastructure**, which includes the new Princess Alexandra regional hospital, and the **growth of the local economy**, enabling businesses to start up and scale up alongside a thriving and vibrant Harlow town centre. The arrival of Public Health England will place Harlow at the centre of global medical research.

Image 1: HGGT major developments[1]



HGGT was awarded Garden Town status in 2017. The vison was published in late 2018. To date, partners' focus has been on developing supporting strategies and plans and working toward the determination of planning applications.

Governance

HGGT was established under the **'duty to co-operate' arrangements between the five partner authorities** and was built on the principle of partnership and consensus to reach a common agreement.

There is no overarching written agreement defining roles and responsibilities. The HGGT Partnership is an **informal delivery partnership** with no legal status or defined powers. Statutory responsibilities currently remain with the authorities including around plan-making and decision-making through the Local Planning Authorities.

The **HGGT Board** has elected members from all five authorities and an independent chair. It has no formal powers or delegations, serving instead to enable the Partners to agree and come to a

[1] https://hggt.co.uk/

consensus. It is also used as a means of information sharing. Board meetings take place approximately seven to eight times a year.

For formal decisions to be made, the HGGT Board makes recommendations to the respective Partner authorities. For example the Board will recommend that the partner authorities formally endorse an HGGT document as a material planning consideration.

As set out in the findings below, this current Board arrangements contribute to the Garden Town's low level of visibility amidst the wider public and concerns about a lack of transparency and accountability with regard to delivery commitments.

Delivery

Epping Forest District Council is the accountable body for the Garden Town partnership. Responsibilities associated with this include finance, procurement and HR.

A recent audit highlighted the **need for a more equitable distribution of delivery and funding risk / reward** and the formalisation of the roles, responsibilities and resources required between all parties.

The primary source of funding for the administration of the partnership is Government Garden Towns Capacity Funding together with funding provided by each of the District Councils. This includes funding for joint consultant support. All five partner authorities contribute in-kind resources.

This funding pays for a small team of Officers employed directly to work for the HGGT partnership (as accountable body, EFDC is the employing authority) and a number of officers working 'in kind' in the partner authorities.

Purpose of the review

As the HGGT moves from visioning and planning to delivery phase, partners agree that there is **a need to reassess the nature of the governance arrangements** in order to clarify the overarching defining roles and responsibilities.

To that end, HGGT commissioned an independent consultant in summer 2021 to undertake a focused piece of research into the current and future governance arrangements.

The **core question** for this assignment was: **what must be done by the five local authorities together** that cannot be achieved by one local authority alone, in order to deliver sustainable growth in accordance with the HGGT vision?

The answers to this question and related questions about HGGT's achievements and future challenges will be used to:

1. **Inform** members and chief officers of the **key deliverables of the HGGT** as a partnership and its potential, in order to develop options for **appropriate governance and organisational structures**.
2. **Build the work programme** under the HGGT Director and potentially across the wider partnership where appropriate – so that resources are identified and deployed in the right place to deliver the right enabling support at the right time.

Method

The research took the form of:

- A **guided tour** of the Garden Town area with a member of the HGGT core team.
- Ten **semi-structured interviews**, lasting 45 to 60 minutes, with 20 officers across the five partner authorities.
- A **group interview** with the HGGT core team.
- A **90-minute workshop** with the majority of interviewees to reflect on the emerging messages and develop the options.
- **Meetings of the Project Steering Group**, which was made up of colleagues from HGGT and lead officers from the five authorities.

The topic guide used for the interviews is provided at Annex A.

The vision

The first thing explored with partners was the **HGGT vision**. In particular, we explored **which elements were most important** to get right because they enabled the rest of vision to be implemented and / or because they **mattered most to local residents and their elected representatives**.

A general theme that emerged from discussion was that **all partners are proud of the scale of ambition set out in the vision**. All five authorities **want HGGT to set the standard** for what is possible as a garden town, as opposed to following a template set by others or simply delivering something 'good enough'.

And while partners stated that all elements of the vision were important, **three elements were repeatedly cited as essential to get right**. These were:

- **The regeneration of Harlow to the benefit of existing and new communities**. All partners were clear that the benefits of growth had to be felt by existing communities and new residents. This means a number of things: improved infrastructure and facilities in and around the current town; seamless integration of new and existing infrastructure; and dialogue and engagement with existing residents so that they can see and benefit from the opportunities offered by growth.
- **Transport and infrastructure integration.** Connected to the revival of Harlow, partners stressed that new infrastructure had to be connected and complementary to what is already there. This should help mitigate the risk of new developments becoming "satellites" or "suburbs" of Harlow. Partners stressed this point in relation to transport and the delivery of the Sustainable Transport Corridors; see 'Challenges' below.
- **Long-term stewardship.** The importance of sustained, sophisticated place shaping was a theme of many discussions. This tallies with the desire for HGGT to be exemplar of how to create great places. However, many of those same partners felt unclear about what precisely stewardship meant. The all-encompassing nature of term led many to call for more discussion leading to clarity about what it means in practice for the HGGT area.

There was one suggestion to **Covid-proof the vision**. There may be assumptions in the strategy about commuting, working from home, the purpose of town centres and other major issues which may now be out-date or at least in need of review. Without opening up the entire vision for

discussion, a short and focused piece of work could update those elements in light of likely post-Covid developments, while providing assurance that other aspects remain relevant.

> *"We want to be an exemplar or what a garden town can be, not following someone else's model."*
>
> *"Harlow 'new town' is seventy years old now. The Garden Town has to facilitate the regeneration of Harlow."*
>
> *"[Key things?] The stewardship model and ongoing ownership. Gilston can achieve this because it had a critical mass of homes. How does it work in relation to [the other developments?]"*

Achievements

From exploring the vision on paper, we discussed partners' achievements in practice.

Partners could point with justified pride to **what they have achieved since the inception** of the Garden Town. Significant steps forward include:

- **Establishing the original vision**. In line with the general sense of pride in the vision, partners felt that it contained the diverse expertise of different partners. For the knowledge and expertise of the transport authorities shaped the ambitious goals in relation to modal shift. The vision was also the product of partners challenging one another to be ambitious and aim to be the best.
- **Developing key documents**. Sitting underneath the vision, partners have developed a suite of supporting plans and strategies that will guide implementation of the vision such as Infrastructure Delivery Plan Partners have also invested in important processes such as the Quality Review Panel.
- **Housing Investment Grant**. On a more practical level, partners worked intensively and collaboratively to develop the Housing Investment Grant proposal and attracted £171m from central government.
- **Working toward determination of planning applications for Gilston**. All partners have put significant effort in advancing plans for the Gilston despite, as we explore below, the sometimes slow-moving nature of decision making processes.

While these achievements are a source of pride, the first quote in the box below captures a point heard several times. The achievements noted so far all relate to planning and preparation rather than direct implementation. The challenge for partners is **how to take this cooperation to the next stage**.

> *"A lot of the good partnership working has been on the planning, not the delivery."*
>
> *"We've made a good start, the documents are in place, now we need to transition to delivery."*

Role of the partnership

In light of those achievements, we explored the **core question** for this assignment: **what must be done by the five local authorities together** that cannot be achieved by one local authority alone, in order to deliver sustainable growth in accordance with the HGGT vision?

Points are illustrated with anonymous quotes. These are taken from individual conversations but reflect points that were made more generally throughout the research.

Research participants were **positive about the role of the partnership to date**. They described an approach to joint working that was marked by a **shared desire to achieve** things together and **good, collaborative relationships** between individuals and authorities.

Inevitably, there are differences of emphasis and opinion, sometimes divergent political priorities, and different ways of working across the five authorities. There was a general sense, however, these differences are not insurmountable and partners at a corporate and political level are keen to make progress together on shared objectives.

In relation to the core question, research participants identified **four things than can only be achieved by working together:**

- **The delivery of major, integrated cross-boundary infrastructure**. Delivering significant levels of new physical and social infrastructure in an integrated way demands close collaboration between all five authorities.
- **Local visibility**. Partners have been so far focused on the vision, the supporting plans, and related internal processes. As part of the shift to delivery, there is a need to communicate to existing residents what the Garden Town means for them, especially on issues like modal shift. There is much better done through a shared Garden Town brand and the various channels and extended reach of all partners working together.
- **Generating 'clout' and attracting funding**. The partnership is far better equipped than individual authorities to raise the national profile of the Garden Town in a way that attracts funders, developers, households, employers and others. Similarly, the partners working together are better positioned to attract funding as a result of: the combined 'heft' of all five authorities and their leaders; pooled experience and expertise; and the ability to put more money on the table during negotiations.
- **Dealing with the 'too difficult' issues**. There are several items which no one partner alone can resolve but which require attention and resolution if the Garden Town vision is to be realised. These problems often relate to resources and, often for that reason, are politically sensitive. They include housing nominations across authority boundaries, the allocation of green infrastructure, the nature and distribution of employment land, and housing waste and recycling provision. Only by working together, with the Garden Town Team facilitating discussion and acting as an honest broker, can these issues be resolved.

"It's only as a partnership] that we can look beyond individual developments and see the vision as a whole and knit together a huge amount of investment and effort."

"We need to start having conversations, sometimes difficult conversations, with councillors, with community reps, with individuals".

"We need to put the Garden Town on the map, make the case for it, shout about it."

Fitness for the future

Following discussion about the current value of the partnership, we explored **the fitness for purpose of the partnership** in relation to forthcoming challenges. To recap the point made in the introduction, HGGT is about to make a **major and lasting shift** from visioning and planning to delivery on the ground. What has worked so far in terms of cooperation on planning may not be fit for purpose in relation to the task of implementation.

There was a **universal view** amongst partners that the current governance and delivery arrangements were **not fit for purpose for the future**. They will not enable partners to realise the collective ambition laid out in the vision.

This is for **four connected reasons**:

- **Cumbersome procedures**. The need to ratify all recommendations through each council's decision-making process was described as "slow" and "cumbersome". While ensuring transparency and accountability, most research participants called for a more "agile" way of working.
- **Unclear ownership of decisions and responsibilities**. In part because decisions have to ratified as described above, partners complained that ownership of decisions was often opaque. Interviewees tended to pose questions about accountability to which they felt nobody had an answer: If a decision has been agreed by all five partners, does that mean all partners are equal owners? How does that work when one partner is holding all the financial risk or signing the contract? If we are all responsible for everything, is anyone responsible for anything in particular?
- **Tendency to park difficult issues**. The phrase "too difficult pile" was used in a number of conversations. This reflects a tendency for the most challenging issues, such as delivery of sustainable transport corridors, or the most contentious, such as housing allocations across boundaries, to be put one side. As HGGT moves further into the implementation phase, these issues can no longer be put aside and must be addressed and resolved.
- **Lack of a single voice**. As HGGT moves from planning to delivery, it is essential that it can articulate the vision to funders and negotiate with a clear and consistent voice with delivery partners. At the moment, research participants argued, delivery partners such as developers could get a different response from different authorities, and even from different parts of the same authority. As one participant put it, it is the developers who are currently "setting the tone". The vision is more likely to be achieved if developers and others have a single negotiating point.

"It seems every authority has to agree everything. We need fewer people making decisions, then some people making that happen."

"It takes a lot of effort to get things through. We need quicker decisions."

"There is a lot of repetition and process to get agreement for a paper to be written or for it to get approved."

"There are layers of bureaucracy – everything takes eight months longer than we think. We're not quite geared up."

"The set-up is quite cumbersome. You have all these Lilliputian strings holding people down."

"In general, we've tended to park problems in the 'too difficult to deal with' pile."

"The criticism is that things have been left in the 'too difficult' pile."

"There has been more partnership working this year – the HIG, planning applications – but we're still dealing with five moving parts, and the people in the room are only empowered to do so much."

Challenges

These faults with the current system are manifested in the **main challenges facing HGGT**.

- **Achieving modal shift**. Partners took pride in the scale of the ambition of achieving significant modal shift levels amongst new and existing residents. They also recognised this would be **very difficult to achieve**, requiring major investment in new infrastructure across the Garden Town as well as methods to encourage behaviour change. Delivering behaviour change would be especially difficult amongst older, existing residents who are more likely to be wedded to using their car. HGGT's low visibility and lack of a single voice means it is ill equipped to instigate those conversations. The fact that all partners are acutely aware of the need to deliver modal shift, while lacking a clear sense of how this will be achieved, reflects the **lack of ownership and confusion over responsibility** described above.

- **Sustainable transport corridors**. Key to achieving modal shift will be the successful delivery of sustainable transport corridors integrated with cycling and walking 'super greenways', interchange hubs, and other associated infrastructure. The scale, cost and complexity of delivering the STCs on time, in the right way, and within budget was often cited as a major challenge. As one participant put, "it all has to work, for any of it to work". While Essex is the lead delivery body and contract holder for the corridors, successful delivery has to be a shared endeavour.

- **Provision of employment land and job opportunities**. Some partners were concerned that existing plans were too focused on the delivery of housing, and did not pay equivalent or sufficient attention to providing sufficient good quality employment land. This filtered through into a concern that there is a lack of clarity about what types of jobs would be available to new and existing residents in future. For some participants, this reflected the origins of the HGGT idea; the original notion had "come from the planning authorities" and was thus developed primarily as a house-building programme with economic development a second-order priority.

- **Realising the regeneration of Harlow**. As much as partners identified this is a priority, as set out above, they also noted how difficult it is in practice to regenerate a town at the same time as building 26,000 new homes. This will seriously all test partners' delivery capacity and creates the risk of the new developments ending up in competition for residents and resources with the current town.

- **Sticking to the vision**. The challenges identified so far have been specific elements of the vision for the Garden Town. An over-arching challenge is the need to stick to the ambitious goals set out in the vision. In the face of **developers looking to negotiate more modest short-term deliverables**, uncertainty over **funding from central government**, and other factors which might combine to convince partners to settle for good or even just good enough rather than great.

"The USP of out Garden Town is the scale of modal shift to sustainable travel. If we're going to grow, we have to achieve that as all the other alternatives are negative."

"Yes, you need high-quality homes and high-quality, integrated transport, but all that needs to help people into high-value jobs, and those jobs need to created or attracted by the Garden Town."

"Stewardship, the legacy. Look at Harlow. It was a new town, but it wasn't maintained regularly or refreshed."

Further issues which partners cited less regularly include:

- **Engaging and exciting residents** about the Garden Town. HGGT has not yet undertaken extensive and regular community engagement, in part due to Covid-related restrictions on events and public gatherings. With those restrictions easing and Garden Town developments becoming more visible, 2021 would be a good time to initiate a programme of engagement with the wider community. In some cases, that engagement needs to be a prelude to conversations about direct impacts on households, especially in relation to travel choices.
- **Integrating health and wellbeing i**nto the physical and social fabric of the Garden Town. This means adequate provision of direct services and incentives and measures to encourage healthy choices and lifestyles. This agenda is particularly relevant post-Covid, with opportunities to help households sustain healthier lifestyle such as the rise in cycling and walking to work.
- **Developing a coherent cultural offer**. Several interviewees were keen that the cultural aspect of the HGGT vision should not be lost. They were particularly keen that there should be a cultural offer across the entire Garden Town geography, instead of focusing narrowly on Harlow town centre.

Objectives for a new approach

Before getting into the options for the future, it is worth establishing the **objectives for a new approach to governance**. These can be summarised under seven headings:

- **Move quickly**. There is a shared desire across the HGGT partnership to move quickly, if a change is to be made. Previous discussions about governance reform have tended to peter out. With new leadership at HGGT, new political leadership in Harlow after the May elections, and a shared desire to translate plans into action, partners want to move quickly.
- **Consider all options**. Feedback from council leaders is that all potential options for the future of HGGT should be considered, including those which involve pooling risk, resources and sovereignty, such as a Development Corporation.
- **Explore the scope for innovation**. Central government has indicated directly to the HGGT team that they Ministers are open to innovative models of delivery. This means there is scope to flex existing models of delivery and come up with a tailored model that reflects the particular opportunities and challenges in Harlow and Gilston.
- **Go beyond tweaks**. A very clear from message from partners was that any proposed change need to be a significant improvement on what already exists. As reflected in the quotes below, amendments on the margins will not be sufficient.
- **Simplify**. Given the criticism of the cumbersome nature of the existing arrangements, it is imperative that any new approach must remove bureaucracy and strip back process. Interviewees stressed the importance of speed, simplicity, agility, and fleetness of foot.

- **Ensure accountability**. While partners are willing to countenance some sharing of resources, risk, and sovereignty, there must be a rigorous approach to accountability and risk management.
- **Clearly demarcate roles**. Any new governance arrangement would continue to operate alongside the five local authorities. It is vital that its functions do not replicate their responsibilities and that powers are clearly demarcated. For example, the planning powers of a new Joint Committee would be focused on Garden Town developments, leaving non-Garden Town planning matters to each partners' existing committees under the provision of their Local Plans.

"[If there is change], it needs to be more than a tweaked version of what we have now."

"[We need] more than tinkering and re-presenting the current arrangements – we need to look more fundamentally."

"We need something that will help us stick to the overall vision, not just the delivery of schemes."

"Yes, we're open to a conversation. People are aware of the limits of the current model and want something more streamlined. We all support the Garden Town. We all want good decisions."

Governance options – consideration and recommendations

Guided by these objectives, and drawing on previous partnership discissions, the research identified **three governance options for the future**.

As highlighted in the introduction, HGGT commissioned a more technical piece of research into governance options, in parallel with this assignment. Conducted by the law firm Weightmans, that piece of research examined the same broad options that are reviewed here. It is also worth noting that while the options are considered in isolation, it is possible if not preferable to think about an evolutionary or phased approach. This could mean moving to one arrangement in the short term before potentially transitioning to another set-up in future.

There is a limit to this approach, in that constantly changing governance arrangements, would become a distraction and a drain. Nonetheless, as the context changes and new opportunities and challenges arise, it is helpful to think about governance and delivery constantly evolving.

Options

The first option is moving to a Duty to Cooperate Plus model. Essentially, this is an augmented version of the current arrangements. It would involve:

- Granting some level of decision-making power to the Board.
- A stronger role for the HGGT team in monitoring delivery.
- Direct oversight of contracts signed by partner authorities on behalf of HGGT, such as the Housing Investment Grant.

This is the **minimalist option** in terms of the scale of change.

The second option is the creation of a new Joint Planning Committee with delegated powers. Its powers could include:

- Consideration and determination of development planning applications relating to the Garden Town.
- Greater control over transport planning decisions through the powers of the Highways Act.

Under this approach, the Board could evolve into more of an advisory group / sounding board that is also used as the mechanism for broader stakeholder and community engagement.

The third options is the creation of a new Development Corporation. This would involve the formation of an entirely new and legally constituted organisation. It would have a majority independent Board, with an expectation that this would involve strong private sector involvement.

It could have a range of functions, including:

- Planning functions, both plan making, planning consent and development management
- Setting a Community Infrastructure Levy (CIL) and Strategic Infrastructure Tariff (SIT).
- Negotiation and management of Section 106.
- Compulsory purchase powers.

The Development Corporation is a flexible model so the precise combination would be agreed locally before being signed off by the Secretary of State.

Under this approach, the current Board would be superseded by the new Corporation board.

Some partners highlighted a **potential hybrid or twin-track approach**. This would involve:

- A dedicated delivery vehicle for Harlow, taking the form of a Development Corporation or something approaching the status and powers of a Development Corporation.
- The duty to cooperate plus model or a Planning Committee for the rest of the garden town.

There is also the prospect of **local government re-organisation** creating further options in future. However, that is beyond the immediate scope of this research.

Consideration

Table 1: Challenges and options sets out the five high-level challenges identified by partners through this research and explores how far each governance could help address each issue.

Duty to Cooperate Plus would not satisfy the need for a new way of working to be a significant improvement on what already exists. It is likely to be, and be seen as, **no more than a "tweaked version"** of the extant set-up. This prospect would not satisfy partners' ambitions.

As set out in Table 1, this option would have a **generally negligible impact** on HGGT's ability to tackle the most significant challenges. A renewed commitment to joint working would be positive, but the lack of any fundamental reforms to decision making or delivery capability means any change would be minor.

The consensus view from partners was that the Duty to Cooperate Plus approach should be removed as an option.

A **Joint Planning Committee** would satisfy most partners' demand for **more significant change**. Assuming all partners are committed to its success and it has sufficient scope and delegated powers,

this option would **speed up planning decisions and the delivery of major infrastructure**, including large-scale transport infrastructure.

As sitting members of the committee, local councillors would have a clear and direct role in taking decisions. This would satisfy the need for **accountability and transparency**.

The **delivery capacity of this option could be enhanced further** by creating an executive secretariat-type function with responsibility for day-to-day management of contracts and delivery responsibilities.

Compared to the current way of working, a Joint Planning Committee could allow for a greater focus on the challenges of creating job opportunities and regenerating Harlow. However, Joint Planning Committees are not designed primarily to deliver economic development.

The view from partners was that a Joint Planning Committee would be a worthwhile option if it had sufficient delegated powers and delivery capacity to deliver at speed and at scale.

A **Development Corporation** would enable partners, if they are fully supportive, to go further and faster than a Joint Committee. It would:

- Enable a **much sharper focus on economic development**.
- Facilitate active **private sector representation** and engagement.
- Offer a **single voice and negotiating point** for residents and partners.
- With the right leadership, deliver greater **clout and visibility**.

The government is in favour of new development corporations and at the end of 2019 launched a consultation of reforms to make it easier for local authorities to establish new corporations without the need for the Secretary of State to lay a statutory instrument in parliament. The government also proposed a new £10 million development fund to support "local areas with ambitious regeneration and development proposals" to come forward with proposals.[2]

However, even with simplified legislation and good will from all five authorities, the **process for establishing a development corporation could be onerous and time-consuming**. It could absorb partners' effort and consume bandwidth at a crucial time in HGGT's shift from visioning and planning to implementation.

Table 1: Challenges and options

Key

✓ – Positive impact on tackling the challenge.

? – Some / uncertain impact.

× - Zero / negligible impact.

	Duty to Cooperate Plus	Joint Planning Committee	Development Corporation
Modal shift	× Unlikely to increase focus on this	✓ A Joint Committee with sufficient powers	✓A Development Corporation would

[2] https://www.gov.uk/government/consultations/development-corporation-reform-technical-consultation

	challenge or the capacity to address it.	would enable more efficient and integrated delivery.	enable a integrated and focused delivery, and a single interface with partners and the community
Sustainable transport	✗ As above.	✓ As above.	✓As above.
Employment land and jobs	✗ As above.	? Potential for greater focus, but a Joint Committee is not primarily an economic development body.	✓Scope for much sharper focus on economic development and access to private sector expertise.
Regenerating Harlow	? Some scope for increased cooperation leading to a greater focus on existing residents.	? As above.	✓This model was designed as a vehicle to drive urban regeneration.
Sticking to the vision	✓Increased cooperation would reinforce the importance of partners' original ambition.	✓ A Joint Committee would send a strong signal that partners are committed to the vison.	✓ The objectives of the vision could be written into the Corporation's Terms of Reference.

Recommendations

Partners should look to **establish a Joint Planning Committee with extensive delegated powers** to consider and determine planning applications; plan for the delivery of the Sustainable Transport Corridor and related infrastructure; and monitor the delivery of major contracts.

The Weightmans research also considered the creation of a Joint Planning Committee. It noted that this approach would deliver "[g]reater prominence of HGGT and Vision, effective coordination and enhanced expertise."[3] However, it concludes that a Joint Planning Committee is **not the right approach "at this time"**, given the "challenges likely in agreeing the makeup" of the committee.

The Weightmans report recommends instead the formation of a **joint committee without delegated planning powers**. This may be the most effective short-term solution and could be delivered within "6-12 months (relative to the Partners[‘] commitment of time and resources)."

The formation of such a committee could be a first step toward a Joint Planning Committee further down the line. This would tally with the evolutionary or phased approach described above.

[3] HGGT Governance Options Review 9 July 2021

Partners should continue to **engage government in a conversation about local innovation**. This would mean HGGT putting forward proposals to further **develop the powers and functions of a Joint Committee**, especially with regard to economic development.

Whichever option is adopted, the purpose of the Board should be reviewed in more detail. In particular, there should be further consideration of how to address the perceived issues about the lack of visibility and transparency. One potential solution is for the Board to **become a sounding board for the private, voluntary and community sectors**, as well as other relevant groups and interests. Its primary function should be to oversee a programme of outreach, communication and engagement with the local community.

The HGGT core team should **operate as an executive secretariat to the Joint Committee** with an agreed annual work plan. It should be resourced adequately to deliver that work programme.

Partners should **monitor the government's emerging proposals on development corporations**. The formation of a development corporation could be seen as a logical step in the near future, if partners have exhausted the possibilities of the Joint Committee model.

The HGGT team

The HGGT Team should play a **strategic role in driving delivery** This would mean the team focuses on:

- **Acting as the guardian of the vision**. More than any other role, partners were eager that the core team should ensure partners are committed to the ambition set out in the vision. This would be particularly important during negotiations when the pressure to settle for 'good enough' rather than great is at its strongest.
- **Holding partners to account**. An important way in which the team can guard the vision is by holding to account partners who are tasked with delivering elements of it. This would mean: agreeing clear deadlines, milestones and quality standards; providing ongoing monitoring; and moving quickly to identify and address delays and blockages. Several partners described this as the team acting as an intelligent client to the five authorities other and delivery partners.
- **Developing an overall delivery plan**. The task of holding partners to account would be made easier and more effective if all partners were working to an agreed and over-arching delivery plan. This does not currently exist. An immediate practical step for the team would be to develop a comprehensive and integrated plan. Some partners were keen that such a plan should clearly establish the "core" or "fundamentals". These are the essential pieces of infrastructure which are prerequisite to the rest and must be prioritised, such as the STCs.
- **Tackling the most complex problems**. As set out above, the tendency to leave the most challenging issues on the 'too difficult pile' is one of the flaws with the current set-up. In its new role, the team should work with partners to identify those problems and then broker discussions to explicitly address and resolve or mitigate them.

Another potential role for the team is lead negotiations with developers, funders and others key stakeholders. This would address the concern raised by partners about the absence of a single voice and contact point for the outside world. However, this would need careful consideration in light of the governance option which is adopted. The delegation of negotiating powers would need careful consideration and agreement between partners.

"Let's get the core sorted – the sites agreed, the planning permission granted. Then work out from there. Without the core, it all falls flat."

"The [team's] role could be to hold everyone to account in terms of the overall vision and delivery commitments."

"The Garden Town Team needs to police what is happening – make sure there are clear commitments, that partners are delivering on those, that they are securing contributions."

"[HGGT] needs decide the standard, scope and cost of the [Sustainable Transport Corridor]. The Garden Town team should be the client."

"The Team needs to take responsibility for delivering a programme. They need to set out the plan."

"In future, the Team can help partners to resolve issues and make decisions more pacy."

Annex 1 - HGGT stakeholder interview questions

Name(s):

Role(s):

Date:

Thank you for making time for this call and helping with the research.

As a reminder, the purpose of the research is to get a clearer sense of the value of the current partnership, setting out what partners can do and achieve collectively that they cannot deliver in isolation.

The findings will be used to:

a) Develop options for appropriate governance and organisational structures

b) Build the work programme under the HGGT Director and potentially across the wider partnership where appropriate

Over the next weeks I'm speaking to all the key stakeholders in order to produce draft findings by early June. We're also looking to arrange a workshop in late June to look at some of the emerging findings together. With the final findings delivered in July.

I'd like to cover a few areas today:

- The vision for the Garden City
- Barriers and concerns
- Governance and delivery

I'll use what you tell me but I won't quote or attribute views to individuals so please feel free to speak openly.

Do you have any questions before we start?

Vision

1. **There is a vision in place for the Garden Town. For your authority, what do you consider to be the key elements of that vision?**

2. **[If not covered by 1] What would a mission statement look like i.e. what needs to happen for those elements to be realised?**

Progress and barriers

3. **What are your concerns and what are the biggest barriers in terms of the successful delivery of the Garden Town? Probe: are there any elements of the vision that are at greatest risk of not being delivered?**

4. **What can we do to get over those concerns [if not already covered]?**

Governance and delivery

5. **In terms of what needs to be delivered to achieve the vision, what can only be achieved by all partners working together, as opposed to delivery by a single authority – what is the core value of the partnership?**

6. **At the moment, that work between the authorities takes the form of voluntary cooperation under the duty. To what extent is that approach fit for purpose as we move from planning the Garden Town to actually delivering it?**

7. **What is your view on the possibility of moving to a more formalised governance arrangement with delegated responsibilities for decision-making? Probe: what might that look like / what shouldn't it look like?**

8. **On the officer side, what is your view on the current organisation of responsibilities / arrangements? Probe: including those that are centrally resourced, those 'in kind' lead officers and those engaged more widely?**

Next steps

As I mentioned earlier, the initial output is to produce emerging findings in early June ahead of final findings in July.

Thanks again for your time.

East Herts Council Report

Executive

Date of Meeting:	8 February 2022
Report by:	Councillor Goodeve, Executive Member for Planning and Growth
Report title:	Goods Yard, Bishop's Stortford, Refined Masterplan Document
Ward(s) affected:	Bishop's Stortford - Central

Summary

- To enable Executive Members to consider the revised/refined Masterplan Document for the Goods Yard, Bishop's Stortford.

RECOMMENDATION for Executive to recommend to Council that:

(a) The Refined Masterplan Document for the Goods Yard, Bishop's Stortford as detailed in Appendix A to this report, be agreed as a material consideration for Development Management purposes.

1.0 Proposal(s)

1.1 In accordance with District Plan Policy DES1, a revised masterplan document has been produced for the Goods Yard, Bishop's Stortford in collaboration with the Goods Yard, Bishop's Stortford Steering Group.

2.0 Background

2.1 The general approach to Master Planning was first presented to the District Planning Executive Panel in September 2017 (and agreed by the Council on the 18th October 2017). The process is

based upon a collaborative approach between the Local Planning Authority, the developer and stakeholders; identifying and resolving issues, creating a vision for what the site aspires to achieve, testing design options and consulting upon preferred solutions. The output of this process is a Master planning Framework or Masterplan which is presented to members for their consideration.

2.2 In order to embed the Masterplanning process, District Plan Policy DES1: Masterplanning requires all 'significant' development proposals to be the subject of a Masterplan. The Masterplan should be collaboratively prepared and informed by public participation.

2.3 The Masterplan should set out the quantum and distribution of land uses; access; sustainable high quality design and layout principles; necessary infrastructure; the relationship between the site and other adjacent and nearby land uses; landscape and heritage assets and other relevant matters.

2.4 Policy DES1 advises that in order to ensure sites are planned and delivered comprehensively; any application for development on part of the site will be assessed against its contribution to the Masterplan as a whole.

2.5 The Masterplanning document should therefore provide sufficient information to inform the preparation of detailed aspects of the site at the planning application stage. The level of detail required for the Masterplanning document will depend upon the likely form of delivery of the site. For example, where delivery is expected by one party who has been involved throughout the Plan-making stages, a Masterplanning Document may be prepared, which provides key parameters and aspirations which form the basis of detailed design determined through a planning application process at a later stage.

2.6 Steering groups have been established for each town in the District to help inform the development of strategic sites allocated in the adopted District Plan and other significant sites that come forward for development. These are comprised of East Herts councillors, town and parish councillors, representatives of the local community and other interested groups, where appropriate. The Steering Group is a sounding board for key issues and, depending upon specific circumstances, for discussing detailed design elements whilst preparing the planning application through to when construction is underway.

2.7 The Goods Yard site benefits from an approved Masterplan (granted 31st October 2017) for mixed use development. This enabled the grant of a hybrid planning permission on 18th July 2018 for the comprehensive redevelopment of the site to provide a mix of uses including 586 residential units (Use Class C3); 3,004sqm of office floorspace (Use Class B1); 1,001sqm of retail floorspace (Use Class A1-A4); 491sqm of dual / alternative use retail and health care floorspace (Use Classes A1-A4 / D1); 85 bed hotel (Use Class C1); a care home comprising up to 55 units (Use Class C2); a new link road through the site connecting Station Road /Dane Street with London Road; two multi-storey station car parks (966 spaces); new cycle parking; car parking for the residential development; improvements to the Bishop's Stortford transport interchange; new and altered access points from the adopted highway network; and associated landscaping and public realm works.

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3.0 Reasons

3.1 The development that benefits from planning permission was proposed to be built out in 10 phases. So far, four phases have been implemented: the link road (London Road to Station Road), the first multi storey car park, and blocks A and B which are mixed commercial and residential (325 flats and 1,500 sq. metres of retail floorspace) are currently under construction.

3.2 Solum, the developers have advised that a combination of events has necessitated a review of the consented scheme and the need to revise and reconsider the previously approved Masterplan. Of major significance has been the decision of Network Rail to retain the railway sidings at the north eastern part of the site. This has reduced the developable site area.

3.3 In accordance with Policies BISH1, BISH2 and BISH7 of the District Plan and the Neighbourhood Plan for Bishop's Stortford All Saints, Central, South and Thorley, the revised Masterplan proposes a mixed use development of residential and commercial floorspace, including provision of a 90 bed room hotel, health care floorspace, two multi storey car parks, improvements to the Bishop's Stortford transport interchange, new and altered access points from the adopted highway network; together with associated landscaping and public realm works. There will also be a net increase of approximately 100 homes.

3.4 The revised Masterplan proposes the delivery of this revised quantum of development within a smaller developable area which will incorporate a range of building types (with heights of 4 – 7 storeys) and densities.

3.5 The revised Masterplan document has been developed collaboratively between the Local Planning Authority, the developer and stakeholders including the Goods Yard, Bishop's Stortford Steering Group. The developers have also engaged with the Allies and Morrison; the authors of 'Bishop's Stortford Town Centre Framework' for a Design Review workshops and site walkabout.

3.6 In general the contents of the modified Masterplan have been met with a positive response; recognizing the physical challenges presented by a situation outside of the developer's control. Suggestions have been made regarding landscaping and

the need to review proposed uses adjacent to the sidings, but these are considered to be matters that can be the subject of a more detailed review at planning application stage.

3.7 The revised Masterplan document, as set out in **Appendix A,** sets out the general development principles for the amended site area. It seeks to build upon the principles previously agreed for this site, by providing high quality mixed used development; however this will be provided within the context of a smaller site boundary which will incorporate higher densities and higher buildings.

3.8 Whilst there is in principle support for the revised Masterplan it is considered that given that the site is one, if not the, most sustainable sites within the District coupled with the fact that the site is within an Air Quality Management Area, considerable efforts must be made to reduce reliance on the private car in this revised Masterplan. This will mean that there will need to be for a much greater emphasis on utilizing car clubs on this site (as opposed to provision of individual residential car parking spaces) and maximizing opportunities for improved pedestrian and cycle links within and adjacent to the site.

3.9 The requirement to revise the Goods Yard, Bishop's Stortford Masterplan therefore presents an opportunity for the site and indeed the development, to provide exemplary public realm attributes within an environmentally sustainable setting which maximises sustainable transport options. Achieving these attributes at this site will undoubtedly set future standards for development in the District.

<u>Engagement</u>

3.10 Throughout the masterplan process a number of pre – application meetings have taken place with the Planning Service to discuss the broad principles of the revised Masterplan.

3.11 In addition four meetings have taken place with the Goods Yard Bishop's Stortford Steering Group which comprises district and town council representatives and Hertfordshire County Council officers.

3.12 Public consultation has taken place through a consultation website, which was available for three weeks in October 2021. The consultation website was advertised via station adverts, local press release, e–bulletin to previous consultees and adverts on Facebook/Instagram targeting residents in Bishop's Stortford.

3.13 There were 237 responses to the public consultation. The main points raised relate to:

- Concern about providing step free access from the east
- Design
- Opening date for the Multi Storey Car Park
- Concerns about transport and traffic including cycle lanes
- Concern about number and type of new homes being proposed and how many will be affordable
- Concerns about local infrastructure provision.

3.14 Some of the comments received highlight issues pertaining to the previously consented scheme - e.g. when will the multi storey car park open. However, comments were also made regarding matters that will be addressed in any future planning application including; provision of step free access, short term and town centre car parking provision, how will the proposals improve cycle and walking links to / from the town centre, how additional traffic will be addressed, what percentage of homes will be affordable and what provisions will be made for local services.

3.15 The results of this community engagement exercise have been collated by the developers and will be used to shape the revised planning application in due course.

Conclusion

3.16 The requirement for, and the benefits of a Masterplan for larger development sites, is set out in Policy DES1 of the District Plan. An agreed Masterplan Document will be a material consideration in the decision-making process and is key to ensuring that any planning application seeks to meet the Local Planning Authority's aspirations.

3.17 The revised Masterplan seeks to address the challenges presented by a reduced developable area at the Goods Yard, Bishop's Stortford. It sets out a vision for a high quality mixed use development in Bishop's Stortford and presents an opportunity for that development to maximize sustainable transport options for the benefit of the public realm and public health.

3.18 The revised Masterplan for the Goods Yard responds positively to the policy requirements in both the District Plan and Bishop's Stortford Neighbourhood Plan for All Saints, Central, South and part of Thorley.

3.19 The Planning Service considers that the revised Masterplan for the Goods Yard, Bishop's Stortford provides a good basis upon which to move forward to preparing a detailed application with the additional caveat that there should be a much greater emphasis on maximising sustainable transport options at this site.

3.20 The hybrid planning application is expected to be submitted in April 2022.

3.21 It is therefore recommended that the Masterplan document, as detailed at **Appendix A**, be agreed as a material consideration for Development Management purposes.

4.0 Options

4.1 The Council could choose not to approve the revised Masterplan Document; however in doing so , it would likely jeopardise the determination of any future planning application relating to the Goods Yard, Bishop's Stortford in making the submission contrary to Policy DES1 of the East Herts District Plan 2018. The absence of an approved revised Masterplan could also weaken the Local Planning Authority's negotiation position in determining the application, in that the Local Planning Authority will not be in a position to adequately express the viewpoints of its various stakeholders.

5.0 Risks

5.1 If the scheme progresses to the planning application stage without a Masterplan, it will be contrary to Policy DES1of the East Herts District Plan and opportunities for effective pre - application community engagement would have been lost.

6.0 Implications/Consultations

6.1 The production of this revised Masterplan for the Goods Yard, Bishop's Stortford has involved community engagement including a number of steering group meetings with members and local representatives. Additionally there has been three weeks of public consultation; the results of which will be used to revise and re–shape any planning application in future. This is explained above in more detail.

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

The Masterplan Document incorporates design principles that address environmental sustainability.

Financial

No

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

No

Specific Wards

Bishop's Stortford – Central Ward

7.0 Background papers, appendices and other relevant material

7.1 Appendix A: Goods Yard, Bishop's Stortford, Refined Masterplan Document

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Goods Yard Bishop's Stortford

Refined Masterplan Document

East Herts District Council

November 2021

Project Partners

Client
Solum Regen (Bishops) LLP

Planning Consultant
Savills

Architects
Pollard Thomas Edwards

Landscape Architects
Building Design Partnership

Highways Consultants
Mayer Brown Limited

Energy and Sustainability
HDR|Hurley Palmer Flatt

Project Management Advisor
Mace Group

Communications
Forty Shillings

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7 Parking Strategy

8 Landscape Proposals

9 Placemaking and Design Guidance

10 Townscape views and Sections

11 Character Areas

12 Conclusion

Revisions

Rev	Date	Notes
-	25/11/2021	EHDC Issue

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Introduction

This Refined Masterplan document is for the Bishop's Stortford Goods Yard site and supersedes the previous masterplan for the site which was endorsed by East Herts Council in October 2017. A Refined Masterplan is required to enable the wider site to come forward due to change in circumstances.

It has been developed to meet the aspirations of East Herts council and aligns with the Bishop's Stortford Town Centre Planning Framework, while considering the local and neighbourhood plans.

A hybrid planning application will be submitted in the early part of next year on behalf of Solum Regeneration (Bishops) LLP a partnership between Network Rail and Kier Property, by architects Pollard Thomas Edwards (PTE) and planning consultants Savills and will be supported by a full technical team. The proposal comprises the refining of the masterplan to the southern part of the site, bound between the River Stort, the railway, London and Station Roads in the centre of Bishop's Stortford.

OUTLINE PLANNING PERMISSION

In July 2018 a hybrid planning application granted permission for the entire redevelopment of the former Goods Yard, existing station car parks and land between the River Stort, the railway, London Road and Station Road, in the centre of Bishop's Stortford. The detailed planning permission was granted for the northern half of the site, the southern most section and the link road between the two. The outline planning permission was granted for the remainder of the site comprising two parcels of land; one to the east and one to the west of the link road (LPA Ref. 3/17/2588/OUT).

This comprised for a comprehensive mixed-use development of;
— 641 dwellings, comprising 585 residential units (C3) and a 55 unit care home (C2)
— 3,004 sqm of office floorspace (Use Class B1);
— 1,083 sqm of retail floorspace (Use Class A1-A4);
— 491sqm of dual / alternative use retail and health care floorspace (Use Classes A1-A4 / D1);
— An 85 bed hotel (Use Class C1);
— A new link road through the site connecting Station Road / Dane Street with London Road;
— Two multi-storey station car parks;
— New cycle parking;
— Car parking for the residential development;
— Improvements to the Bishop's Stortford transport interchange;
— New and altered access points from the adopted highway network; and
— Associated landscaping and public realm works.

The Detailed application comprised:
— 323 No. Residential units (Use Class C3);
— 3004 sqm of office floorspace (Use Class B1);
— 1083 sqm of retail floorspace (Use Class A1-A4);
— 491sqm of dual / alternative use retail and health care floorspace (Use Classes A1-A4 / D1);
— An 85 bed hotel (Use Class C1);
— A new link road through the site connecting Station Road / Dane Street with London Road;
— One multi-storey car park containing 401 spaces;
— New cycle parking;
— Car parking
— Improvements to the Bishop's Stortford transport interchange;
— New and altered access points from the adopted highway network; and
— Associated landscaping and public realm works.

Solum are in the process of completing the delivery of several of the initial elements of the scheme including; the link road that crosses the scheme linking London road, in the south to Station Road in the north; the first of 2 Multi storey car parks; the names of which have been formally recognised as MSCP1 & MSCP2 respectively. Two substantial plots of land which contain the first two phases of residential blocks (Plot A and B - 323 mixed tenure apartments) have been sold to Bellway Homes who have started construction on-site.

EMERGING MASTERPLAN

Network Rails requirement to retain the railway sidings have led Solum and the design team to reconsider parts of the masterplan.

These areas will include:

1 - Block H – Retaining the hotel use - an enhanced building with flexible commercial/community floorspace at ground floor with hotel over.

2 - Plot A6 – A rationalisation of the commercial building.

3 - Plot A7 - Develop a mixed-use residential building with commercial use at the ground level, located beside the MSCP02. Commercial space is reallocated within Plot A6.

4 - MSCP02 - Marginally repositioned to avoid the Network Rail sidings tracks and equipment. Review the layout and footprint of the MSCP. Develop the appearance within a new context.

5 - The Sidings (Plot F) – Develop a new residential proposal on reduced land area due to retention of the Network Rail Sidings.

6 - Riverside (Plots C, D and E) and public realm - Develop a new riverside residential proposal, re-imagining the Goods Yard in a new context with railway sidings retained.

The refined masterplan includes;
— Up to 420 homes (Use Classes C2-C3 with the split to be determined subject to further assessment);
— A minimum of 3,004 sqm of commercial floorspace (Use Class E);
— Around 90 bed hotel (Use Class C1);
— Multi-storey station car park 02;
— New station cycle parking;
— Car parking for the residential development;
— Improvements to the Bishop's Stortford transport interchange;
— New and altered access points from the adopted highway network; and
— Associated landscaping and public realm works.

Those elements retained as part of the masterplan currently being delivered;
— 323 residential apartments (Use Class C3);
— 1,083 sqm of retail floorspace (Use Class A1-A4);
— 491sqm of dual/alternative use retail and health care floorspace (Use Classes A1-A4 / D1);
— Multi-storey station car park 01 (401 spaces);
— A new link road through the site connecting Station Road / Dane Street with London Road.

The changing nature of Bishop's Stortford with the South and North strategic sites are expanding the town and delivering more houses. There is an opportunity to realign the vision of the Goods Yard, a large town centre central site beside a major transport hub, for the delivery of apartments.

Consultation

Consultation to date:
Steering Group 01, 15 December, 2020
HCC Estates and Transport, 6 January, 2021
HCC Estates and Transport, 10 February, 2021
EHDC planning officers pre-app01, 26 March 2021
Energy Review, 7 April, 2021
EHDC planning officers pre-app02, 28 April 2021
Steering Group 02, 3 June, 2021
CRT meeting, 17 June, 2021
EHDC planning officers pre-app03, 3 July 2021
CRT meeting, 20 July, 2021
Site visit members and planning officer, 23 July 2021
Shaping Stortford, 28 July 2021
EHDC planning officers pre-app04, 26 August 2021
Design Review, 13 October 2021
Public Consultation Webinar, 28 October 2021
HCC Transport, 28 October 2021
Steering Group 04, 8 November, 2021
Network Rail - regular rail stakeholder meetings

Future events up to planning application will include meetings with East Herts District council, the Steering Group for the Goods Yard site, Hertfordshire County Council, Allies & Morrison (the council's design adviser for this site), the local community, Canal and River Trust and other stakeholders as necessary.

Endorsed masterplan (October 2017)

Parts of masterplan built or under construction

Under construction by Bellway:

Plot A due completion 1st Quarter 2022

Plot B due completion 1st Quarter 2023

Completed:

Main carriage way of North-South link (Sextons Road, connecting with Morton Peto Road)

Multi Storey Carpark 1

Network rail sidings is retained

"NR's retention of the sidings land, directly frustrates the ability to bring forward the extant proposals for the southern site.
However, this presents an opportunity to re-imagine the plots to better relate to and respond to the new context.

Parts of the masterplan to be refined

Plot H - Hotel building
A6 - Commercial Building
A7 - Mixed Use Building
MSCP02 - Multi storey Carpark 02
Plot C - Maltings buildings
Plot D and E - Riverside buildings
Plot F and G - Sidings buildings

1 Existing Site

Bishop's Stortford is located in Hertfordshire close to the border with Essex, within the district of East Hertfordshire. The town is approximately 30 miles North East of London and has a population of approximately 41000.

The town is situated among a number of growth areas, principally around the M11 and expansion around Cambridge, but also at Stansted and along the A120 route.

The site comprises 5.37 hectares (adjusted site development area) of brownfield land, located part within the town centre boundary with the bulk of area immediately to the south. The site is located between the Anglia London Liverpool Street to Cambridge railway line, to the immediate East, and the River Stort Navigation to the West.

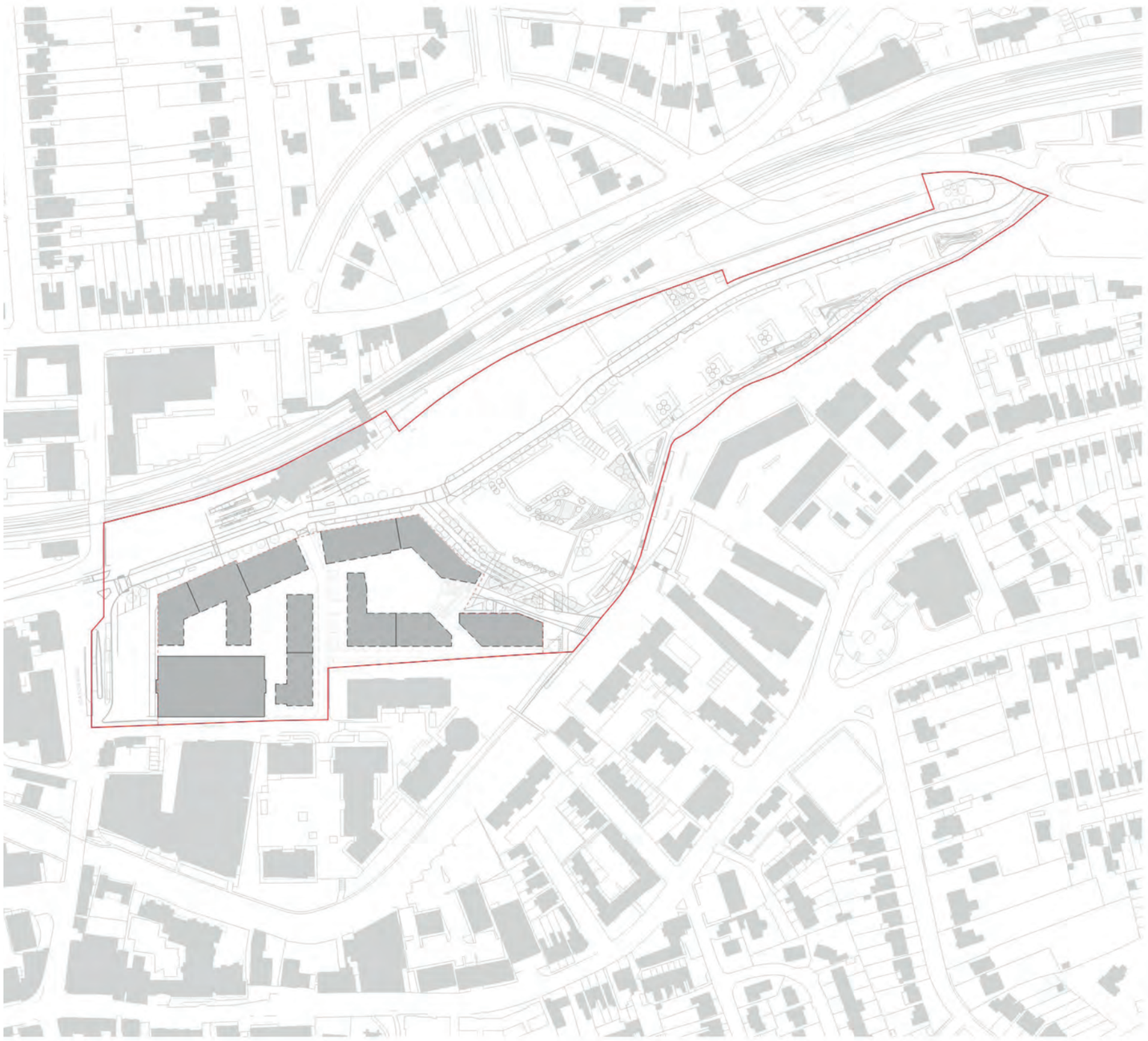
The northern part of the site, the existing bus station remains, located beside Station Road, and the Taxi's located in front of the station arrival. Secured station cycle parking is located between the train station and the ramp.

Vehicle down ramp closed, part removed to allow for construction of new North-South road. Main carriage way of North-South link road (Sextons Road) constructed with temporary intersection onto London Road.
The MSCP01 is complete and the Anchor Street road widening at the Station Road end is yet to be carried out. Buildings to Plot A and B are currently under construction.

The southern part of the site is occupied by commuter car-parks together with maintenance sidings operated by Network Rail. Much of the site is inaccessible to the public. Network Rail operate a vehicular access from London Road at the South of the site to its maintenance area.

The Northern part of the site is located within the Bishop's Stortford Town Centre designation. The site is not located within a Conservation Area but borders the Bishop's Stortford Conservation Area to the Northwest, north and northeast. The site does not contain any statutory or locally listed buildings or structures. Whilst not locally listed, the Rose & Crown Pub to the northeast of the site is identified within the Conservation Area Appraisal. The site is identified as an Area of Archaeological Significance.

1.2 Site Plan



GENERAL NOTES:
This drawing is © 2021 PTE, architects.
Use figured dimensions only. **DO NOT SCALE.**

All dimensions are in millimetres unless noted otherwise.

This drawing must be read in conjunction with all other relevant drawings and specifications from the Architect and other consultants.

If in doubt, ask.

SETTING OUT NOTES:
All setting out to be confirmed on site prior to construction - any discrepancy must be immediately reported to the Architect.

All setting out to face of structure or to grid. All partitions set out to studwork or structure.

For setting out and specification of M&E services refer to M&E Consultants documents.

For setting out and specification of structure refer to Structural Engineer's documents.

10 0 10 20 50 m
Metres 1:1000

N

LEGEND:

- MASTERPLAN BOUNDARY
- PLOT A AND B BOUNDARY
- PLOT A AND B UNDER CONSTRUCTION
- MSCP01 COMPLETED

FOR APPROVAL

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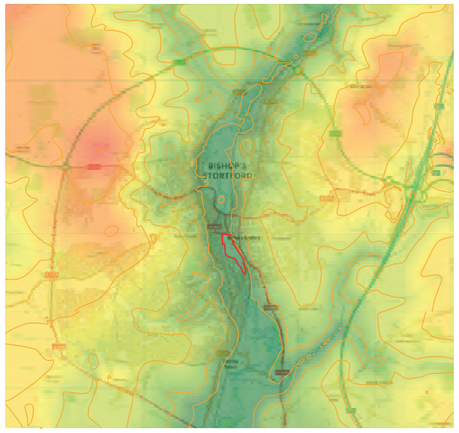
Pollard Thomas Edwards

Bishop's Stortford | 21-015 | Author indicated@A1

Application Site Plan | BSG- PTE- ZZ-XX-DR-A-10001

2 Surrounding Context

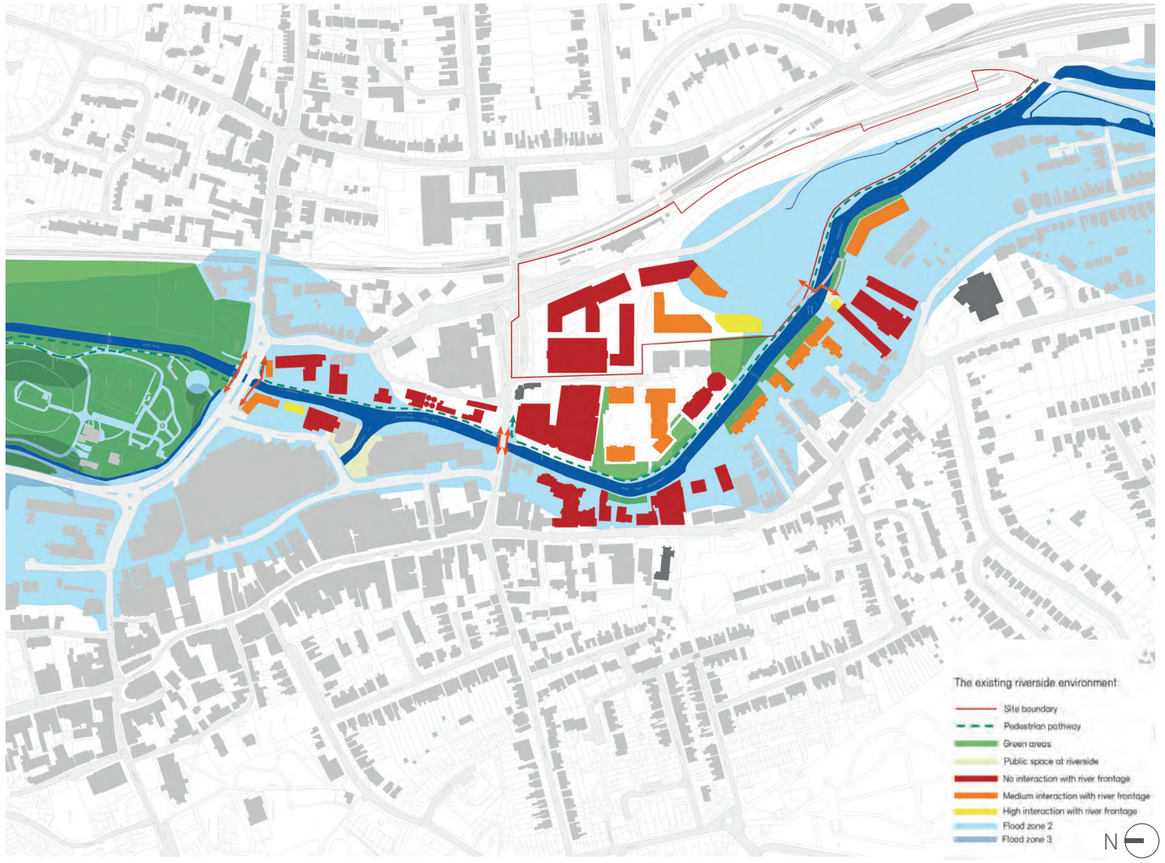


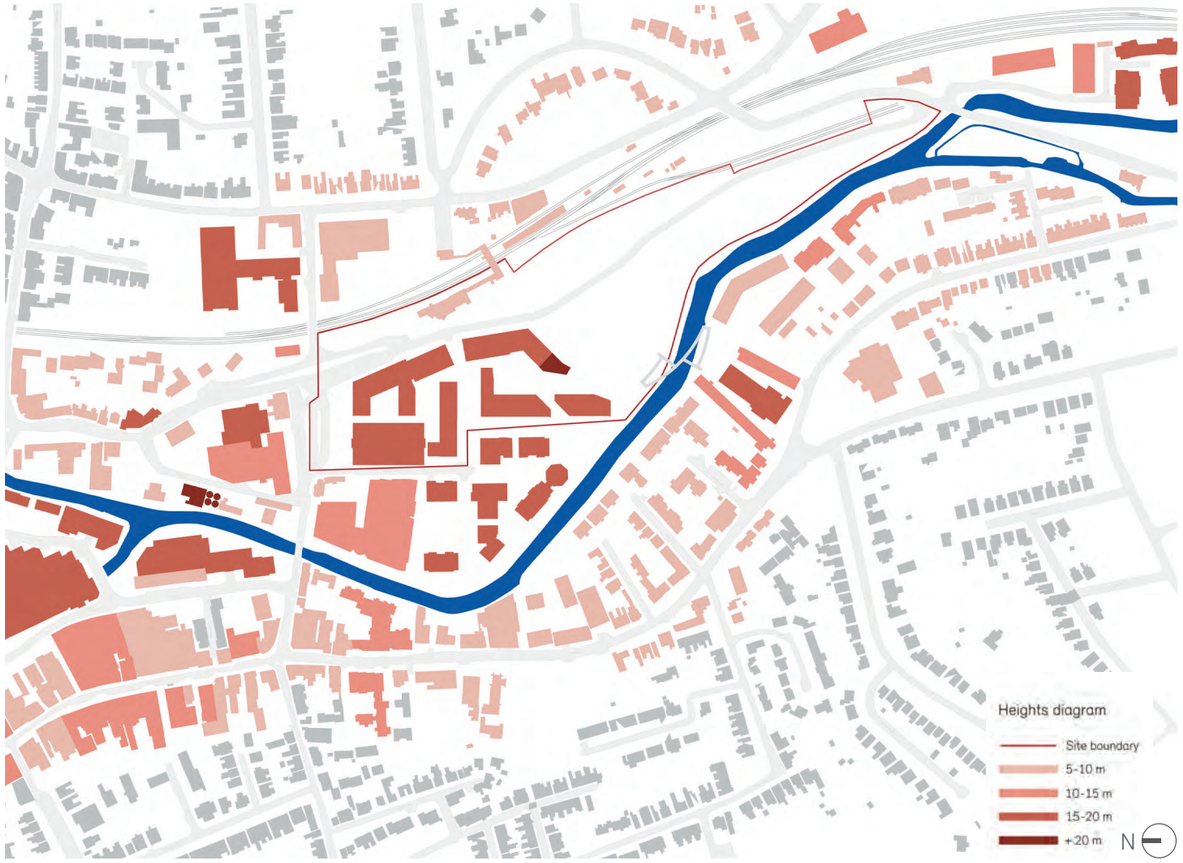
2.1 Existing Riverside Environment Context

The River Stort, an Environment Agency Main River, flows to the south and west of the site. It is navigable with a tow-path for this stretch. There is a drainage channel to the south of the site that drains towards the outfall into the River Stort, north of the London Road Bridge. The site lies within the 'Towns and Villages in open floodplain (North and West). Please refer to the Flood Risk Assessment for detail information.

2.2 Existing Building Heights around the Site

The site is bordered by the railway to the East and River Stort to the West. Ground levels to the East are 5 – 6m above that of the site. Residential buildings of 5 – 6 storeys are present north of the site with taller industrial mill buildings to the north. The buildings to the west of the site are 5 storeys in height. To the south Tanner's Wharf is 6 storeys high as is the mill across the footbridge.





2.3 Townscape Analysis

Due to the long history of the area, a range of building styles co-exist next to one another. This creates varied and interesting streetscapes, which contribute to the overall strong sense of place. While there is a strong emphasis on defining the street corridor, buildings often meander and deviate from a strict building line, creating a specific sense of place and variety along the town's central streets. Due to this, there is a strong sense of enclosure, both along streets and within spaces.

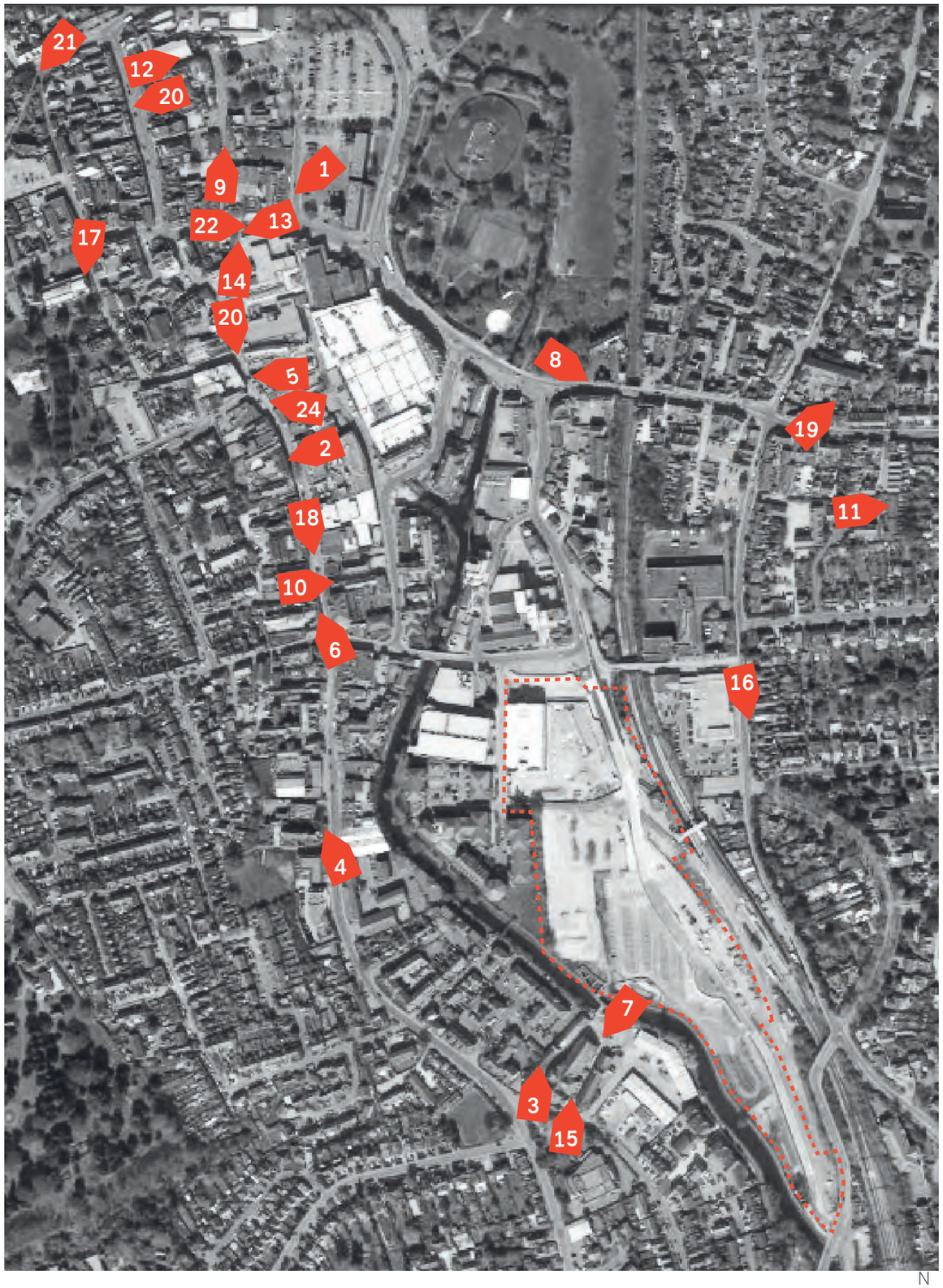
This changing character, which is experienced throughout the town core, is a key attribute to be emulated by the new streets and spaces in the Goods Yard masterplan, where street types, building types, orientation and views will help to create new and distinctive places.

Many of the existing buildings in Bishop's Stortford pre-date the dominance of the car. Typical of these older buildings, traditional materials, smaller spanning distances and generally more vertical proportions create buildings that relate well to the human scale. A great variety of detailing, representing changing architectural fashions of the past, accentuate building facades with interesting ornamentation. In addition, the varied roofscapes provide a playful and changing silhouette whilst moving along the streets.

While the overall architectural expression provides a rich variety, this is balanced with elements to provide a sense of continuity, including the generally narrow frontages, and regular rhythm of doors and windows. Whilst heights range from 2-5 storeys, the floor -to-ceiling ratios can often vary greatly between adjacent buildings, allowing for interesting juxtapositions and a greater variety in the roofscape.

A modern interpretation of these elements will help to bridge the gap between the history and its future development in the Goods Yard site.

The Goods Yard site is located in the historic industrial part of the town beside the train station. This part of town therefore has a distinct character from that of the historic town centre. New development will take its queues predominantly from the industrial maltings and railway goods yard buildings.



1 Old River Lane Malting

2 Shop Front, South Street

3 Former South Street Maltings

4 Holy Trinity Church

5 Corn Exchange

6 South Street

7 Former South Street Maltings

8 Hockerill Street

9 Water Lane United Reformed Church

10 Riverside Walk

11 Former Workhouse

12 Water Lane

13 Bridge Street

14 Palmers Lane

15 Former South Street Maltings

16 London Road

17 St Michael's Church

18 Shops on South Street

19 Storage Sheds

20 North Street

20 North Street

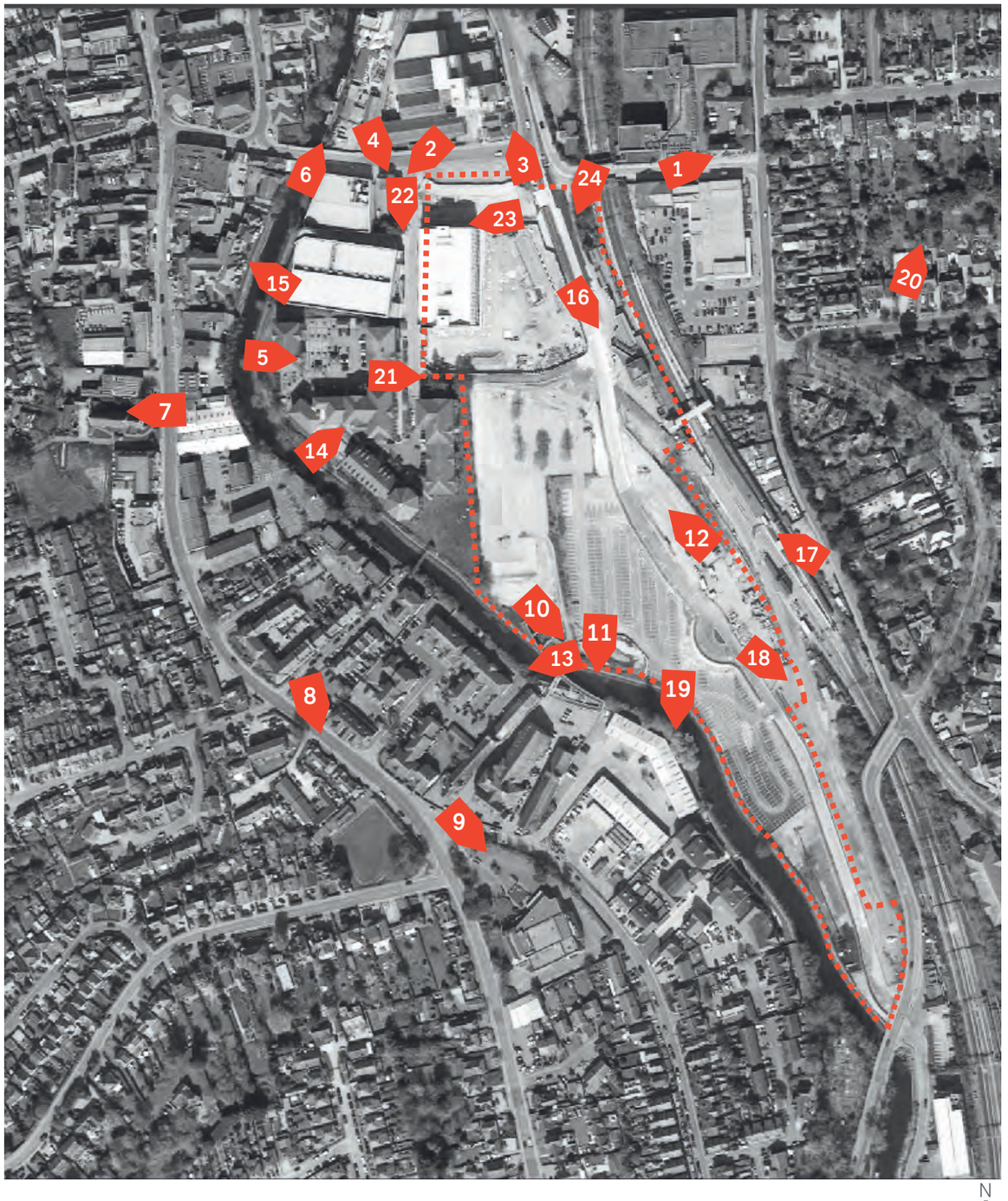
21 King Street / Basbow Lane

22 Bridge Street

24 Market Square

2.4 Site and Surroundings Photographs

These site and surrounding photographs show the range and mix of building forms that are local to the area.



1 Thomas Heskin Court

2 Leisure Park

3 Former public house

4 Rose & Crown public house

5 John Dyde Close

6 Allinson's Flour Mill

7 Holy Trinity Church

8 Kings Cottages

9 South Mill Arts Complex / Museum

10 Pedestrian bridge

11 Maltings complex

12 Mallard & Swallow Courts, John Dyde Close

13 Braziers Quay Residences

14 Starling Court, John Dyde Close

15 Waterfront House

16 Train station

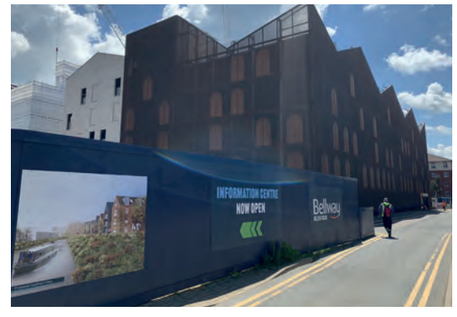
17 Signal box

18 Storage sheds

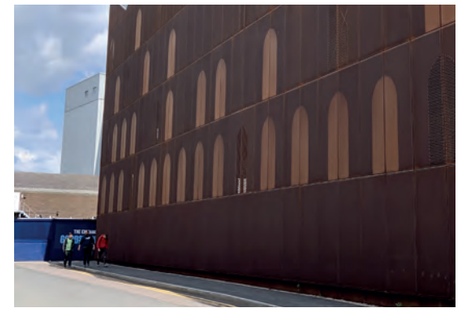
19 Adderley Riverside

20 Multi-storey Car Park 1

21 Morton Peto Road



22 Anchor Street



23 Anchor Street (Lane section)

24 Dane Street / Station Square

2.5 Neighbouring Sites

As part of understanding the surrounding context we have looked at neighbouring residential developments within the immediate area including the Maltings.

We have studied these as local precedents for the Good's Yard site. We have looked at what works well and things that could have been better.

Some of the key things we have considered in our approach to the Good's Yard site include;

— How do the buildings address the public realm,
— Do they have active frontages,
— Are they safe to walk around,
— Are they too car dominated,
— How they are buildings placed on the site,
— What relationship do they have with the river,
— What height are they, scale and massing,
— What quality of detailing and use of materials,

The Maltings (Listed Buildings)
— The Maltings form a main precedent for the Goods Yard and are considered in further detail throughout the planning application.
— The Maltings form the driver for both place making with their positive relationship to the river and each other
— Form, massing, scale up to 6 floors is acceptable.
— Architectural quality and historic value is positive.
— Rich use of materials and detailing while being clean and strong formed.
— Expressed brick detailing and banding.
— Roofscape and ventilation chimneys interesting.
— Distinctive long footprints running down to the river.
— Window openings not suitable for residential.
— Quality of public realm is low.
— Car dominated at rivers edge is poor.

The John Dyde
— Poor relationship to the river.
— Close relationship between buildings acceptable.
— Scale acceptable 4 - 5 storeys but could have made more of the roof scape.
— Poor relationship between ground floor and public realm.
— Car parks dominate public realm.
— Low quality landscape, unused triangular amenity space not inviting.
— Poor quality boundary fencing and relationship to tow path.
— No private open space for residents.
— No distinction between floors on external elevations, base, middle, top.
— Little depth to elevation, UPVC white windows flat with no relief to brickwork.
— Low quality materials and detailing.
— Architecture lacks character.

Local Context - The Maltings

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Local Residential Context - John Dyde

1

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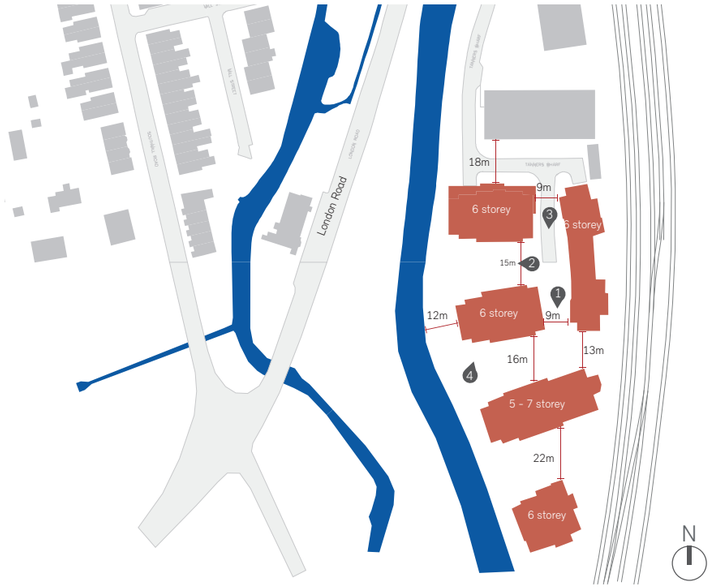
4

Local Residential Context - Tanners Wharf



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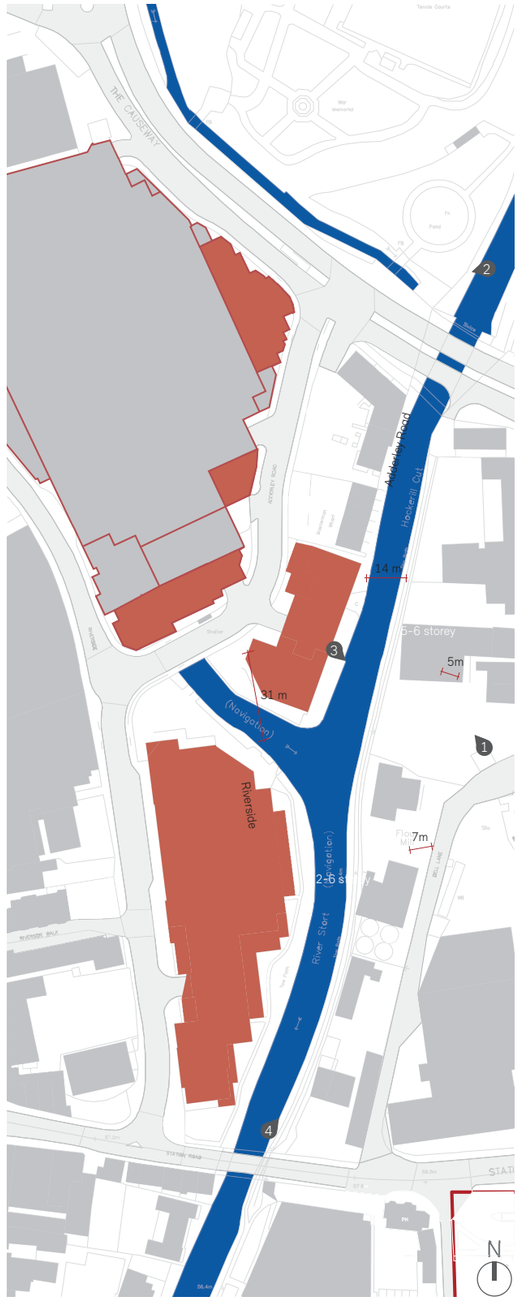
Local Residential Context - Riverside Wharf



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Tanners Wharf
- Site layout positive to river.
- Close relationship to the river.
- Poor quality public realm.
- Poor security.
- No active frontages.
- Car dominated.
- Dead frontages at ground level – car parking and stores.
- 5 - 7 storeys in height.
- Buildings in close proximately to each other.
- Architecture acceptable though forms are a little broken up, feels gritty.
- Some brickwork detail banding though render not acceptable.
- Weatherboard product.
- Provision of private terraces.

Riverside Wharf
- Poor relationship to the river.
- 6 storeys is acceptable though massing of building is too bulky because the footprint is too greedy.
- Poor relationship to the road creating an inactive street frontage.
- Poor quality landscaping.
- Car dominated at ground level – look through car park to river.
- Elevations far too busy, too many building lines.
- Roof form and pitched dormers not in scale with the building, creates too many rainwater downpipes.
- Top floor sits within a lowered roofscape positive.
- Steel balconies cantilever to the riverside only.
- Quality of detailing poor for the scale of building.
- No private common amenity space.

2.6 Historical Context

The historic context has provided a richness to the masterplan which has informed our approach to placemaking at each level, from the layout of buildings on-site running down to the rivers edge, as did the historic malt houses, to robust industrial building forms, scale, to the varying use of materials and detailing.

We wish the richness and spirit of the old Good's Yard to inform an important layer in the design evolution of the masterplan and the architecture.

History of Goods Yard and the Station
Railway commissioned in the 1840's by the Eastern Counties Railway company to provide link between London and Cambridge.

The line first ran from Shoreditch to Bishop's Stortford and opened 16 May 1842. This initial line was broad gauge until 1844 and included a covered station.

July 1845 link between London and Norwich – via Bishop's Stortford, Cambridge and Ely was complete. This Increased the range of the railway and its effectiveness

Later the station was rebuilt with a large area dedicated to goods sheds and a granary with dedicated sidings running to Anchor Maltings.

The current station building was originally the station masters house and was built to resemble an Italianate Villa, this has been much compromised by further additions and modifications.

Following the arrival of the railway in the nineteenth Century the town expanded to the South and East with the construction of the Hockerill Park Estate and the New Town.

The station was busy, known in 1893 to have handled 205,000 tons of barley and malt along with many tons of vegetables, straw and hay, all destined for London's markets.

The Sidings were allocated for coal merchants and for supplying the Gas Works at the end of Anchor Street. To the South of the station a crane and aggregates yard operated until 2004.

Livestock pens were provided with stables at the station for horses. This complex was accessed via a gate opposite the Tanner's Arms Public House in London Road, with pedestrian access to the station yard.

The railway was electrified in 1958 and the North signal box was demolished, a new footbridge was constructed. Following a fire, this was rebuilt in the 1980's. The Steam depot closed in 1962 when the Northern end of the site was cleared to form car parks.

Shortly after the branch to Dunmow was cleared, although a new spur was opened in the 1980's to access the newly constructed terminal at Stansted Airport.

From 1997 the London to Cambridge line was operated under franchise and from 2011 by Abellio Greater Anglia, the current operator. The station forecourt was redesigned in 1999 and in 2015 a refurbishment of the station building was completed with a new retail concession and improved ticketing facilities.

History of Stort Navigation
Bishop's Stortford is connected by the River Stort to London via the River Lee.

This provided a good opportunity to adapt this river for boat traffic so as to directly connect Bishop's Stortford to London and its port.

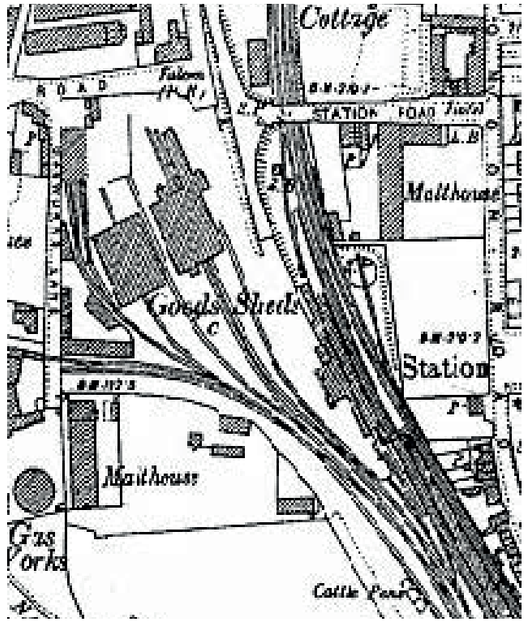
Parliament passed 'An Act for making and continuing navigable the River Stort, in the counties of Hertford and Essex', which empowered the navigation to be constructed and opened in 1769.

It involved the construction of fifteen locks, so as to control the flow of the river and open up navigable sections previously impassable with shallows. Trade increased gradually, rising from around 18,000 or 19,000 tons in 1791 to 40,000 tons in 1811.

Income from the navigation halved in the first 10 years from competition with the railway, the navigation was sold several times, before coming back into public ownership and then being transferred into the ownership of a charitable body, the Canals & Rivers Trust.

The 15 locks are built to take boats 86 feet (26 m) by 13.25 feet (4.0 m), which means that they are not quite wide enough to take two narrow boats at a time and so traffic along the system is slower as a consequence.

There is a tow-path along the entire length of the navigation, which forms part of a number of long distance walks. These include The Stort Valley Way, which is a 28-mile (45 km) circular walk and the Three Forests Way.



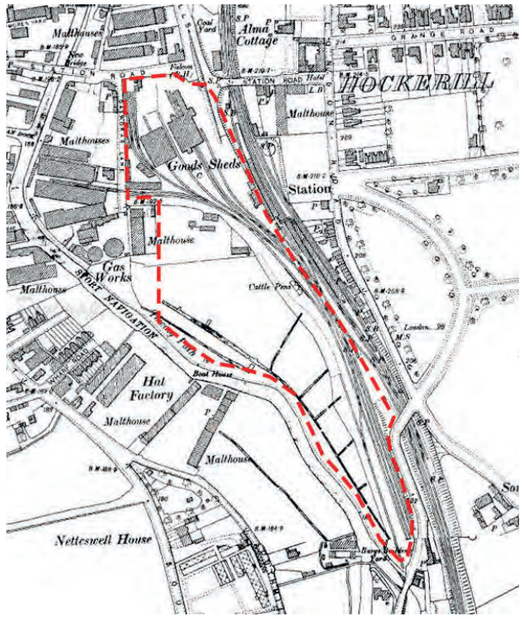


PHOTO CREDITS: BISHOP'S STORTFORD TOURIST INFORMATION CENTRE, STORTFORDHISTORY.CO.UK

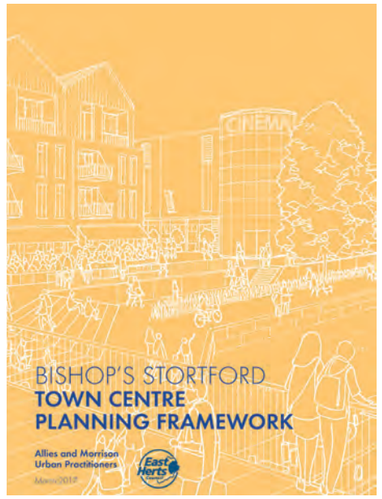
2.7 Town Centre Planning Framework

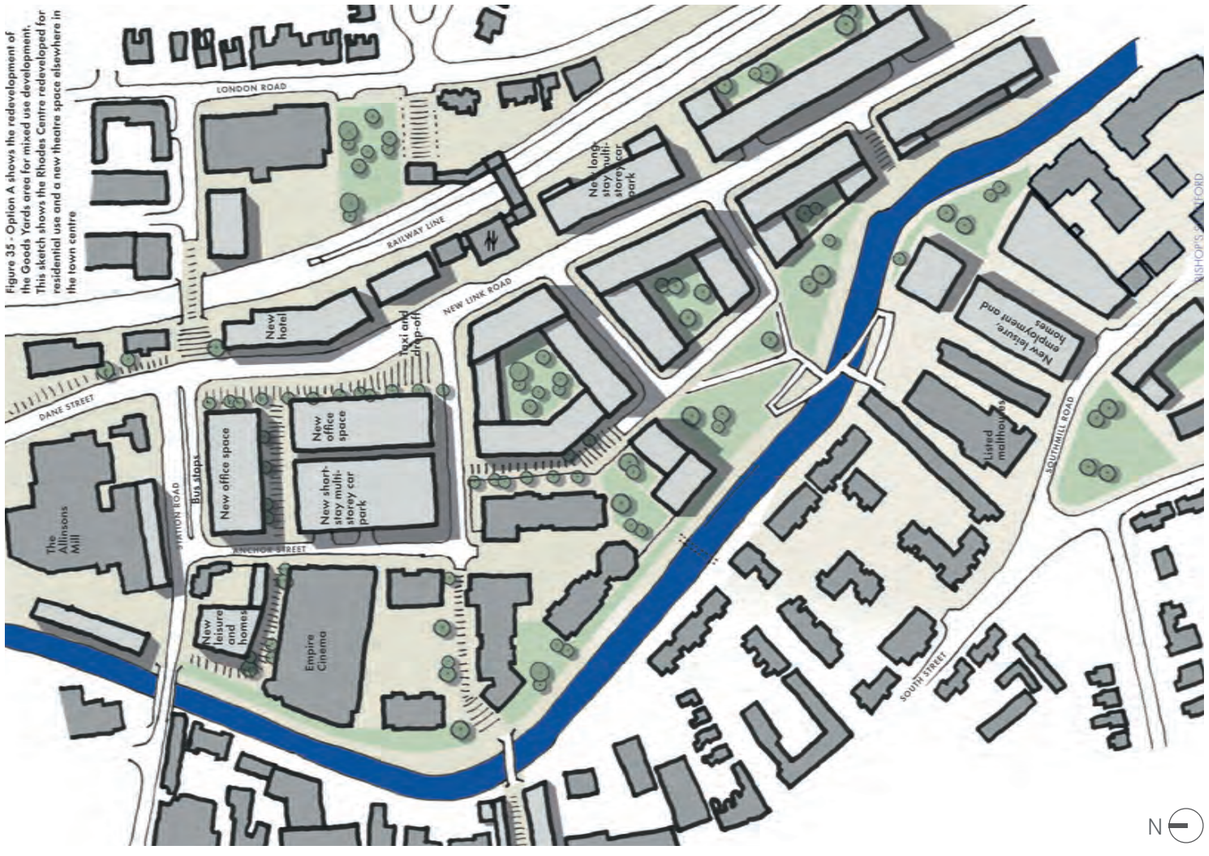
In July 2017 the Council approved the Bishop's Stortford Town Centre Planning Framework for development management decisions. It is a material consideration in the determination of planning applications within the Town Centre. Prepared by Allies & Morrison on behalf of the Council, the Framework sets out a vision and strategy for development of Bishop's Stortford.

The Bishop's Stortford Town Centre Planning Framework sets out an indicative masterplan for the Good's Yard site as part of a wider study that looked at a series of sites within town. The endorsed masterplan for the Goods Yard site (2017) aligns and develops on the principles and aspirations outlined in the document. It provides a two-way North-South road through the site with development either side. It provides routes from the station and down to the river. It provides a mix of uses across the site.

A positive design review (Nov 2021) was held with Allies & Morrison, who were previously engaged by EHDC as design adviser to the original application. It is the intention to meet again prior to submission of a planning application.

In section 3.10 we show the endorsed masterplan alongside the proposed masterplan.





ALLIES & MORRISON MASTERPLAN (MARCH 2017)

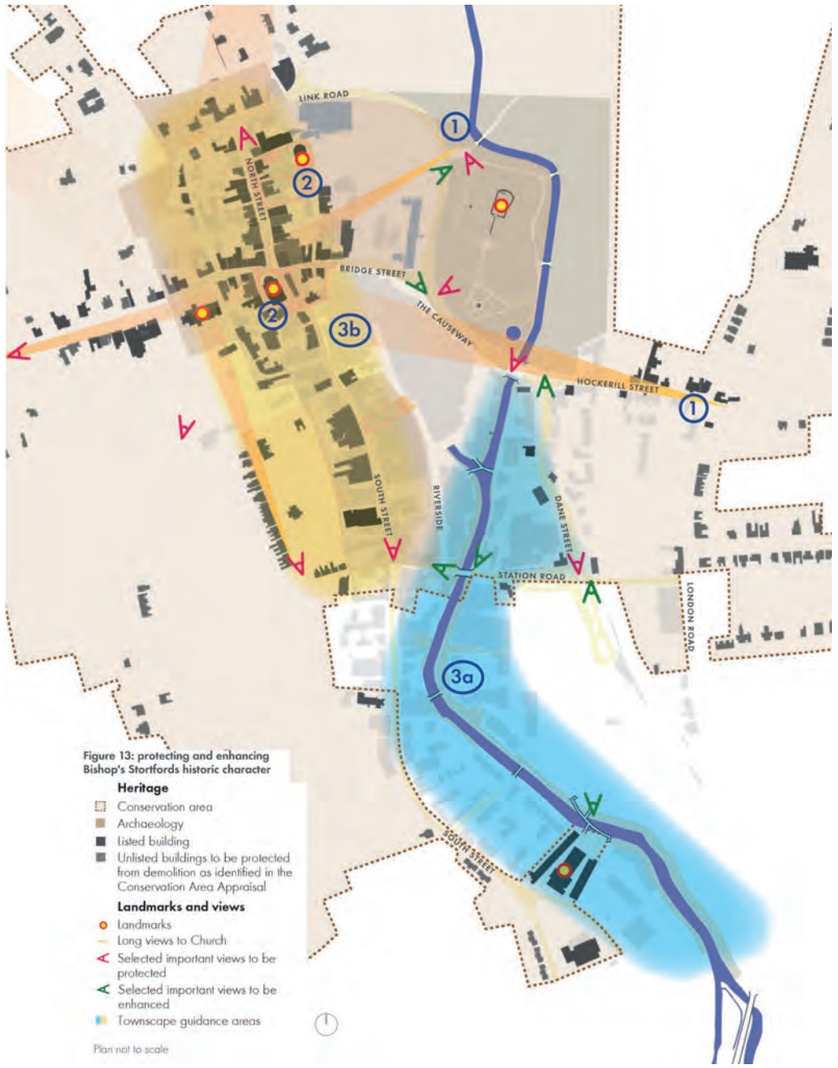
ENDORSED MASTERPLAN (OCTOBER 2017)

2.8 Important Views to be protected and enhanced

The diagram has been extracted from Bishop's Stortford Town Centre Planning Framework, drafted by Allies & Morrison and Urban Practitioners, March 2017, shows the need to protect and enhance views in and around the town which include those from Station Road to the train station and from the pedestrian bridge.

Our masterplan creates a series of townscape views connecting and enhancing views from the train station towards the town centre and from the station down to the Maltings at the river edge.

The masterplan creates a series of views from the new North-South road to the river, including linking the station to the pedestrian bridge.



EXTRACTED FROM BISHOP'S STORTFORD TOWN CENTRE PLANNING FRAMEWORK, DRAFTED BY ALLIES & MORRISON AND URBAN PRACTITIONERS, MARCH 2017

THE TRADE CENTRE / SOUTH STREET MALTINGS

ALLISON'S FLOUR MILL

ST MICHAEL'S CHURCH

TRAIN STATION

ROSE & CROWN PUBLIC HOUSE

DANE STREET

3 Sustainability Strategy

Solum and the design team recognise the climate and biodiversity crisis and are committed to placing Bishop's Stortford Goods Yard scheme on the road to de-carbonisation. PTE is working closely with HDR for the hybrid application proposal.

The points on the page summarise the initial site wide sustainability strategy taken and how we seek to respond to the District Plan (October 2018) and guidance within the Sustainability SPD (March 2021).

Strategy Summary

— In line with the governmental target to met net zero carbon the Proposed Development will replace the natural gas CHP and boiler in favour of heat pump technologies.

— Building envelope will have due consideration for U values, thermal bridging and air tightness.

— Building forms will make use of their orientation to harness daylight and solar gains where possible whilst mitigating the risk of overheating within the homes.

— Homes will aim to have an ambient water loop system fed by an air source heat pump and have MVHR ventilation for improved air quality

— Retail space will have standalone VRF system and MVHR ventilation by tenant

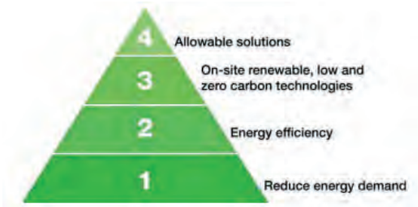
— Office space will also have VRF heating and cooling, a centralised AHU with heat recovery

District Plan October 2018

1. Efficient site opportunities

2. Fabric first approach and minimise overheating in summer and reduce the need for heating in winter.

3. Reduced energy consumption (energy hierarchy)



4. Water Efficiency (110 ltrs/p/d)

5. Sustainable lifestyles (incl. EVCs)

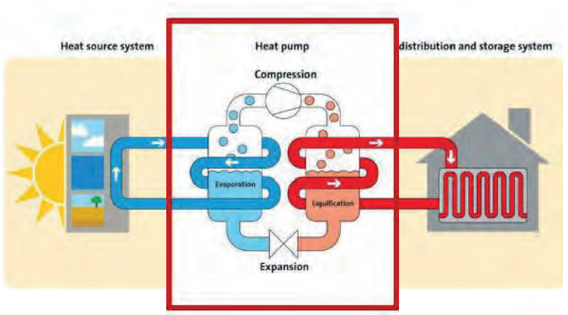
Sustainability SPD March 2021

(3) Energy and Carbon Reduction (using SAP 10 carbon factors)

(4) Climate Change Adaptation (in-line with the CIBSE TM 52 and 59)

(5) Water Efficiency (110 ltrs/p/d)

(6) Pollution (Air quality and light pollution)



HEAT PUMP DIAGRAM

Proposed Response

The proposed building orientation and form will be maximise to reduce heat gains.

The building envelop will be design to exceed significantly Building Regulation Part L minimum values to ensure that carbon reductions is achieved. CIBSE TM 59 and 52 to inform the design.

Energy Reduction: (fabric first approach to reduce energy demand)
Be Lean:
— Minimise Heat losses and gains, Efficient MEP Systems, Minimise
— Heat gains - Summertime Overheating (future weather files)

Be Clean:
— Block-by-Block approach using central systems

Be Green:
— Heat Pumps for MEP Zero-Carbon strategy (using de-carbonisation of grid electricity) and photovoltaic system.
— Site-wide - Targeting Policy (35% savings beyond Part L 2013 using SAP 10 carbon factor)
— Residential = Building Regulations Part G (110 ltrs/p/d)
— Retail = BREEAM Water Credit targeted

EVCs proposed

Changing Climate: Carbon savings to target 35% against Building Regulation Part L 2013 using SAP 10 as per above energy hierarchy.

Overheating mitigation: the proposed development intends to comply with the CIBSE TM 59 and 52. Additionally the design will aim to mitigate heat island effect. SUDS will be included within the design to reduce the volume of water run-off.

Residential units will achieves at least 110 Litres per day per person. Commercial units will achieves 25% water reduction when assess under the BREEAM New Construction Wat 1 calculator.

— The design will assess the external noise and air quality levels and these will be mitigated by the use of acoustically treated windows and mechanical ventilation with heat recovery.
— Light Pollution, the external lighting strategy will be designed in compliance with Table 2 (and its accompanying notes) of the ILP Guidance notes for the reduction of obtrusive light.
— The biodiversity will be improved as part of the landscape strategy;
— The use of EVC's and bike store will reduce the need to car parking on-site.
— SWMP, the contractor will provide a SWMP to ensure that waste is mitigated during construction. Additionally the waste strategy will be implemented within the dwellings to facilitate recycling.
— Material with low embodied carbon emissions will be privileged in the design.

4 Refining the masterplan

4.1 Constraints and opportunities of the refined southern site

Section 4 refers to the refinement of the southern part of the masterplan. This has evolved through consultation and design development, as shown in later sections.

Constraints of the redefined southern site
- Potential noise from railway station and train lines.
- Railway sidings to remain, with additional building setback from site boundary.
- Potential for development on one side of the new road at southern end of site.
- New road through to London Road has been constructed (temporary junction).
- The shape of the site is long and narrow.
- London Road is car dominated.
- Set back from the river to create open space setting.
- Site contours, flood zone.
- The quality of ground.

Opportunities:
- Improve the Riverside frontage and connection to the station.
- Linear exposed site with good frontage to River Stort.
- Clear site used predominately for car parking.
- Bishop's Stortford station within site demise – providing good connections across the country.
- Ideal commuting location for workers in London and Cambridge.
- Good road connections, including M11.
- Good bus links – including along new road.
- Pedestrian and cycle route along side of river.
- Close proximity to and views of The Maltings buildings.
- Opportunity to provide quality green landscape public place.
- Improve traffic movement in the town centre with new road through site connecting to London Road.
- A range of high quality apartments in a town centre location.

4.2 Refinement of the southern masterplan

The next series of diagrams considers the site in a changing context, where the sidings have been retained, while also looking at the current masterplan and character areas to inform the refining and re-visioning of the southern part of the site.

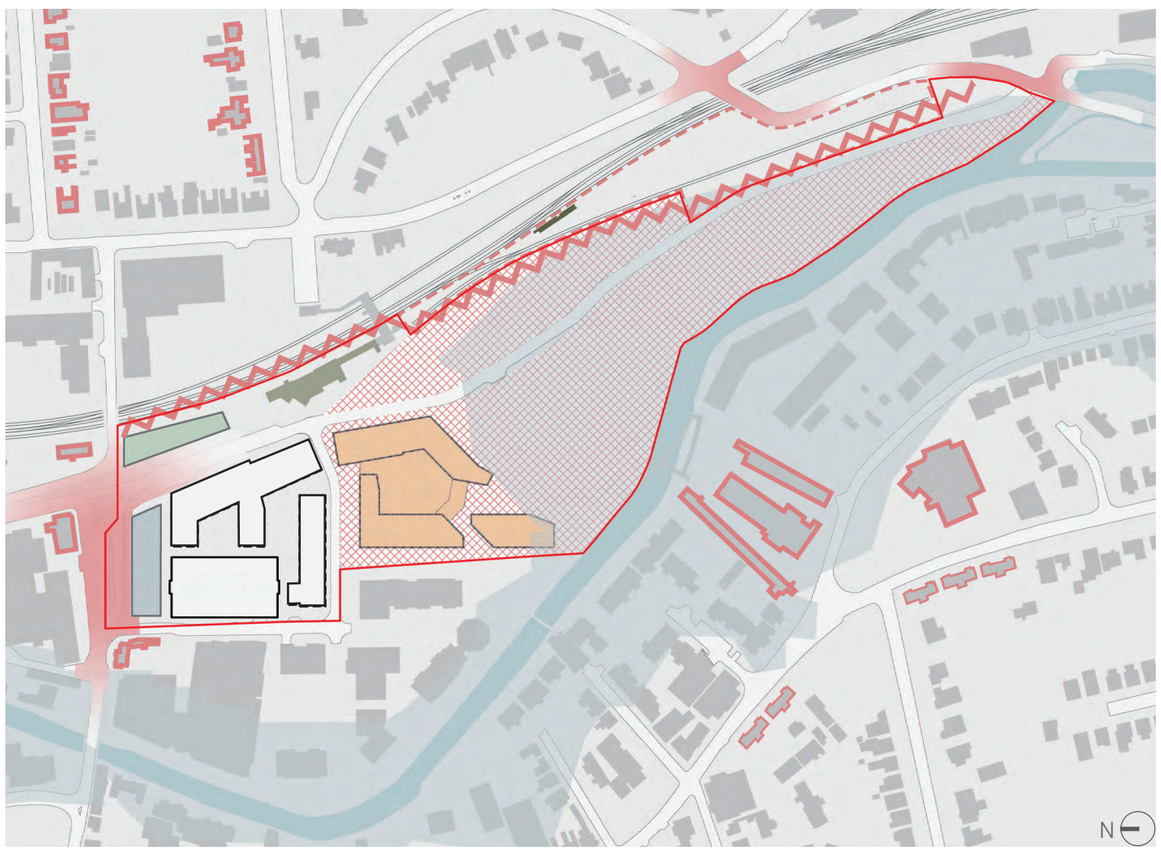
4.3 Creating Connections

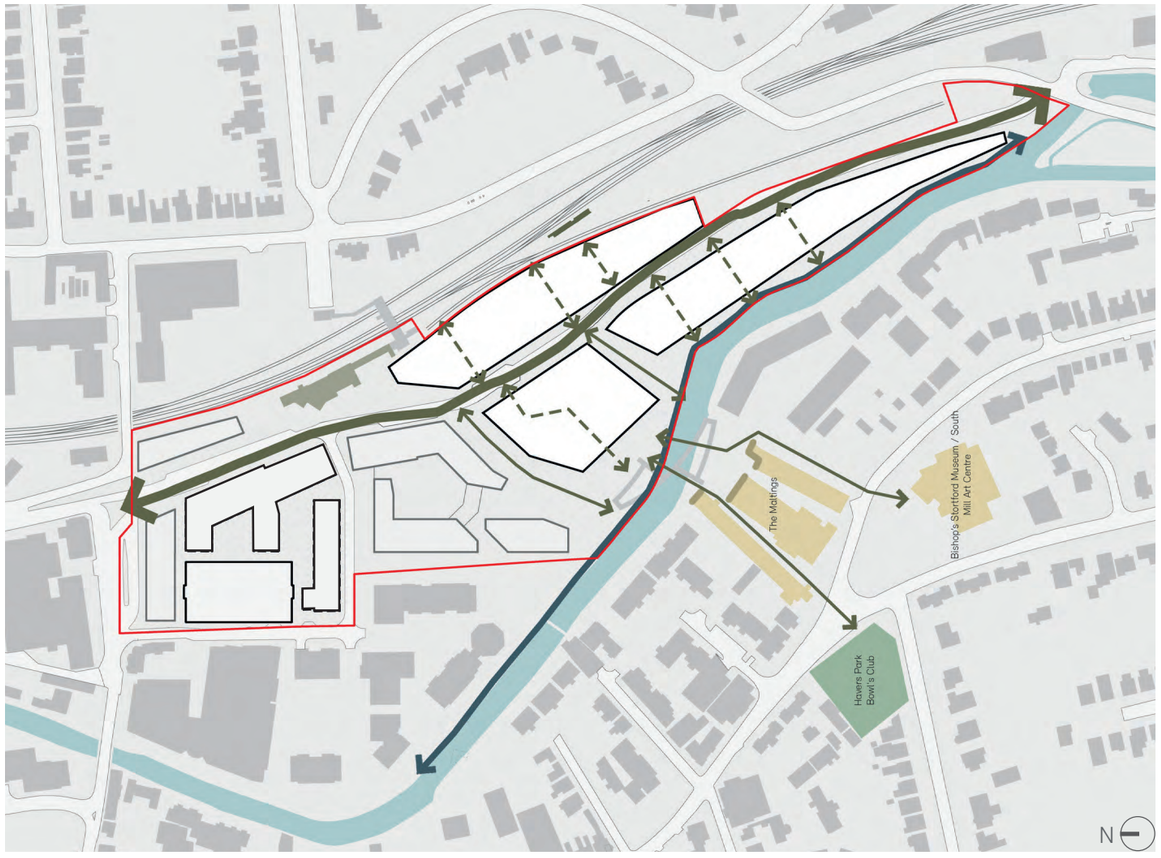
The main principles of routes have been retained as previously developed through careful review of the Local Planning Policy, the Town Centre Planning Framework and the aspirations of East Hertfordshire District Council.

Key routes include;
- A new north-south all purpose street – now completed.
- Train station to station road and into the town centre.
- Train station to the riverside bridge, the Maltings and Bishop's Stortford museum/South Street arts complex beyond.

Another key element of the layout is to create choice through a series of routes which link the North-South link (Sextons Road) and the river edge, thus bringing the river back into the site.

Enhancement of the riverside path will provide an alternative route to the North-South link.





4.4 Refining key areas

Once the main connections and routes are made for the southern site we are able to identify areas which will provide a sense of place to key parts of the site.

Key areas

Station Square – marking arrival into Bishop's Stortford by train. The aim is to provide a sense of arrival when stepping of the train, to provide a gateway to Bishop's Stortford. Consideration to the whole arrival experience for those that live or visiting. Making this an active place, a series of spaces that offer variety for all people.

Place Linking Station Square and the Riverside Park – the aim is to provide, through landscaping and building placement, a public route or boulevard from the station square to the riverside public realm helping the draw the riverside landscape up to the Station Square.

Riverside Public Realm - providing a high quality landscaped open space beside the Stort River, bridge and connection to the South Street Maltings. This area is to be vibrant with potential for seasonal activities in the park and on the water.

South Street Maltings – the aim Is to enhance the connection from the newly developed Goods Yard site through to the maltings buildings, museum and Rhodes Arts complex and bowling club beyond.

Riverside Play and Amenity – Along with the Riverside public realm there will be place for play and rest along the river edge.

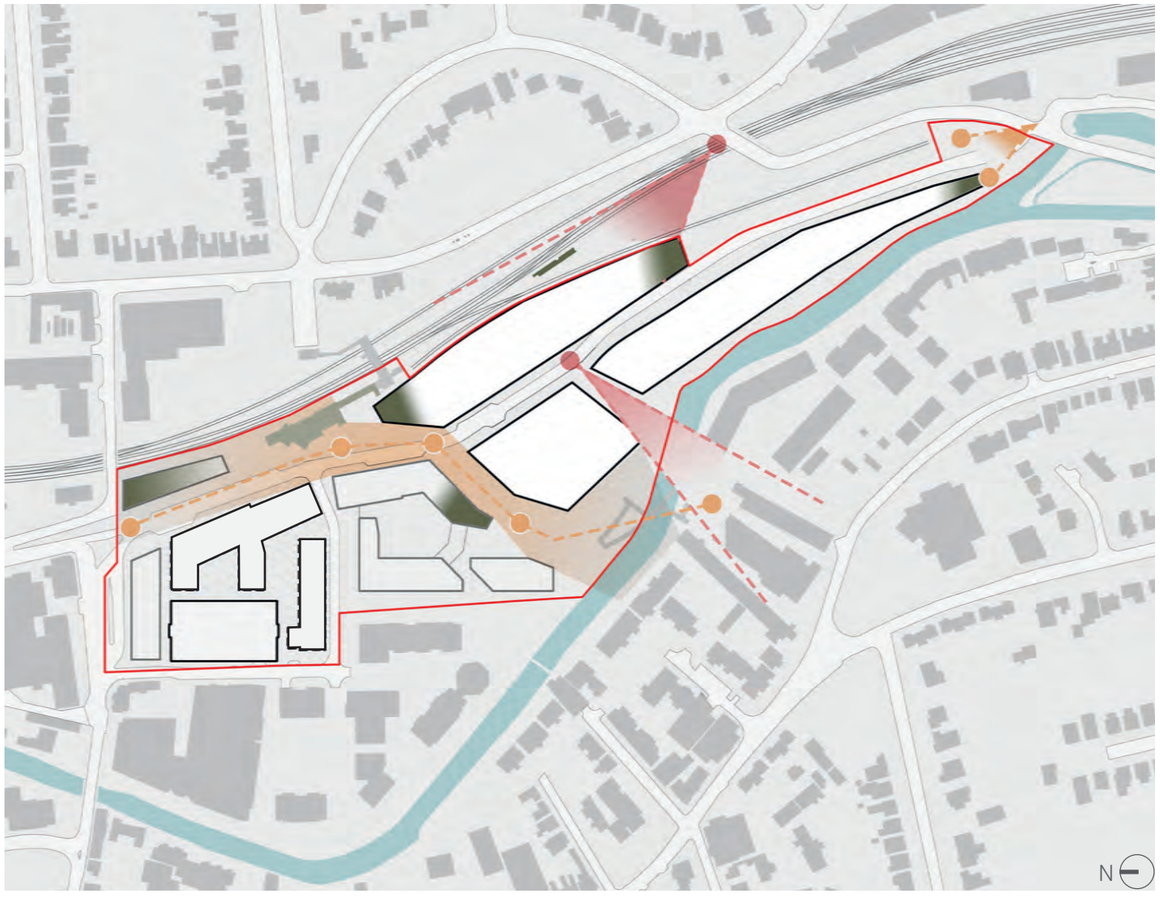
Consideration will be given to the junction at London Road as an entrance and gateway to the Good's Yard.

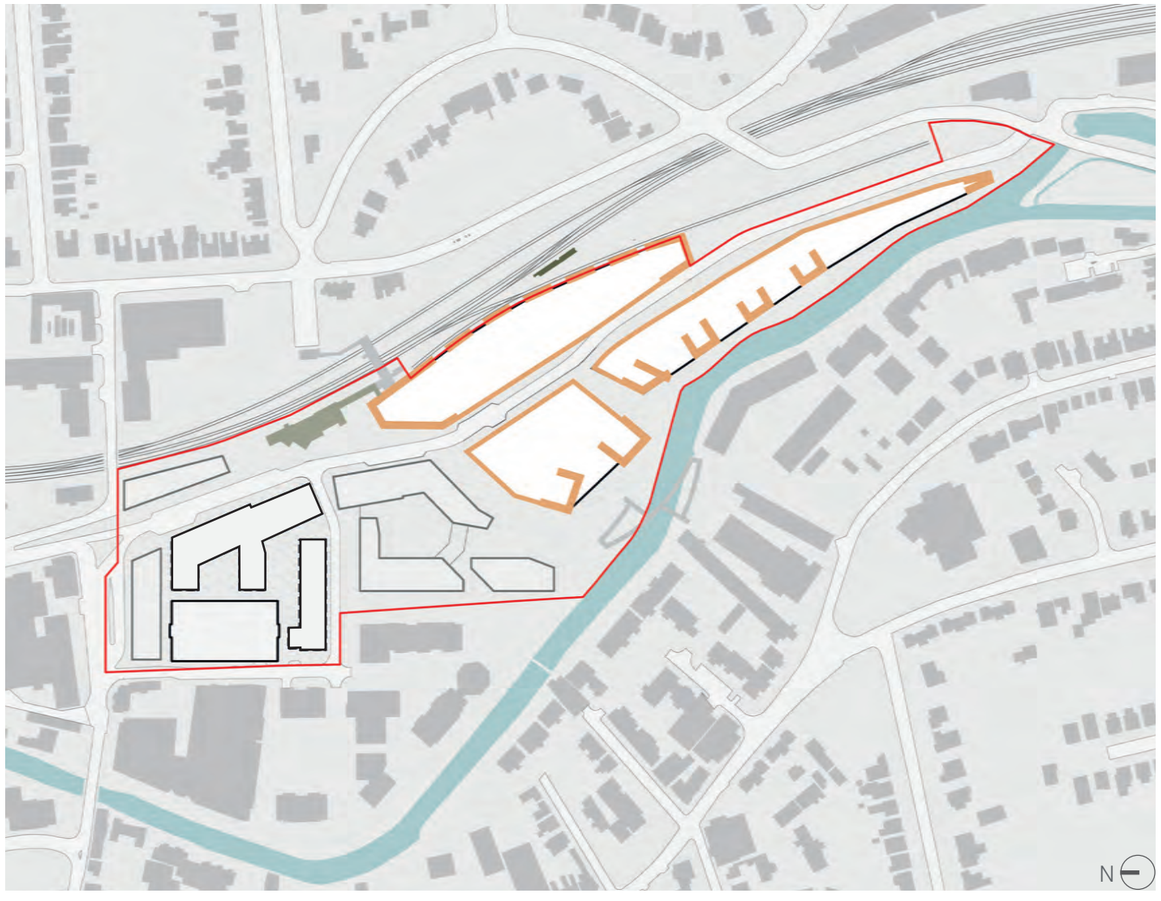
The planning application will define how key areas, public realm will be delivered.

4.5 Important frontages

Having identified the key connections and linking areas within the southern site we start to define key building frontages that play an important part in defining edges to spaces providing containment and enclosure and others setting a continuous frontage strengthening an edge, all to provide a public realm with hierarchy and legibility.

Important frontages to:
- Station Square
- Railway and station platform
- Route between Station Square and the Riverside Park
- Riverside Park
- To the River Stort and riverside path
- Entry point of London Road
- The retained railway sidings





4.6 Public Realm

The key areas that provide an opportunity for high quality landscaped open space that can be accesses by the public are identified below:

Station Square
Riverside Park and Amenity
Riverside frontage
North-South link (Sextons Road)
London Road

4.7 Refined development Plot Plan

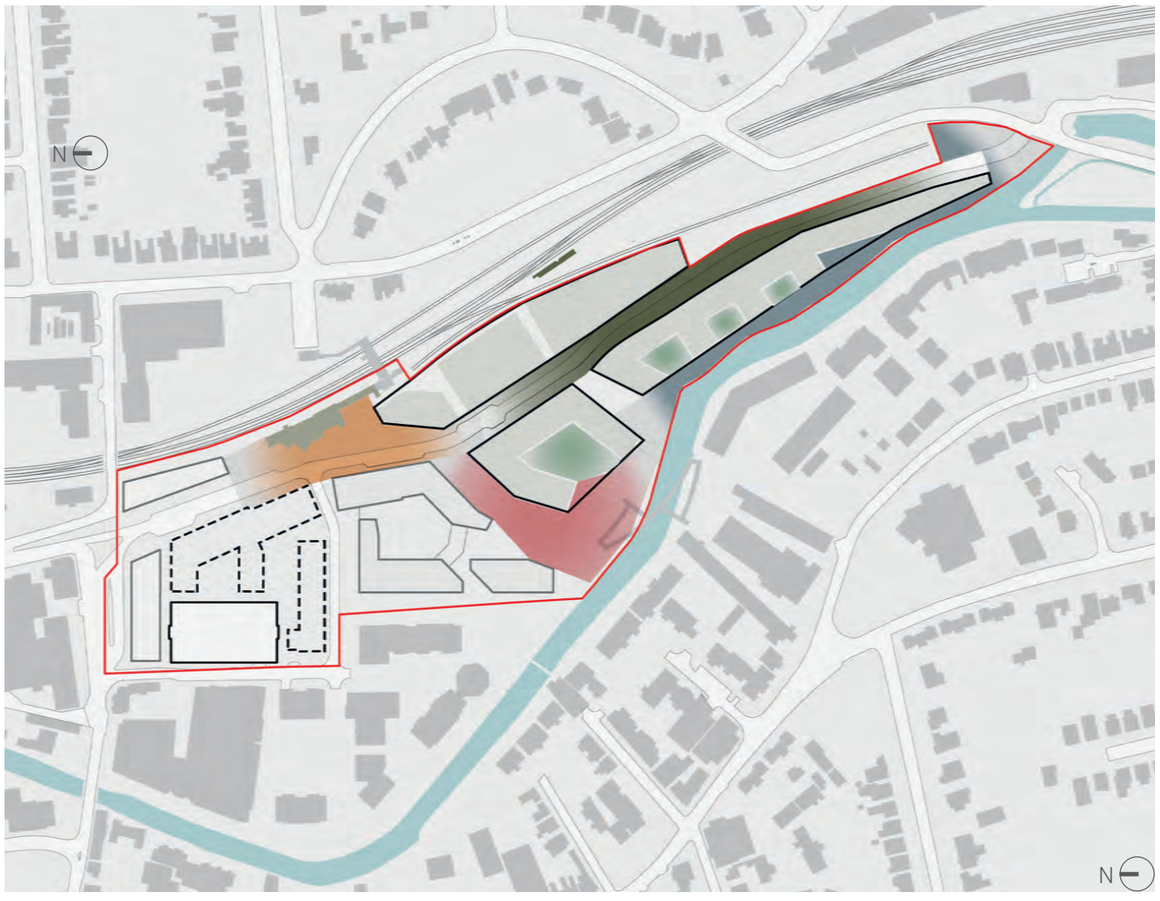
Having identified the routes through the southern site and key areas, we have defined development plots and identified and tested the best location for the placement of buildings within these development plots. These zones are shown below:

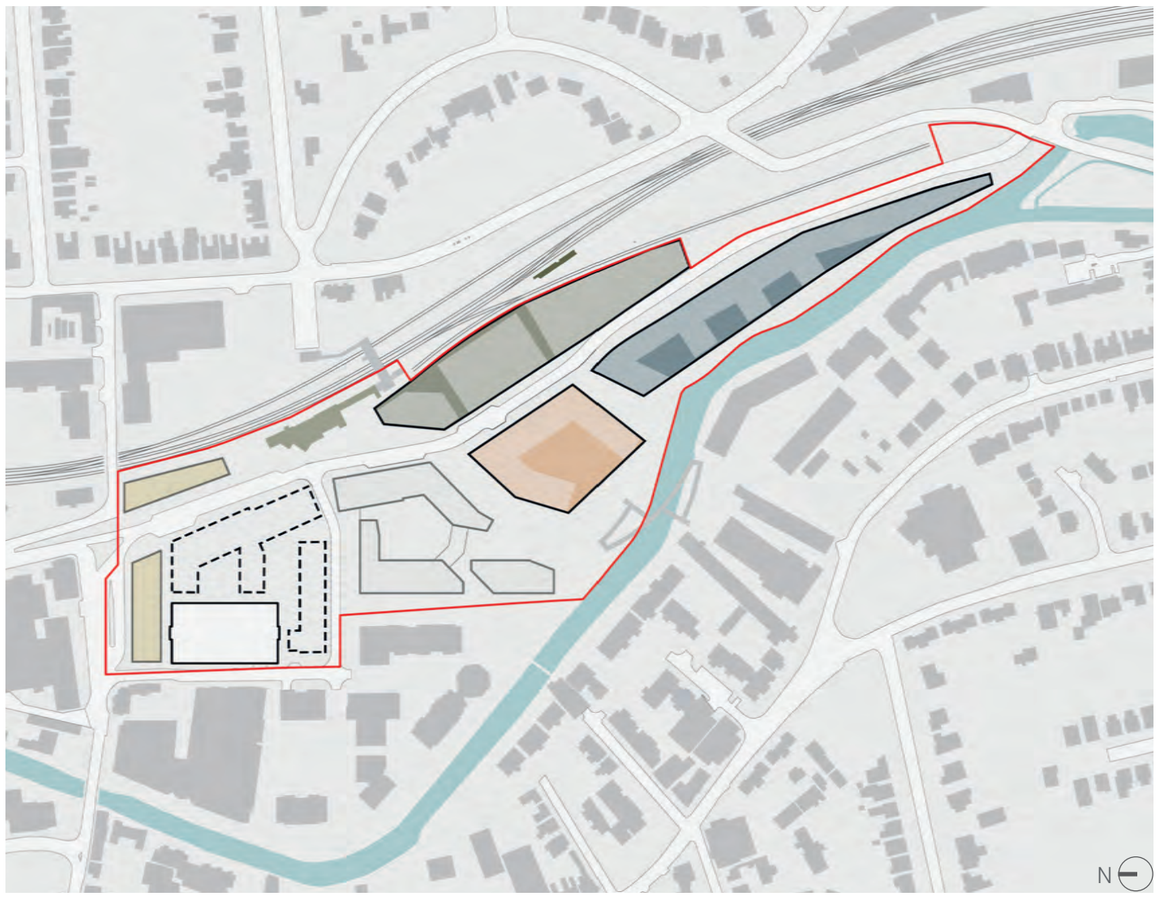
THE GRANARY AND THE GOODS SHED

SIDINGS

THE MALTINGS

RIVERSIDE



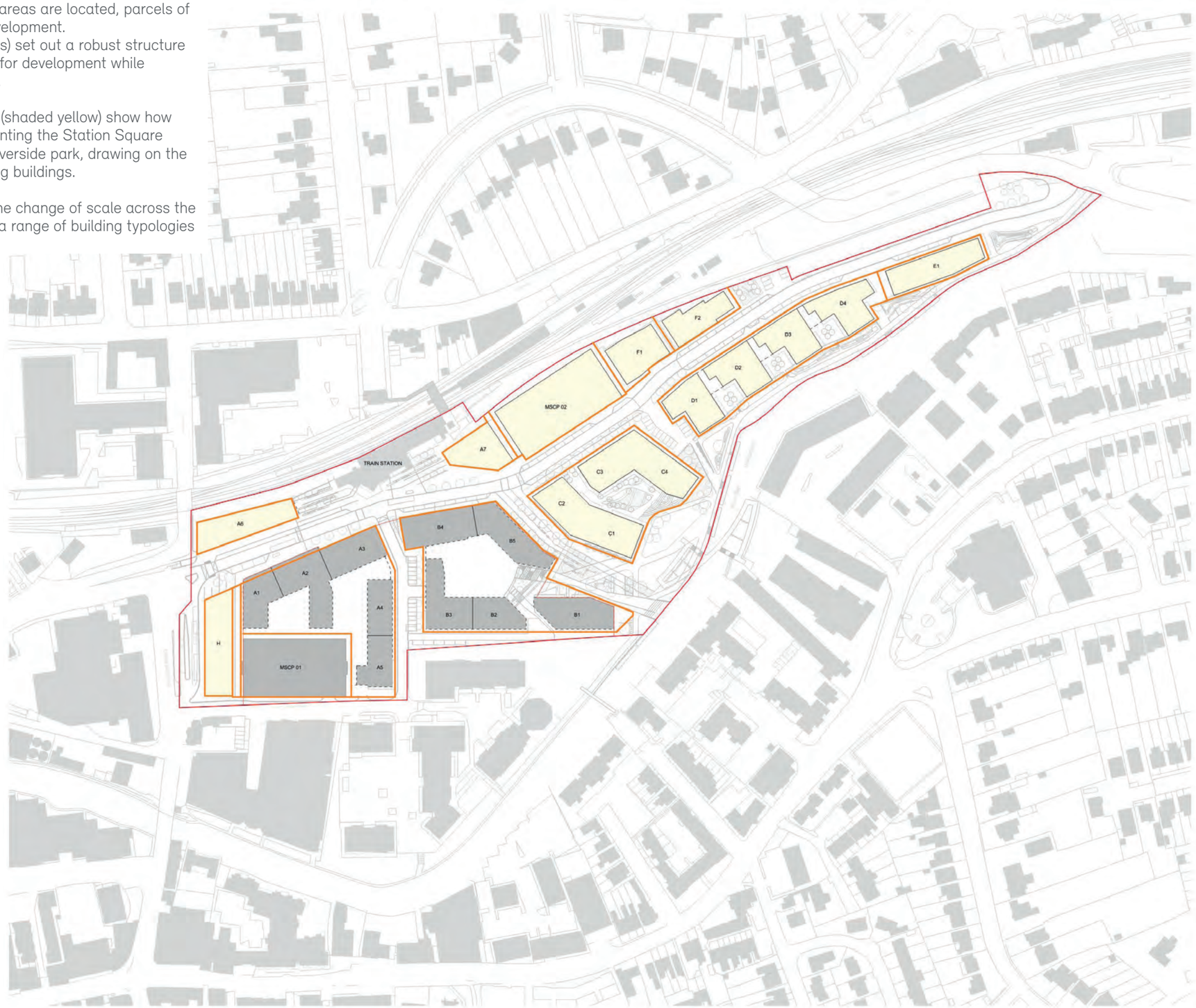


4.7 Refined development Plot and Block Plan

Once connections and key areas are located, parcels of land can be defined for development.
The plot layout (orange lines) set out a robust structure and define the opportunity for development while protecting the public realm.

The blocks within the plots (shaded yellow) show how buildings will be placed, fronting the Station Square and running down to the Riverside park, drawing on the historic layout of the Malting buildings.

The building blocks show the change of scale across the development, providing for a range of building typologies and mix of homes.



GENERAL NOTES:
This drawing is © 2021 PTE architects.
Use figured dimensions only. **DO NOT SCALE**.

All dimensions are in millimetres unless noted otherwise.

This drawing must be read in conjunction with all other relevant drawings and specifications from the Architect and other consultants.

If in doubt, ask.

SETTING OUT NOTES:
All setting out to be confirmed on site prior to construction - any discrepancy must be immediately reported to the Architect.

All setting out to face of structure or to grid. All partitions set out to studwork or structure.

For setting out and specification of M&E services refer to M&E Consultants documents.

For setting out and specification of structure refer to Structural Engineer's documents.

10 0 10 20 50 m
Metres 1:1000

N

LEGEND:

- MASTERPLAN BOUNDARY
- UNDER CONSTRUCTION
- COMPLETED
- DEVELOPMENT PLOT BOUNDARY
- BLOCK BOUNDARY

FOR APPROVAL

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Pollard Thomas Edwards

Bishop's Stortford | 21-015 | Author | As indicated@A1

Development Plot and Block Plan | BSG- PTE- ZZ-XX-DR-A-10002

4.8 Refined Masterplan

Our vision

The Goods Yard will be an exceptional place in which to live, work or enjoy a day out. Inspired by the culture and history on its doorstep it will bring together a series of;

- riverside neighbourhoods;
- inspirational architecture;
- landscaping and;
- exemplary community infrastructure;
- it will have exceptional rail links;
- a cycling network and;
- pedestrian friendly streets.

Our overall vision for The Goods Yard continues to be that of a thriving, residential and mixed use community that is physically and socially integrated with the rest of Bishop's Stortford.

It will be a much sought after place in which to live, offering a uniquely convenient address for rail commuters with a wide range of social, community and commercial facilities, all in an exceptional setting.

Its layout and design will reflect its proximity to the High Street and the River Stort. We expect that it will also become a visitor destination in its own right, complementing High Street, and thereby significantly increasing the attractiveness and prosperity of Bishop's Stortford. Visitors will be attracted by the new riverside and wharf side cafés and shops, by the new parks and by the continuous riverside walk.

We have substantially developed our Masterplan and related proposals for The Goods Yard during the Pre-application stage, in conjunction with the Council, and its consultants. This has been a very successful and productive partnership and we believe that the proposals in this submission now provide the foundations for an exceptional scheme that will not only fully realise the enormous potential of The Goods Yard but also make a major contribution to the economic prosperity of Bishop's Stortford.

To transform the Goods Yard into a successful place, it must look and feel integrated into its setting. It must respond to the surrounding assets and overcome existing barriers. The resulting urban structure will create the structure for the place to grow and enhance over time. The masterplan layout illustrates a strong urban structure responding to the key moves to integrate the site into its wider context, including;

1. Enhancing the existing river walk through an improved public realm and landscaping, introducing a range of public spaces and experiences, and enabling longer term connections to extend the river walk to connect to the town centre and station, and to connect to the river walk to the south, which may be developed in the longer term.

2. Creating connections between the historic core and enhanced landscapes, effectively linking High Street to river walk and providing a series of gateway spaces welcoming visitors to The Goods Yard.

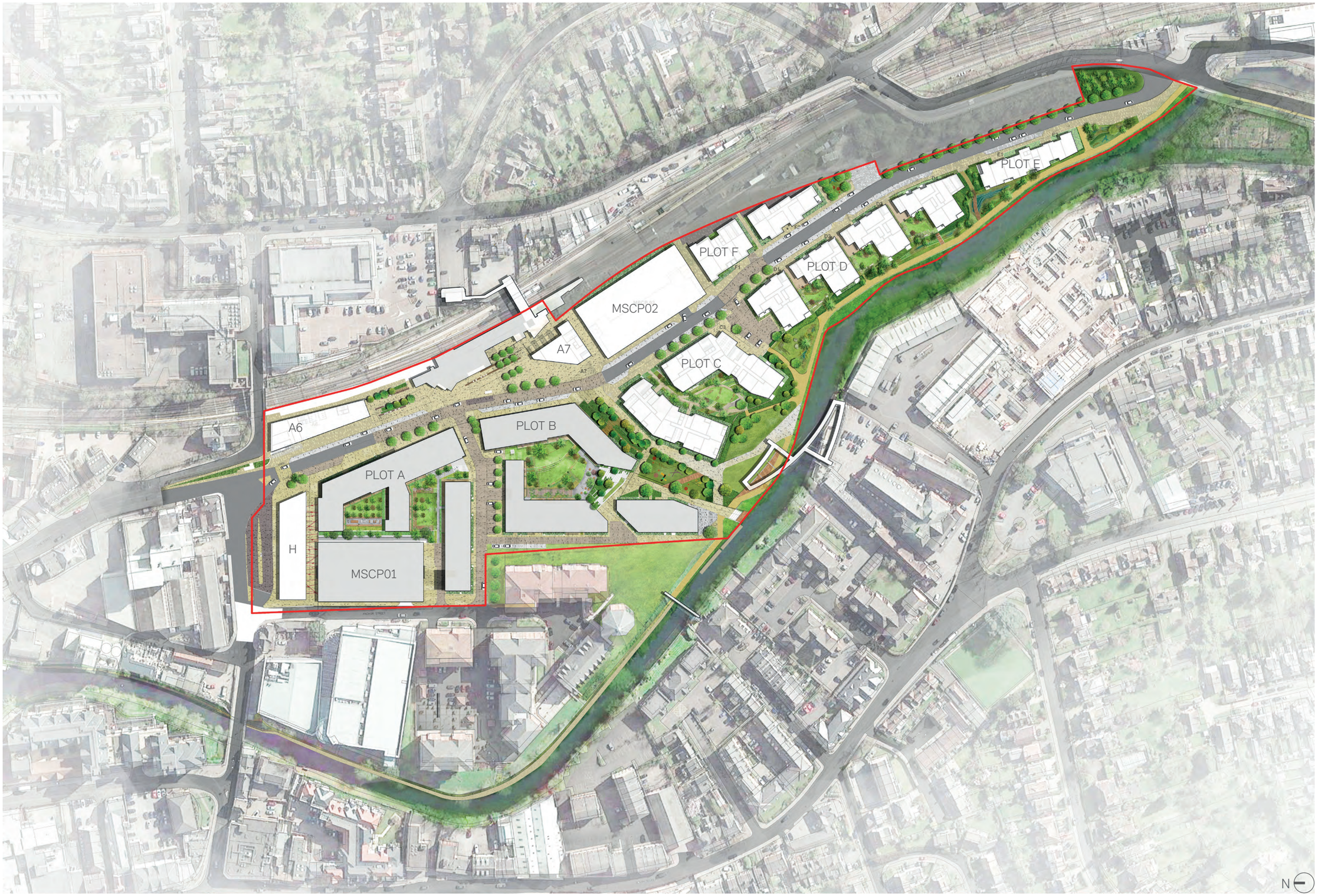
3. Introducing several new neighbourhoods, each with fabulous river views, a range of open spaces and all within a few minutes walk to the railway station, local facilities, neighbourhood uses and some of Bishop's Stortford best established and new destinations.

4. Defining a new Urban Avenue with a range of mixed commercial, civic, transport and open space uses and concentration of more urban housing along this accessible and connected route.

5. Providing local streets to reinforce views and access to the river walk, each with a distinctive character defined by a range of bespoke housing typologies developed from building precedents within Bishop's Stortford. Embedded in the plan is a very strong open space strategy, based on creating a series of spaces along the river front.

6. A range of mixed uses will provide for both local neighbourhood needs and destinations for the wider community. The bustling Station Square will have convenience retail, offices, c cafés and restaurants offering spill-out areas fronting adjacent open space. The Goods Yard will become a place established in the hearts and minds of local residents. It will be an extension of the historic core and will contribute to wider area regeneration.

4.9 Refined Masterplan



4.10 Comparing the Consented Masterplan with the Proposed Refined Masterplan

ENDORSED MASTERPLAN (2017)

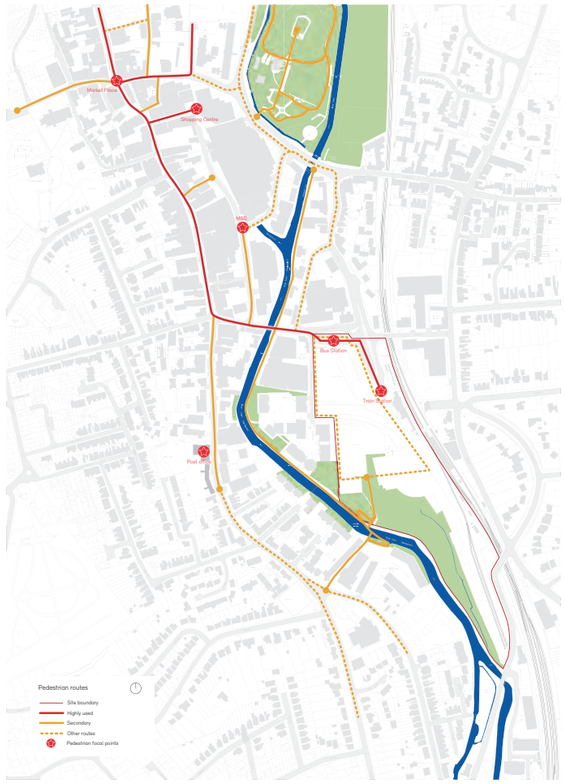
PROPOSED MASTERPLAN

5 Movement and Transport

The design team, including Mayer Brown and BDP, engaged with HCC in developing the movement strategy for the masterplan. The refined masterplan maintains this approach.

The movement strategy is aligned to the aspirations of the Bishop's Stortford Town Centre Framework and with the construction of the new north-south link sees that the scheme will deliver:

- a new two-way street through the site
- improved bus facilities
- improved taxis facilities, new parking has now been located
- increased cycle provision at the station
- increased station car parking facilities, of which MSCP01 is complete
- look at delivery of short stay parking facilities
- improved cycle routes through the site with riverside and road-way cycle routes



CONNECTION TO BISHOP'S STORTFORD

Sextons Street (north-south route) – main carriage way and temporary London Road intersection constructed
Mayer Brown TRANSIT modelling showed that minor changes in traffic involving people currently turning left from London Road into Hockerill Street and vice versa, the Anchor Street improvements which will reduce the inter-green periods and the provision of MSCP01 will take traffic from Station Road/South Road junction, will provide a benefit for the town centre network, for which the predominant use of the capacity can be to provide benefits for buses, cyclists and pedestrians.

Sextons Road removes traffic from the Hockerill Junction and the South Road/Station Road junction. This provides the Local Highway Authority working with EHDC with a considerable opportunity to use the capacity generated for the purpose of all road users within the town centre.

Sextons Road

- Target design speed of 20mph, which has a target maximum speed of 24mph.
- 6m carriage width with street parking is additional either side.
- Slowing features are provided every 80m to achieve 20m/h speed.
- Parking bays are 2.5m wide, clearly defined from the carriageway – flush kerb or material change.
- Reduce amount of tarmac and visually break up street with crossings that use a change in material. Contrast is perhaps more important than level change.
- Raised tables are shallow for buses.
- Footpaths with high footfall should be 3-4m wide.
- Range of material options – natural stone, concrete, tarmac.
- Adoptable materials to be agreed with HCC asset team.

Station Square
The delineation of the shared space;

- Shared space will need to be consulted on and have buy-in from disability groups.
- HCC consider that similar materials between pavement and carriageway is acceptable.
- 25mm height difference is recommended to define the carriageway and aide people with visual impairments.
- 160mm kerb required for buses, which will not be located on raised shared space.

Bus Interchange
The new bus interchange will be located in the same location to the existing and phased following the construction of Block H. It will form an important part of the journey and public realm, from railway station to town centre.

Street Car Parking
Street parking will be located away from junctions to provide view splays and clusters of street trees.
Wider parking bays (2.4-2.5m) will reduce clash between cyclists and car doors.
Perpendicular parking on the north-south street is least favourable preference for parallel, then angled.

HCC noted in their response to the previous application, they considered the sites sustainable location made a lower parking ratio acceptable in highways terms and were supportive of this.

Multi Storey Car Park 2
MSCP02 is the second of two new station car parking facilities; it is proposed the car park will accommodate both commuter and residents parking. Solum have been working with rail stakeholders to agree the overall quantum of commuter car spaces required within MSCP02 as informed by assessments of anticipated commuter usage.

The current approval of MSCP02 has 565 spaces which will be allocated across commuter and residents car parking.

Vehicle Trip Rates
Mayer Brown provided information below to HCC in respect of the revised masterplan impact on the local highways network as a result of proposed additional dwellings.

The planning application will to be supported by a revised Transport Assessment and Travel Plan.

In the context of processing the revised masterplan the resulting quantum is justified from a vehicle movement perspective.

Robust vehicle trip rates were agreed with HCC for the purpose of assessing the impact of the now approved development at the site. These are show in the table below (which forms Table 8.2 of the previous Transport Assessment).

	Arrivals	Departures	Total
AM Peak 0800-0900	0.050	0.190	0.240
PM Peak 1700-1800	0.158	0.069	0.227

Table 1: Basic Residential Trip Rates for the Development (Source: TRICS Database)

Using these vehicle trip rates the anticipated vehicle movements associated with the additional dwellings (c.100) is shown in the table below.

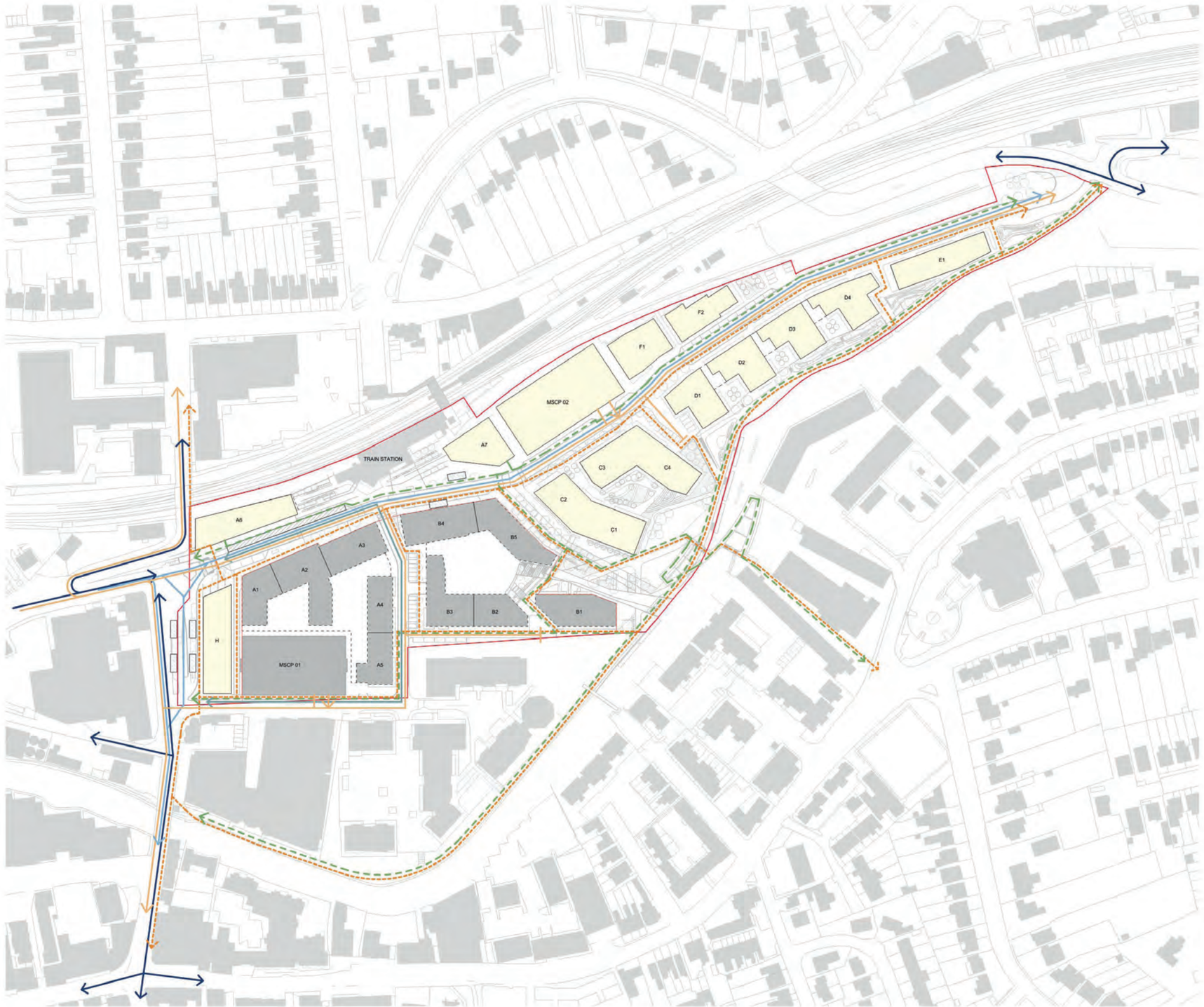
	Arrivals	Departures	Total
AM Peak 0800-0900	5	19	24
PM Peak 1700-1800	16	7	23

Table 2: Total Additional Trips for the revised masterplan, based on the vehicle trip rates used in the submitted TA for the planning consent

With reference to the above table this only equates to one additional vehicle exiting the development every 3 minutes in the morning peak period, and only one additional vehicle entering the development in the evening peak period.

It is clear from the above that the change in vehicle trips is of a threshold that would not be noticeable in terms of impact on the local highway.

5.1 Movement Access Plan



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For setting out and specification of structure refer to Structural Engineer's documents.

10 0 10 20 50 m
Metres 1:1000

N

LEGEND:

- MASTERPLAN BOUNDARY
- UNDER CONSTRUCTION
- COMPLETED
- BLOCK BOUNDARY
- EXISTING ROAD NETWORK
- BUS
- BUS STOP
- TAXI
- TAXI STOP
- VEHICLE
- BICYCLE
- PEDESTRIAN

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Bishop's Stortford | 21-015 | As indicated@A1

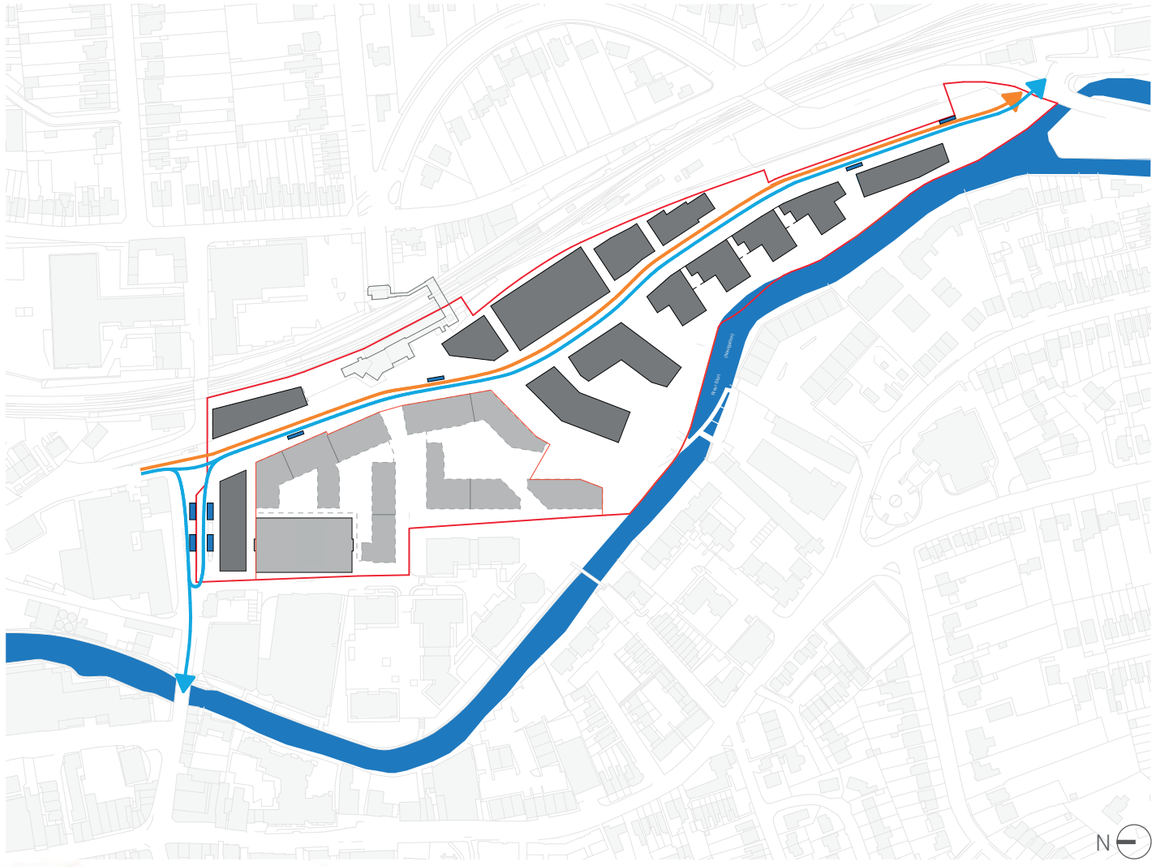
Movement and Access Plan | BSG- PTE- ZZ-XX-DR-A-10003

5.2 Public Transport Routes
5.2.1 Buses

The Masterplan provides the opportunity for much improved bus journeys for residents to the railway station and the centre of Bishops Stortford.

There is no change to the Bus Strategy agreed with HCC and consistent with the Neighbourhood Plan in encouraging journeys by non-car means.

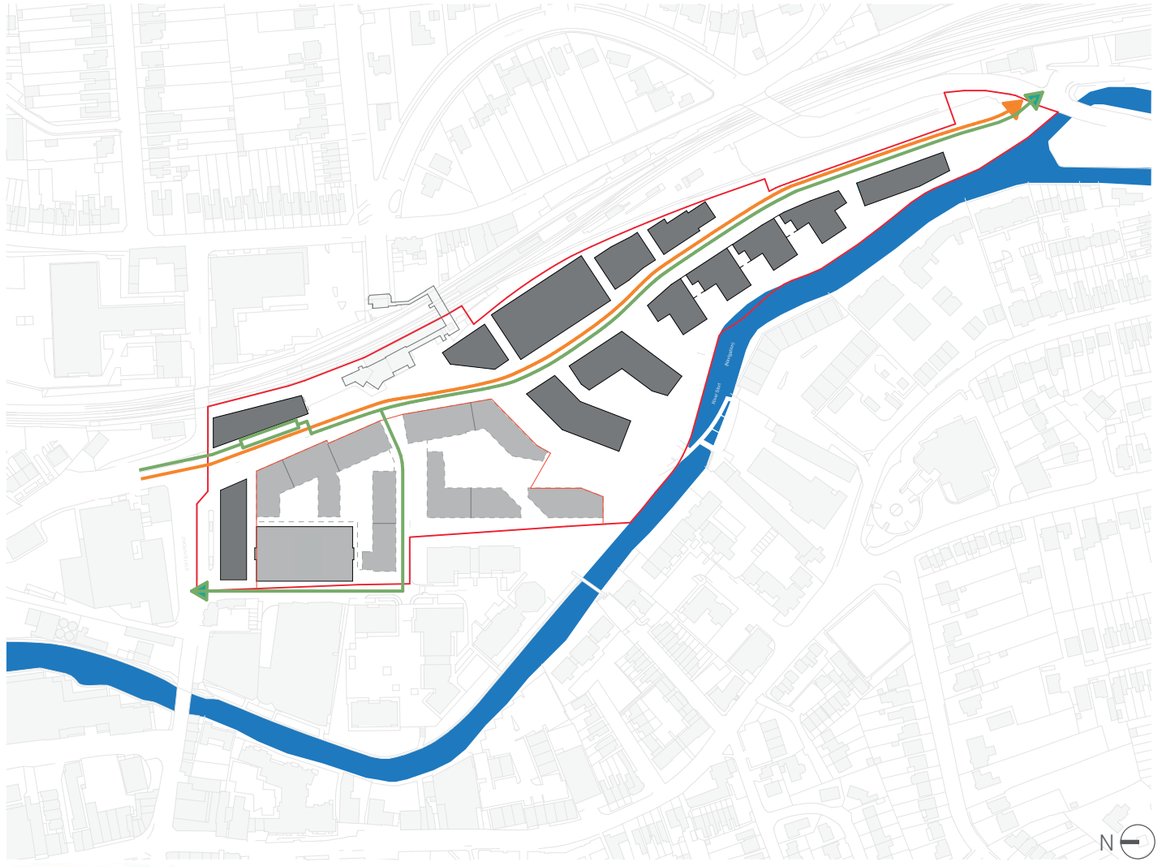
HCC agreed that north to south bus stops along the north-south route be located south of the station interchange with clear way finding signs provided outside the station.



MOVEMENT DIAGRAM - BUS

5.2.2 Taxi's

12 Taxi spaces are provided between the Train Station and Station Road alongside the building (A6).



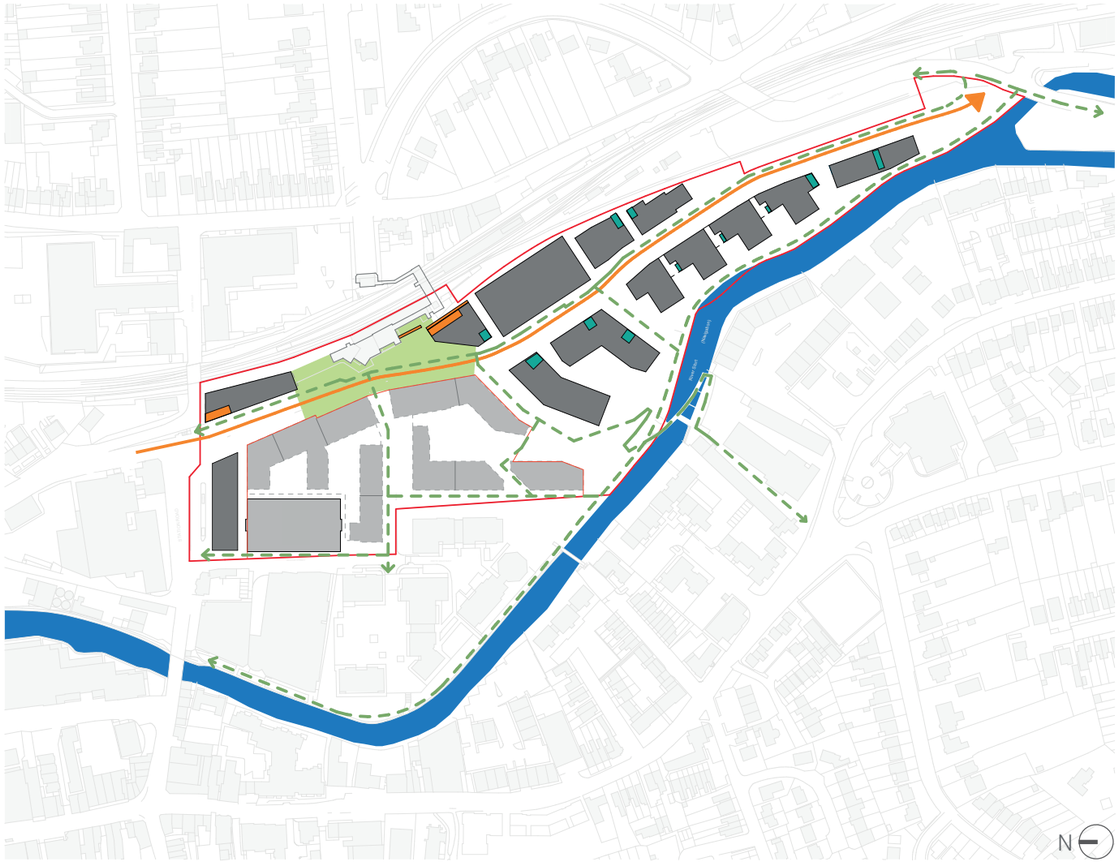
MOVEMENT DIAGRAM - TAXI

5.2.3 Cycling Routes

Cycle routes through the site will remain in line with the endorsed masterplan, occurring on street and along the riverside providing for a choice of routes depending on the cyclist.

Cycle parking will continue to be located close to the train station with an increase of storage available. These are to be visibly located beside the station and building A7 at the southern part of station square.

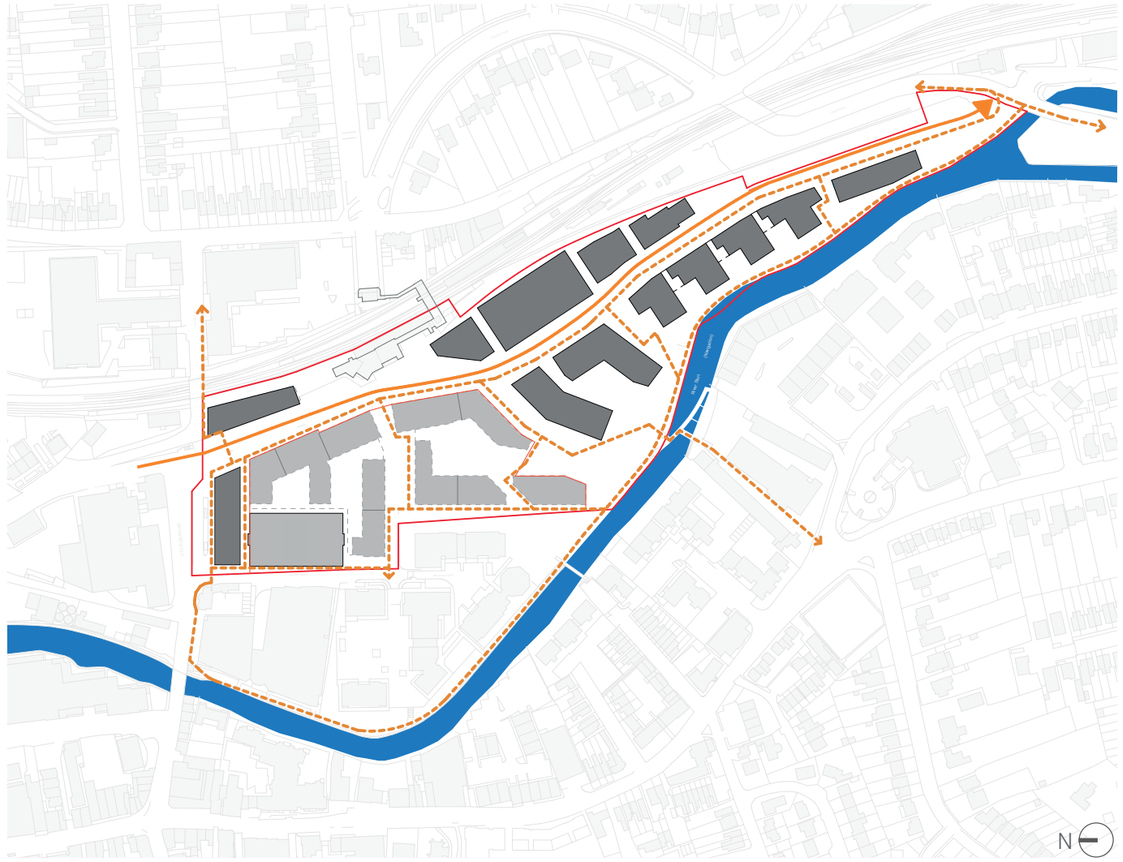
A current provision of 236 cycle spaces is provided.
The scheme proposes 400 cycle spaces in total.



MOVEMENT DIAGRAM - CYCLE

5.2.4 Pedestrian Routes

The design of the public realm is extremely important and is to be inclusive for all users providing safe and level access throughout the scheme.



MOVEMENT DIAGRAM - PEDESTRIAN

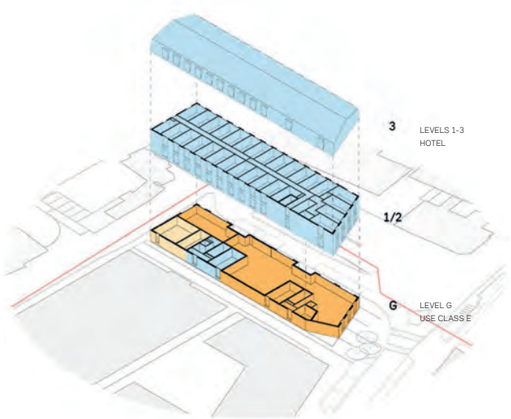
6 Mix of Uses

6.1 Hotel - Block H

Solum is currently looking at introducing circa 500 sqm GIA of commercial, business and service floorspace (Use Class E) at ground floor level with 3 floors of hotel floorspace above.

The introduction of the additional floorspace at ground floor level seeks to improve the viability of the hotel to promote a realistic offer for the site and thereby retain the consented use.

The introduction of the new uses at ground floor level will also better activate the frontages of the building and create opportunity to provide better surveillance onto the bus interchange and public realm.

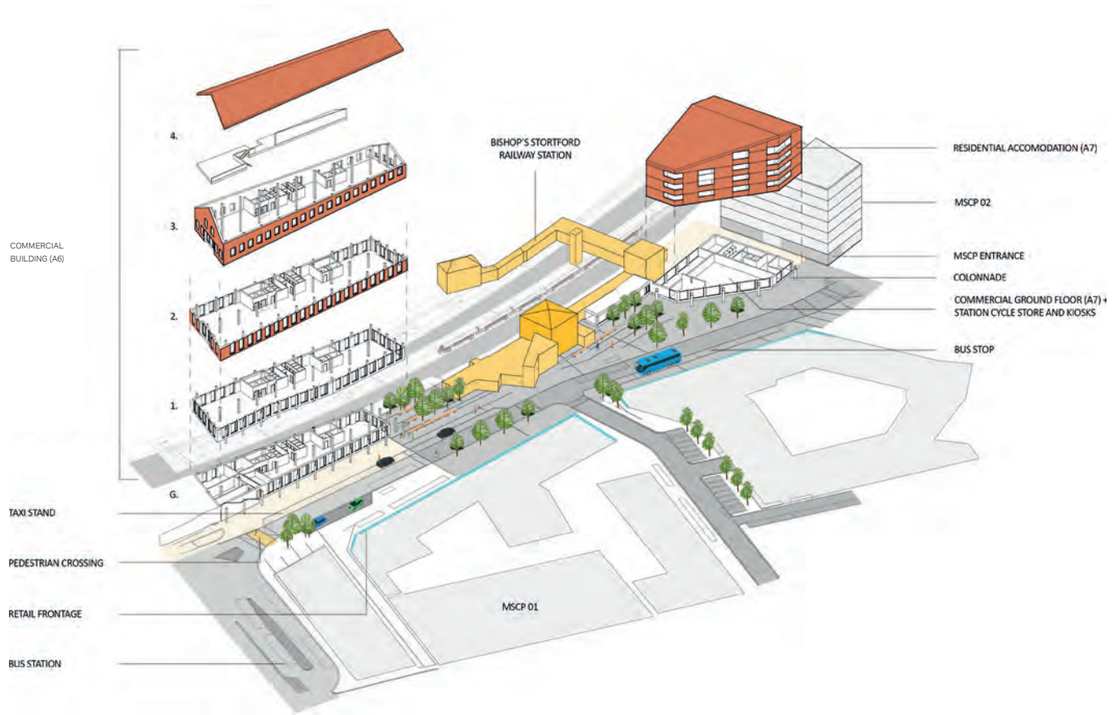


BLOCK H

6.2 Commercial - Goods Sheds A6 and A7

The amount of commercial space being proposed is not being reduced from the overall quantum on the existing application. This is possible due to the flexible nature of both Goods Sheds, Blocks A6 and A7.

The commercial accommodation is optimised within the Block A6 shell, by transferring station cycle stores to the southern part of station square, and increasing floor area at the upper levels, this achieving no net loss.



GOODS SHEDS A6 AND A7

6.3 Residential

Range of Homes

Southern Site
c420 new homes are proposed for the Goods Yard southern site, all thoughtfully designed providing a range of homes from family sized to smaller apartments for a variety households.

Overall site
Consented 586 apartments plus 55 care apartments =641 homes

Plots A and B under construction 323 homes
Refined southern site proposed c420 homes
= c740 homes

c12% additional homes across the masterplan.

Design standards

The scheme is designed to meet the London Plan. All homes either meet or exceed the Nationally described Space Standards (NdSS).

90% of new homes are designed to comply with Approved Document Part M Category 2 (Accessible and Adaptable Dwellings). 10% of new homes are designed to comply with Category 3 (Wheelchair User Dwellings).

Each home has a balcony or terrace. The size of these spaces is a minimum of 5 sqm for 1-2 person homes and an extra 1 sqm is provided for each additional occupant.

The majority of the homes, and all of the larger ones, enjoy a dual aspect, none have north-facing single aspect.

Achieving quality beyond compliance with standards

We understand the full range of technical standards and design guidance with which our client and registered providers, are expected to comply.

We understand that standards contribute to quality, but are not the same thing as quality. Our homes offer much more subtle qualities to their occupiers: beautiful secure courtyards, brick detailing with deep reveals for shade and shelter, generous windows and balconies.

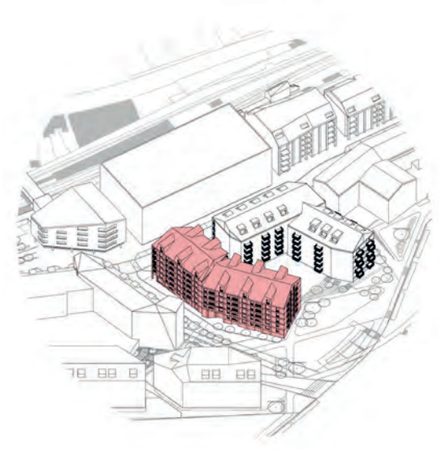
6.4 Care/Senior Living C2 - Plot C

Solum is currently exploring alternative options for Block C for the provision of care / senior living apartments at the site. This could include more or less apartments than the existing permission or none at all if an operator and funder cannot be secured.

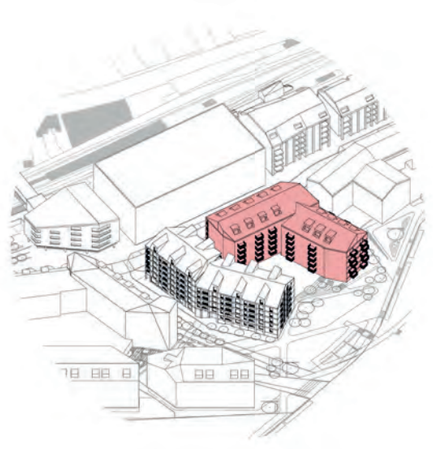
The four possible options for Block C include:

A) The northern block as C2 and the southern block as C3 (similar to the approved development)
B) The southern block as C2 and the northern block as C3.
C) Both blocks as C2.
D) Both blocks as C3.

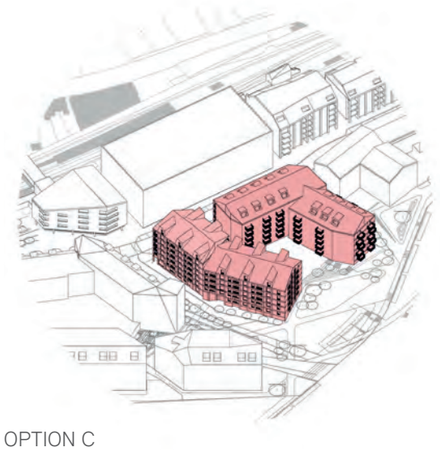
In the event that option D) is pursued as part of any future planning application, Solum will prepare and submit to the Council a detailed marketing report to demonstrate that it has taken all reasonable steps to secure an operator and a funder.



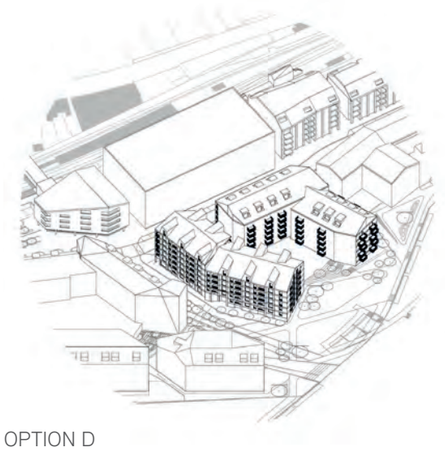
OPTION A



OPTION B



OPTION C



OPTION D

6.5 Self-build and Custom-build - Plot E

As per the existing permission at the site, and in line with policy BISH7 and policy HOU08 (self-build and custom housing) of the district plan, the masterplan will provide 1% of the total dwellings as custom-build.

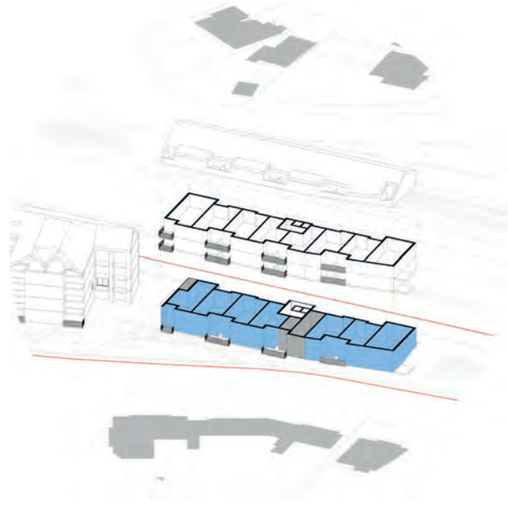
The existing permission identifies this at the southern end of the site beside the river (Plot E).

In a sustainable town centre location beside transport services, and with the relationship to the river and railway sidings, this location is suitable for a small apartment block of which 7 will be 'shell apartments'.

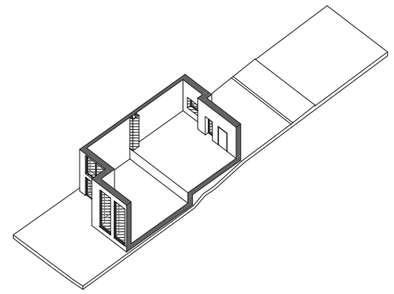
The indicative layout for Plot E includes 8no. Dual aspect apartments per floor, each accessed via a generous gallery deck to the east with private amenity space looking the River Stort.

The building frame and envelope will form part of the residential offer with the residents able to fit-out the apartment to their own specification.

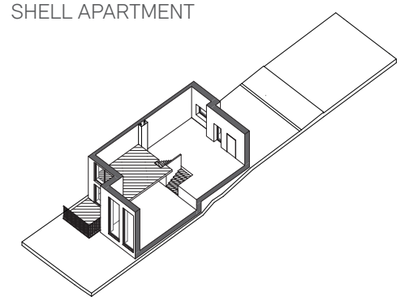
The lower level apartments will be able to accommodate up to 3 bedrooms taking advantage of existing site level change between road and riverside path, which offer potential for a mezzanine floor.



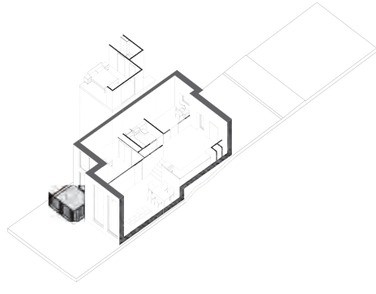
INDICATIVE LOCATION OF CUSTOM BUILD HOMES WITHIN BLOCK E



SHELL APARTMENT



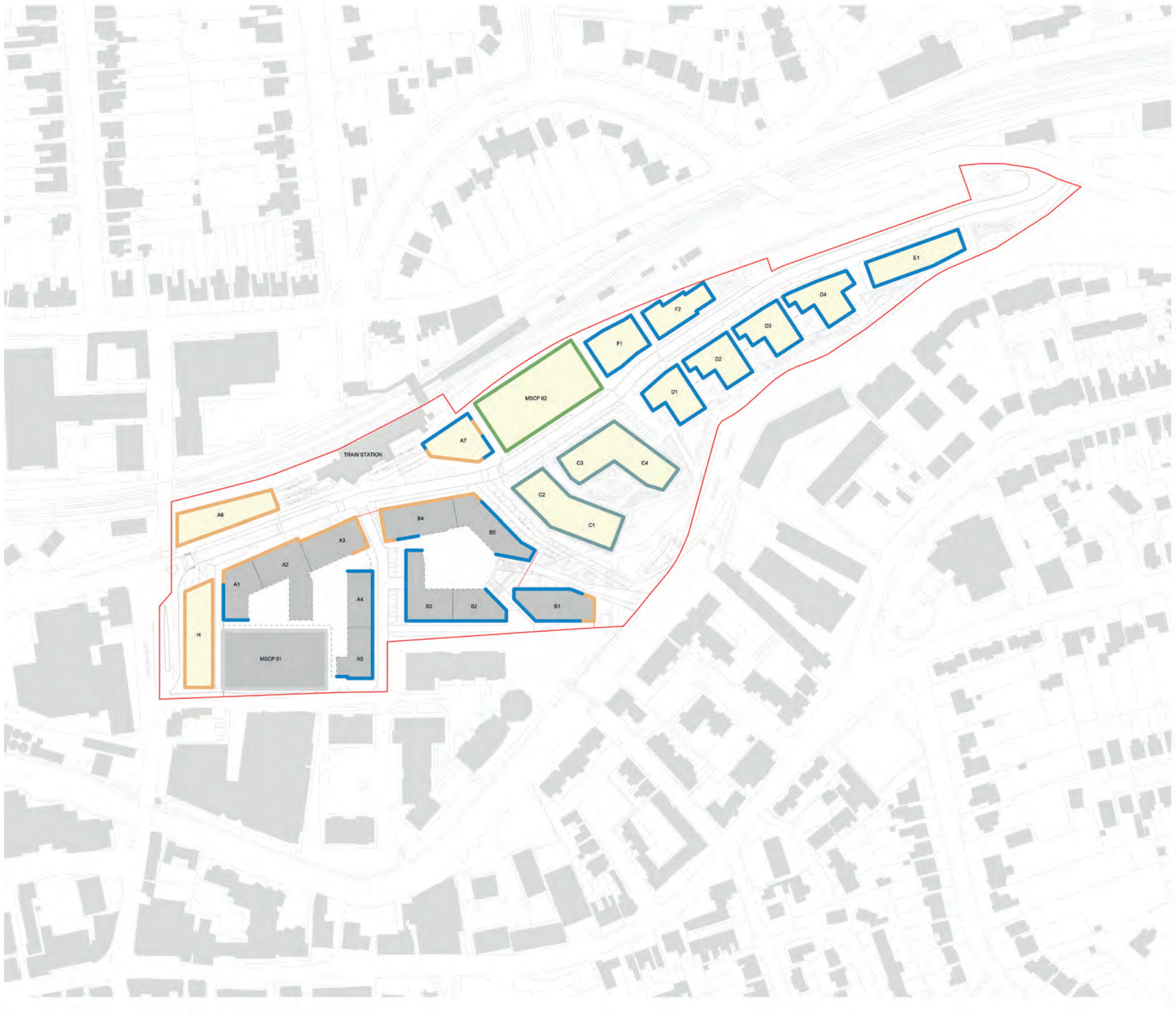
POTENTIAL FOR MEZZANINE LEVEL



POSSIBLE FIT-OUT

POSSIBLE FIT-OUT OF A SHELL APARTMENT WITHIN BLOCK E

6.6 Land Uses - Land Uses Parameter Plan Ground Floor



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10 0 10 20 50 m
Metres 1:1000

N

LEGEND:

- MASTERPLAN BOUNDARY
- UNDER CONSTRUCTION
- COMPLETED
- BLOCK BOUNDARY
- E
- C1
- C3
- C2 / C3
- MSCP 01
- MSCP 02

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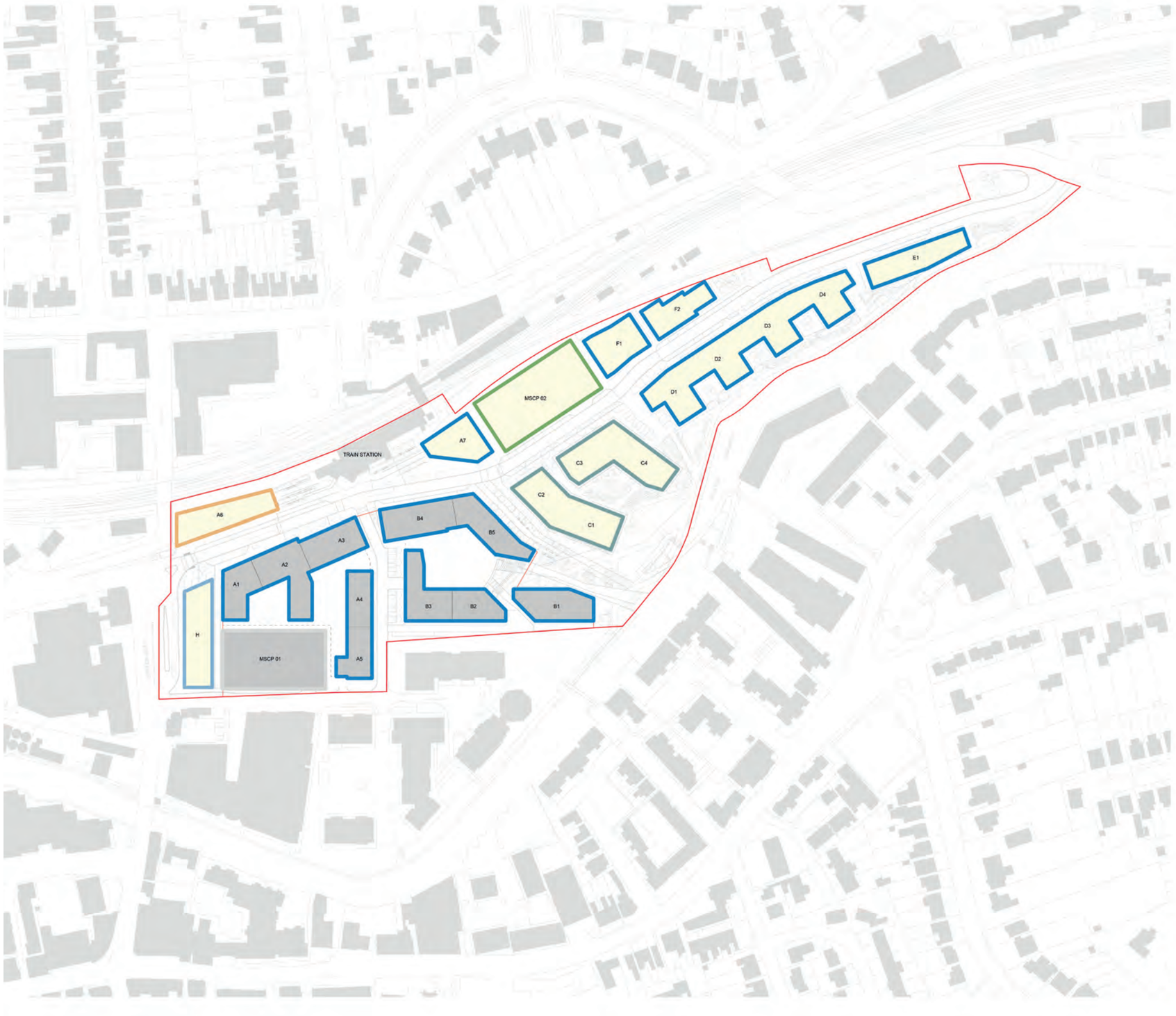
project	job number	drawn	scale	date created
Bishop's Stortford	21-015	Author	As indicated@A1	

drawing title	drawing number	revision	suitability
Land Uses Parameter Plan Ground Floor	**BSG- PTE- ZZ-XX-DR-A-10004**		

6.7 Land Uses - Land Uses Parameter Plan Typical Floor



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10 0 10 20 50 m
Metres 1:1000

N

LEGEND:

- MASTERPLAN BOUNDARY
- UNDER CONSTRUCTION
- COMPLETED
- BLOCK BOUNDARY
- E
- C1
- C3
- C2 / C3
- MSCP 01
- MSCP 02

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Bishop's Stortford | 21-015 | Author | As indicated@A1

Land Uses Parameter Plan Typical Floor | BSG- PTE- ZZ-XX-DR-A-10005

7 Parking Strategy

Residential Car Parking

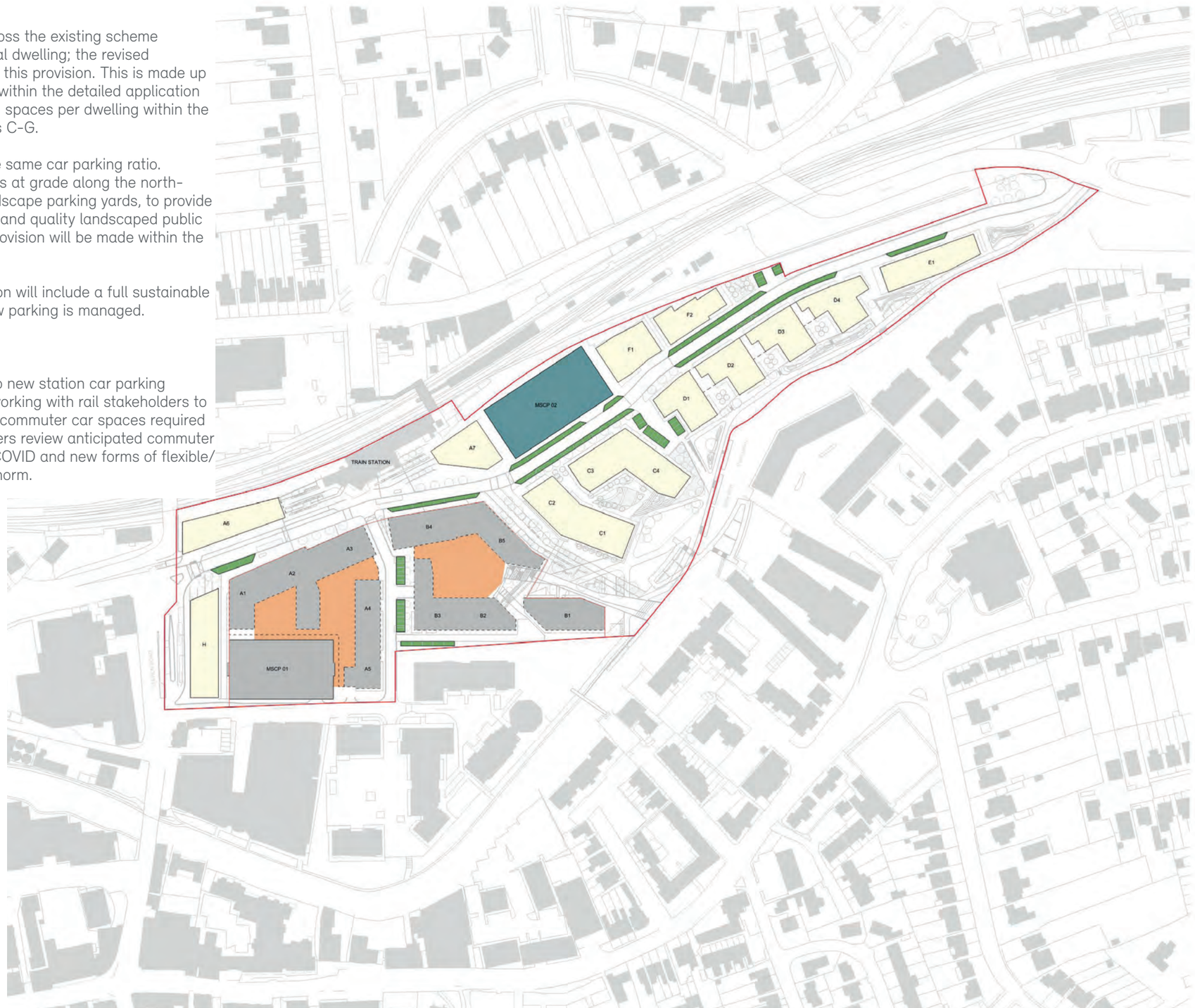
The car parking provision across the existing scheme equates to 0.63 per residential dwelling; the revised masterplan seeks to maintain this provision. This is made up of 0.474 spaces per dwelling within the detailed application area, Plots A and B, and 0.81 spaces per dwelling within the outline application area, Plots C-G.

The proposal is to provide the same car parking ratio. The approach is to locate cars at grade along the north-south street and in small landscape parking yards, to provide a balanced approach to cars and quality landscaped public realm. A further residential provision will be made within the upper levels of MSCP02.

The future planning application will include a full sustainable transport plan and define how parking is managed.

MSCP02

MSCP02 is the second of two new station car parking facilities. Solum have been working with rail stakeholders to agree the overall quantum of commuter car spaces required within MSCP02 as stakeholders review anticipated commuter usage as a consequence of COVID and new forms of flexible/ home working becoming the norm.



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10 0 10 20 50 m
Metres 1:1000

N

LEGEND:

- MASTERPLAN BOUNDARY
- UNDER CONSTRUCTION
- COMPLETED
- PODIUM CARPARK
- ON STREET AND COURTYARD CARPARK
- MSCP

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Bishop's Stortford | 21-015 | Author | As indicated@A1

Parking Strategy

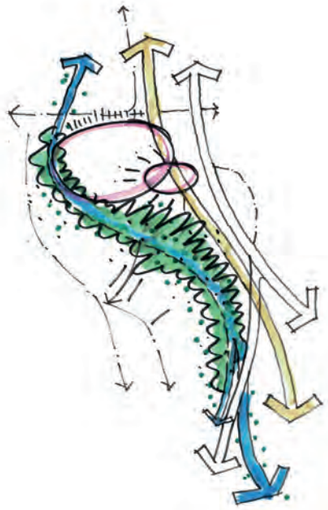
BSG- PTE- ZZ-XX-DR-A-10011

8 Landscape Strategy - Station Square

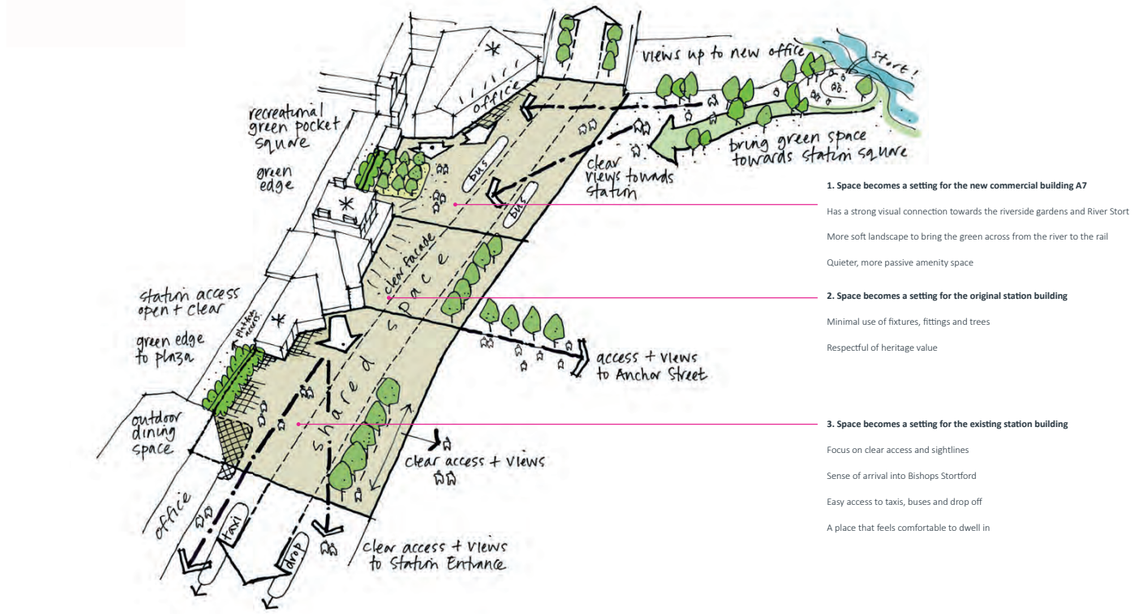
The character of the spaces within the previously approved Landscape Masterplan draws inspiration from two main site influences- the railway and its industrial uses, connectivity and urban 'toughness' and the River Stort- a place of navigational importance but also as a source of natural habitat and ecology within Hertfordshire.

The original concept explores how the landscape character of the site transitions from a more harder orientated environment around a new Station Square and link road towards a more softer, natural environment along the Stort.

We feel this approach remains a strong vision for the Goods Yard and one that can continue to be reinforced within an amended masterplan.



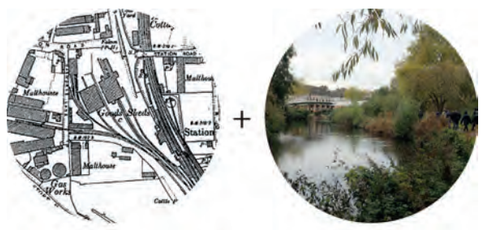
MASTERPLAN TO CONSIST OF A SEQUENCE OF DIFFERENT URBAN SPACES REFLECTING THE MARKET TOWN HERITAGE



STATION SQUARE DIAGRAM (CONSENTED 2018)

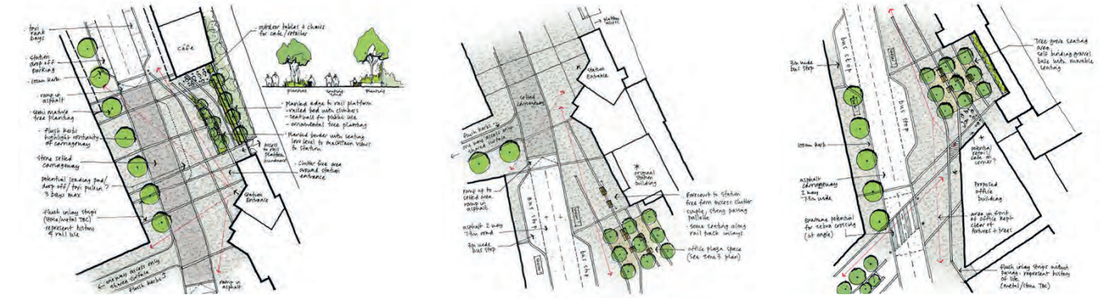
THE INDUSTRIAL & TRANSPORT USE

THE NATURAL RIVERSIDE EDGE



REFERENCE TO HISTORIC USE

REFERENCE TO RIVER STORT



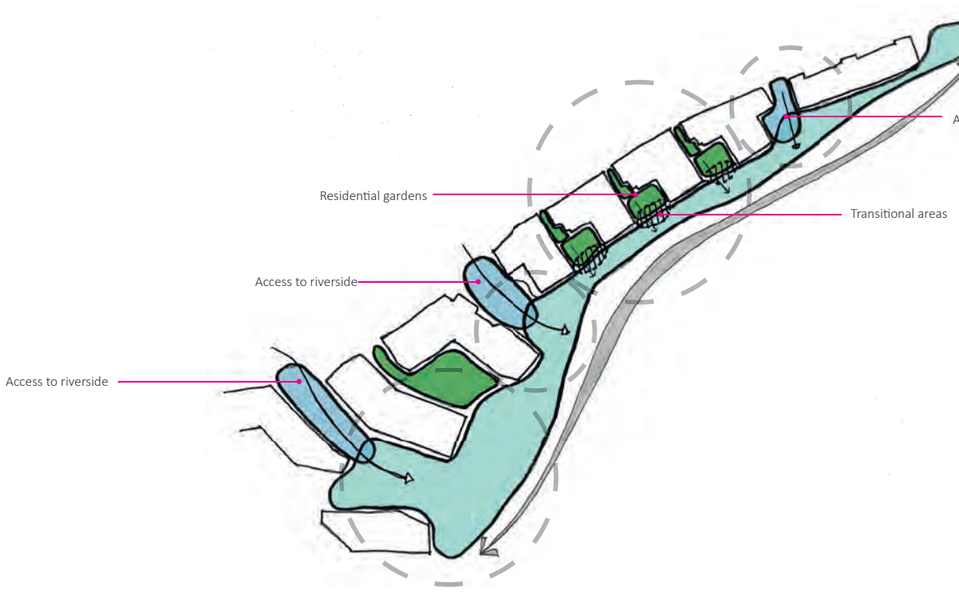
8.1 Landscape Strategy - Maltings and Riverside

The amended masterplan presents an opportunity to gently enhance the proposals of the approved masterplan, yet retaining much of the successes of the original approach.

The environment along the River Stort has several key areas which have been explored further:

The Maltings
The public Riverside Garden- maintaining and enhancing public tow-path and the creation of a riverside park which will enhance setting of proposed homes and the link between the existing pedestrian bridge and train station.
A sequence of residential gardens between the new blocks with views out to the rivers edge.
The transition between 'public and 'private' demise- blurring the boundary between the riverside and resident gardens.

MALTINGS LANDSCAPE SKETCH

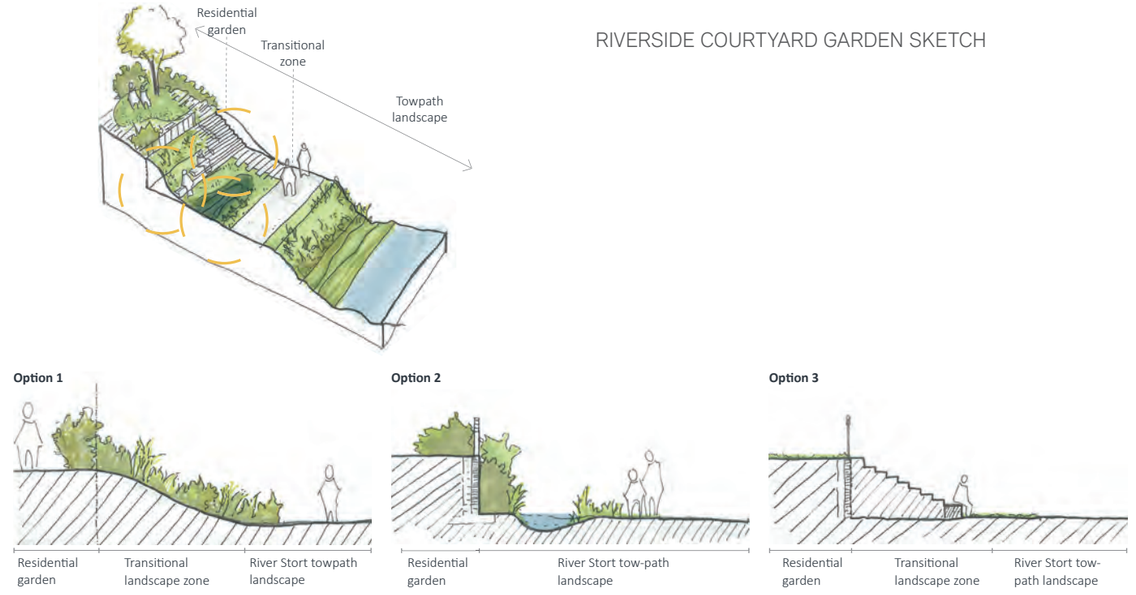


MALTINGS AND RIVERSIDE LANDSCAPE DIAGRAM

Riverside Residential Gardens and Transitional Areas
The general approach to residential gardens across the site responds to the sites context and history.
The design approach to the residential gardens of Blocks D1 to D4 considers the natural habitat of the river frontage reflected in organic forms and fluid planting arrangement.

A number of options have been explored which can be created along the public tow-path and the residential garden, which is approximately 1.5m higher. All seek to provide a transition which encourages the soft landscape between the two spaces to merge and reduce any sense barriers or fences. The integration of steps, both for access from the gardens to the tow-path landscape should be considered and can also be used as a way to provide informal seating and social places to rest and enjoy the river.

RIVERSIDE COURTYARD GARDEN SKETCH



APPROACH TO RIVERSIDE TRANSITIONAL AREAS

APPROACH TO COURTYARD GARDENS (PLOT D)

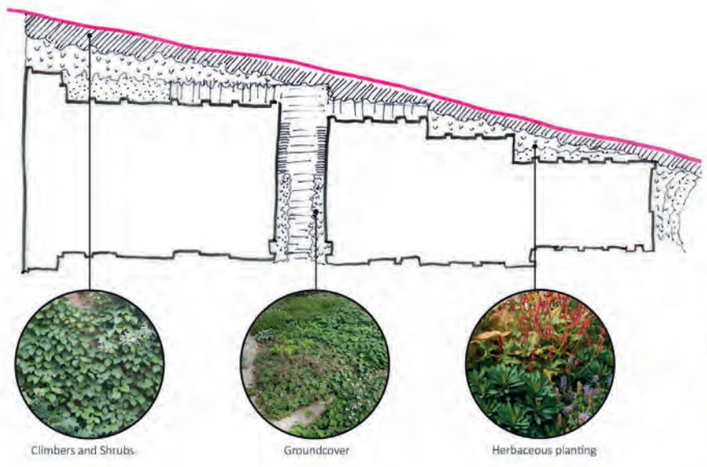
8.2 Landscape Strategy - The Sidings

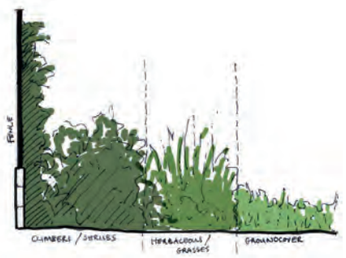
Fence and planting
Boundary Edge Approach:
— 2-2.5m tall timber fence alongside boundary.
— Masks rail activity and can integrate acoustic screening where required.
— Non-permeable.
— Softened by foreground planting.
— Materiality and design to reflect character of wider masterplan; use of timber sleepers, metal (iron) vertical supports and framing.

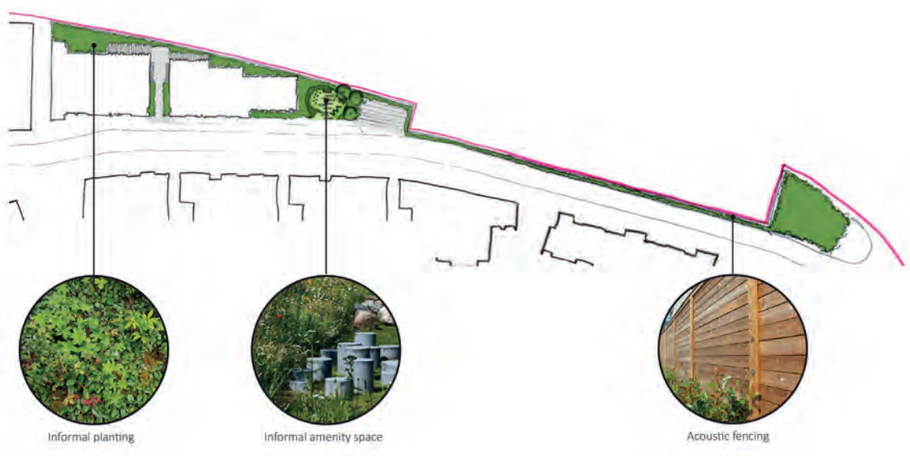
Soft Landscape Approach defining a new green edge
— Consistent approach to planting north to south.
— Planting 'reveals' and 'hides'.
— Buffer between housing and sidings edge, and street frontage.
— Emphasis placed on habitat creation and biodiversity.
— Consideration to future extension via removal of sidings so that soft landscape can 'push' east and colonise land towards rail tracks.
— Breaks in planting create points of entry and places for informal amenity.

8.3 Open Space

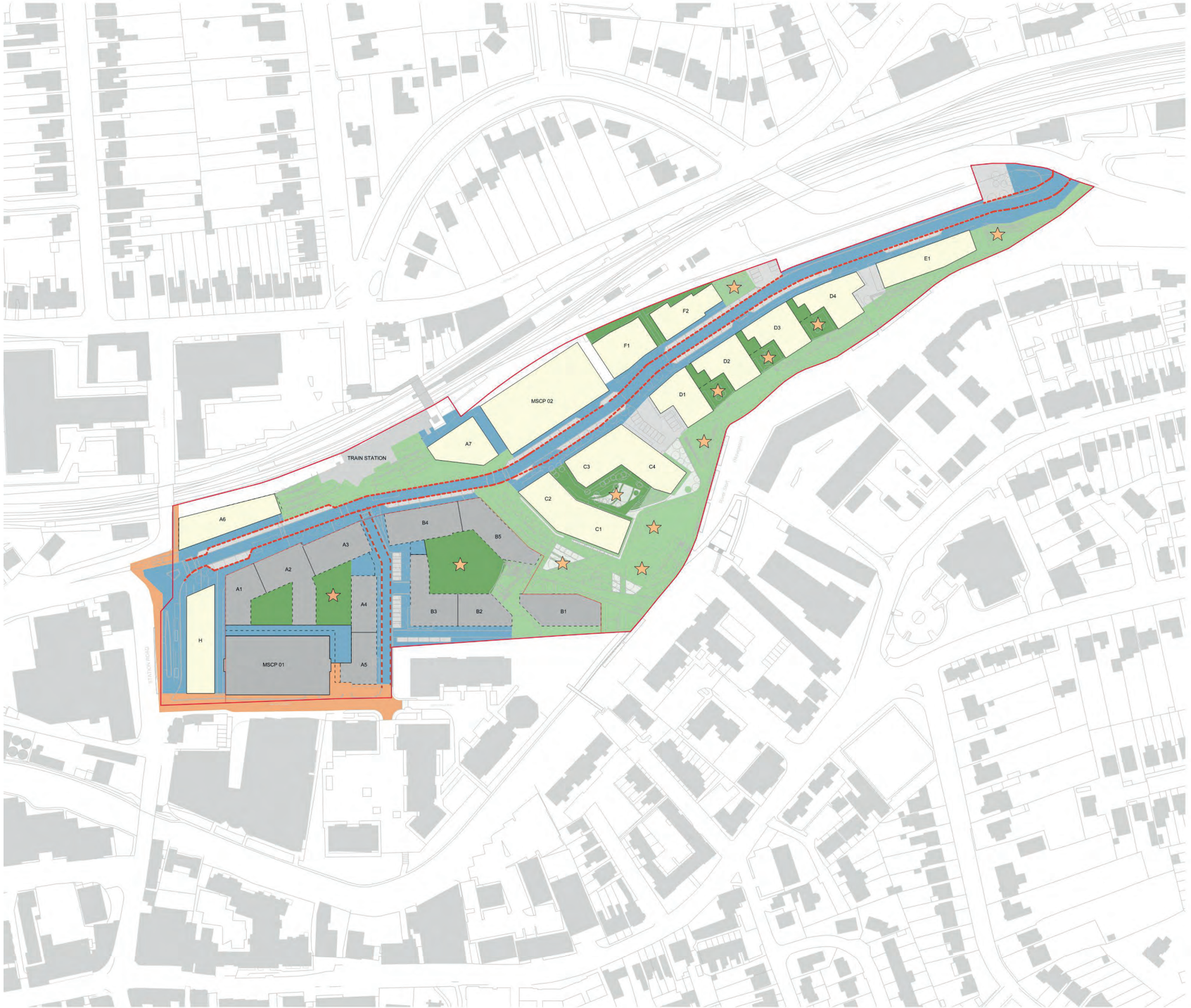
Open space
— Potential for an increase in residential communal garden space.
— Station Square and public realm environment remains as consented.
— Quantity of open space available remains relatively similar between approved masterplan and the emerging version.







8.4 Landscape and Open Space Strategy



GENERAL NOTES:
This drawing is © 2017 PTE architects.
Use figured dimensions only. **DO NOT SCALE**.

All dimensions are in millimetres unless noted otherwise.

This drawing must be read in conjunction with all other relevant drawings and specifications from the Architect and other consultants.

If in doubt, ask.

SETTING OUT NOTES:
All setting out to be confirmed on site prior to construction - any discrepancy must be immediately reported to the Architect.

All setting out to face of structure or to grid. All partitions set out to studwork or structure.

For setting out and specification of M&E services refer to M&E Consultants documents.

For setting out and specification of structure refer to Structural Engineer's documents.

N

LEGEND:

- MASTERPLAN BOUNDARY
- UNDER CONSTRUCTION
- COMPLETED
- DEVELOPMENT PLOT BOUNDARY
- BLOCK BOUNDARY
- NEW PUBLIC REALM
- IMPROVED STREETSCAPE
- PUBLIC AMENITY SPACE
- PRIVATE COMMUNAL GARDEN
- RESIDENTIAL PARKING
- ADOPTED HIGHWAY
- PLAYSPACE

PUBLIC AMENITY SPACE	11,459 m²
PRIVATE COMMUNAL GARDEN	4,542 m²

rev date description drawn audited
drawing status
FOR ILLUSTRATION

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Pollard Thomas Edwards

project: Bishop's Stortford
job number: 21-015 drawn: Author scale: As indicated@A1 date created:

drawing title: **Open Space Plan**
drawing number: **BSGY- PTE- ZZ-XX-DR-A-10009** revision: suitability:

9 Placemaking Principles

The proposed Masterplan has been developed based on a series of framework principles, one of which being to create distinct and connected neighbourhoods. To ensure a variety of experience and richness four character areas have then been established.

They have been designed with regard to the edges of the site, and they blend in or respond to the context in terms of built form, open spaces, streets so that together the character areas will create the framework for a new successful urban area.

It has been an imperative to connect the new Goods Yard site back into Bishop's Stortford and overcoming the physical barriers such as the railway. Therefore, the new character areas have been heavily informed and influenced by existing characters found within Bishop's Stortford.

The diverse architectural styles, densities and historic elements of Bishop's Stortford will be used to influence the north-south link and riverside and rail side areas of the masterplan. These areas also include the non-residential elements of the masterplan.

The character areas are summarised below and discussed in greater detail in section 11 of this report.

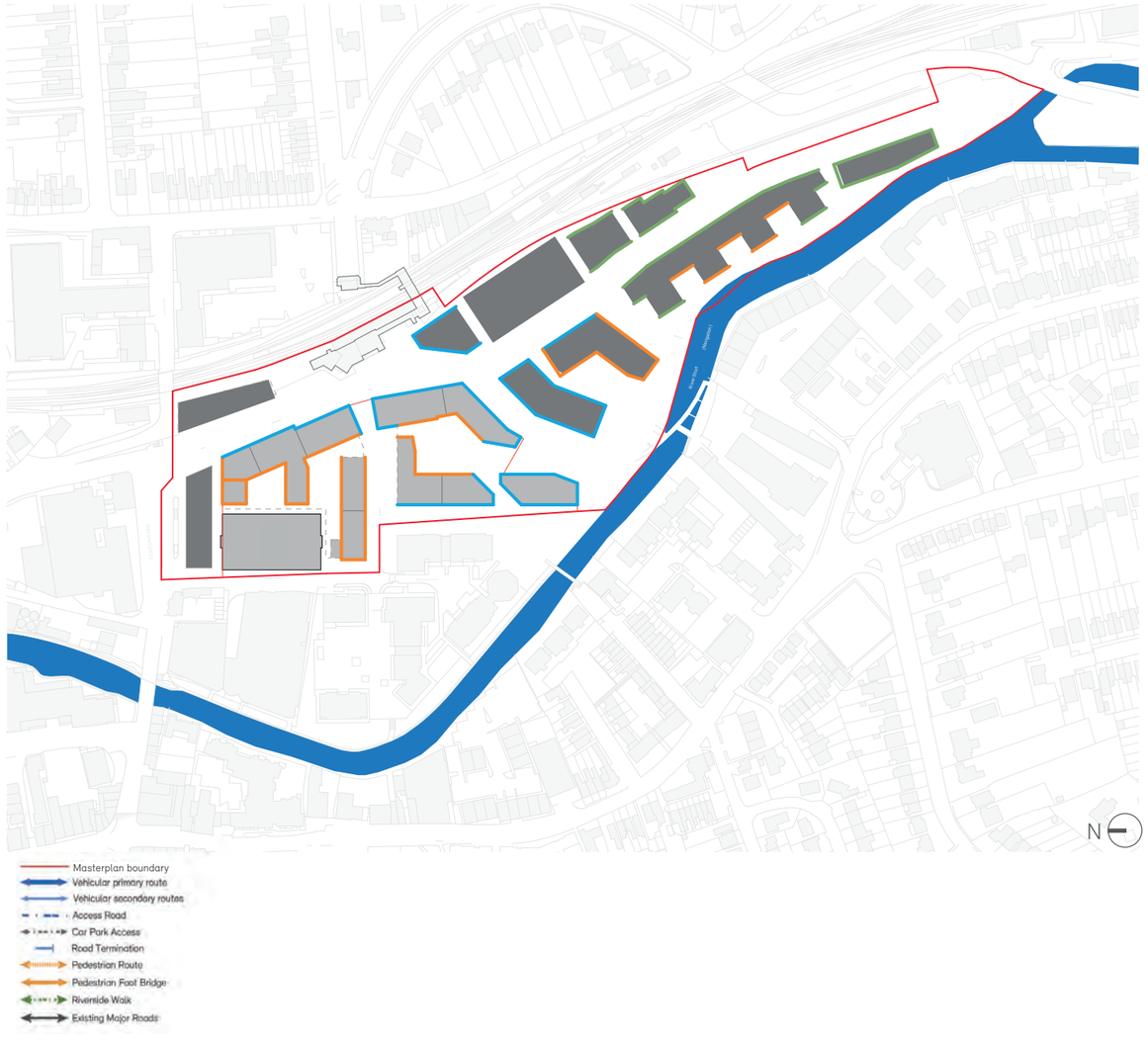
Station Square
— Views/ connections between Bishop's Stortford Station and the River Stort.
— Taller ground floor accommodation to accommodate commercial space fronting Station Square and podium parking to blocks A and B.
— Variation in roof profile breaks down massing and provides rhythm on streetscape.

The Maltings
— Form mirroring historic Maltings buildings on opposite side of river bank.
— Views/ connections towards Station Square and the River Stort.
— Direct 'Green link' connects Station Square with the River Stort.
— Taller ground floor to accommodate podium car parking to blocks A, B and C.
— Higher scale, density and massing than Southern blocks.

The Riverside
— Connections between North-South route and River Stort.
— Building form reflect Malting's buildings.
— Buildings have close relationship with the River Stort.
— Lower scale density and Massing than Northern Blocks.
— Landscape stitching the river to the station.

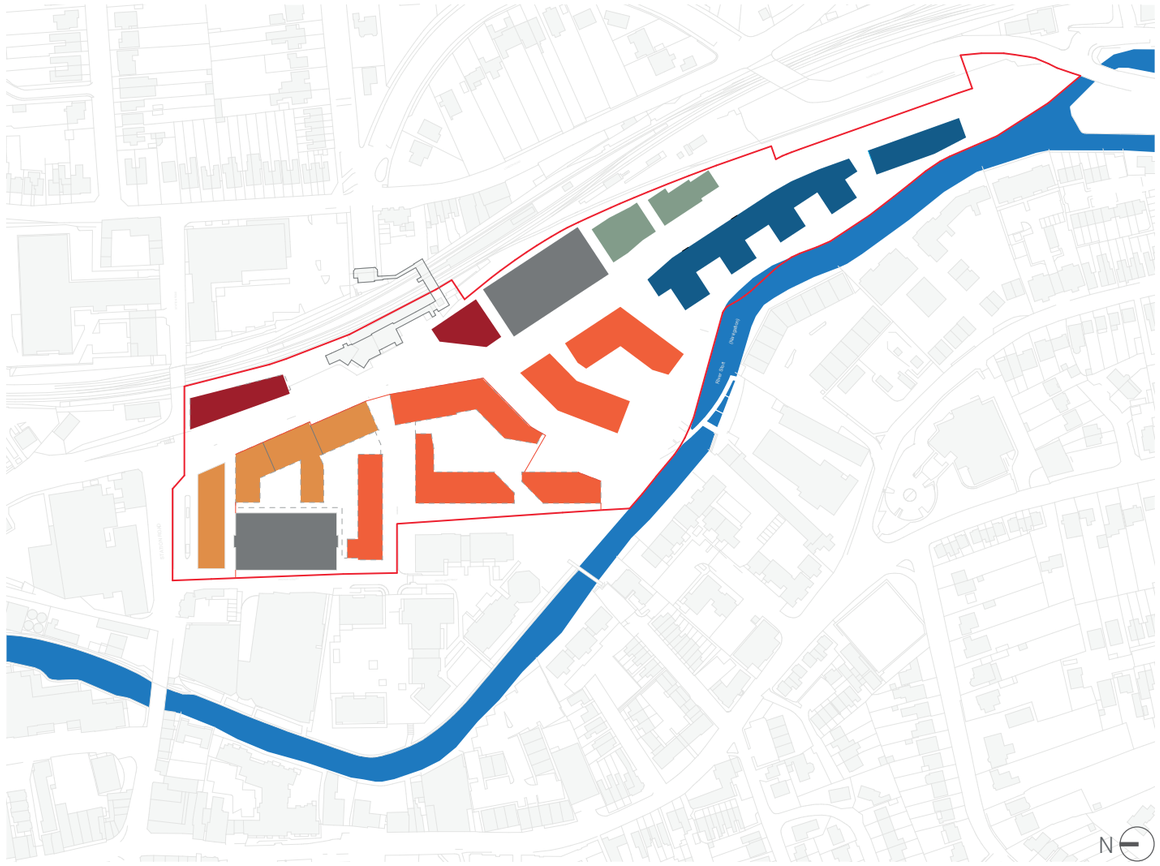
The Sidings
— Visual link and connection to railway line.
— Visual connections West to Riverside block and River Stort. The form reflects Goods Yard railway architecture.

9.1 Street Hierarchy and Character



STREET HIERARCHY AND CHARACTER DIAGRAM

9.2 Townscape and Building Typologies



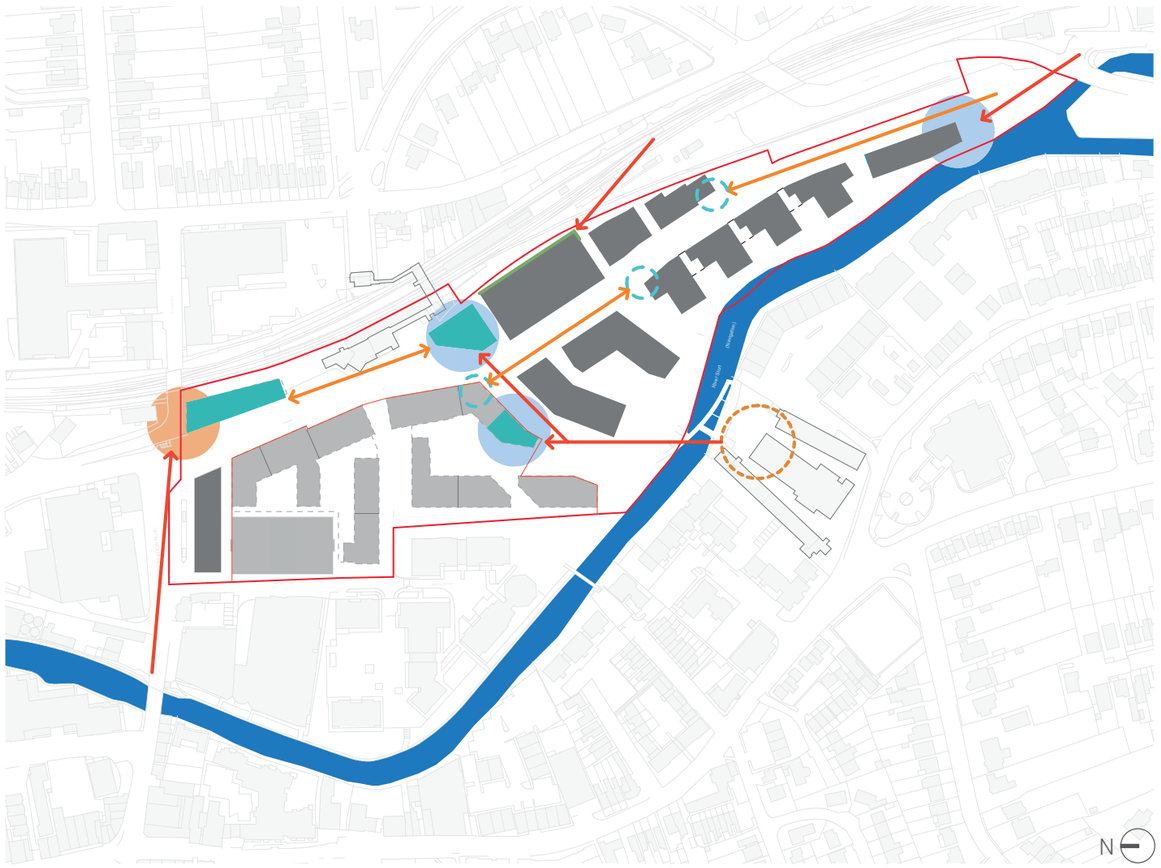
BUILDING TYPOLOGIES DIAGRAM

9.3 Special Buildings

To enrich the experience when moving between the main places in the masterplan, special buildings are located at key points. These aid way-finding and a hierarchy to the legibility of the masterplan and provide a sense of place.

They reinforce site lines from Station Road to the train station and the Stort River.
These buildings are special in form and material setting them apart from the others.

The two special buildings either side of the train station, A6 and A7, book-end the Station Square helping to provide enclosure while also extending the station experience and sense of arrival. These buildings are based on industrial forms and interpreted in a contemporary manner. The use of metal cladding contrasts the brick nature of the main group of buildings providing a distinctive quality.



SPECIAL BUILDINGS DIAGRAM

9.4 Building Heights and Roofscape

The overall building heights strategy responds to an analysis of the existing context in Bishop's Stortford. The development ranges in height from 4-7 storeys with the top floor located in an inhabited roof space, therefore reducing the overall appearance of the building height to 6 storeys.

Special Buildings A6 and A7 provide a change in height to distinguish the buildings at Station Square and mediate the height between the taller residential and MSCP blocks and the lower scale existing station building. Plots A and B (currently under construction) are 5 storey blocks with inhabited roof space set within pitched roof forms.

Residential blocks of up-to 7 storeys, include inhabited roof space are positioned in Maltings and Sidings character areas closest to MSCP02.

The perceived building height, through inhabited roof space and dormer windows, creates variation across the roofscape, with dormers running perpendicular to the roof-line.

Section 10 Townscape Views and Sections, indicates the heights and roofscape strategy.

Station Square
Block H - It is proposed to retain 4 floors, with an additional level possible if required to make the building viable. The roofscape will be modelled to screen M+E plant from view.

A6 - It is the intent the roof form of A6 will remain similar as consented, though adjusted to allow for roof top plant and a potential roof terrace. Lift cores and over runs also provide opportunity for historic vent forms to be expressed.

A7 - The roof form of A7 reduces in height down towards the existing station building negotiating the change in height from MSCP02, to help frame the square. It is proposed to change the commercial building heights of 2-3 floors, to residential 4-5 floors and better screen the MSCP02. The roof form will house a shared roof terrace for residents, and screen roof plant and lift overrun. The roofing material of A7 will contrast with the buildings of Plots A and B.

The Maltings
The Maltings character area contains larger scaled, robust buildings with the building heights between 6 and 7 storeys, set within the roof scape. The roofscape varies between the two buildings to create contrast while maintaining pitched roof forms and gables fronting the river relating to the historic Maltings.

Plot C1-C2 - The northern building aligns with the route from the river to Station Square. Here the eaves line steps up towards the station. The upper level accommodation is set within the roof form, with dormers expressed, aligning with the main building façade. The dormers are formed with brick to read as an extension of the main façade, providing a heaviness and robustness to the building over others around it. The dormer forms allude to the historic maltings' vents, and roof terraces are recessed hidden back within the main roof form.

Plot C3-C4 - The southern building roofscape in contrast, the dormers are set back from the main building façade maintaining a clean eave line. The building form, 'L' shaped, with varying roof heights provides the opportunity for a gable on the south-east corner, to be seen on approach along the north-south road. The dormers and inset balconies are formed with the selected roofing material.

Sidings
Plot F - The Sidings character area contains buildings located beside the railway and north-south road with heights of 5 and 7 storeys, within the roofscape, stepping up to the MSCP02. The site narrows towards the southern end, providing opportunity for a gable form to terminate the building, on the London Road approach.
The buildings are viewed from both the railway and roadside, with varying eave heights, pitched roof forms and inset balconies. These buildings do not have expressed dormers, varying from the other character areas.

MSCP02
The MSCP02 will have 7 levels (14 half levels), running parallel with the railway line. The upper level will not be enclosed. The external façade will animate the building with thought given to the top of the upper level of the building.

Riverside
Plot D - The building heights to Riverside character area are 4-5 storeys set within the roof scape. A strong building edges runs along the north-south street, with gable forms returning to the riverside.
The upper level accommodation set within the roof have dormers and balconies set back from the eave line. Dormers will vary across the roofscape further defining the street scape as a series of buildings.

Plot E - relates in height to those buildings across the River Stort, at 4 storeys. There is potential for this building to create a strong gable roof form announcing the entrance to the Good's Yard from London Road entrance. The change in site levels from road to river edge also offers the opportunity for an asymmetrical roof form to responding to context. Here a clay tiled roof form wraps down the building façade.

9.5 Balcony Strategy

The balcony strategy for the masterplan reflects the street hierarchy surrounding each block, which is articulated through inbound balconies to primary routes and projecting balconies to secondary streets and courtyards.

For the courtyard spaces and secondary streets, balconies are projecting. Black metalwork reflects the ironmongery on the Old Maltings buildings which can be viewed from the courtyards to the west, referencing the site's industrial heritage.

Projecting balconies orientated southwest maximise views to the River Stort and surrounding green space.

The balcony strategy is further differentiated across each character area, Section 11 Character Areas and Section 10 Townscape Views and Sections.

Station square
- Block H – No balconies will be provided.
- Building A7 - The form and appearance is differentiated from other buildings within the Station Square. The pure form dictates that the private amenity space will have inset balconies.

The Maltings
- Plot C1-C2 – The solid and robust nature of this brick building requires inset or semi-inset balconies to each apartment along street frontages, with projecting acceptable to courtyard and green facing spaces.
- Plot C3-C4 – In contrast to C3-C4 will have projecting concrete balconies with metal work railings to each apartment, on all facades apart from the north-south street facing the MSCP02.
- The gables of each building will be differentiated separately from each other, one having inset, semi-inset balconies while the other having projecting balconies.

The Riverside
- Plot D – The balconies facing the north-south street, in an east orientation to the sidings will have part inset, part projecting balconies. Where balconies face into the courtyard, over the river, these are proposed projecting, bound with brick/concrete panels between for privacy. Balconies to each of the gables ends facing the river may vary.
- Plot E – Balconies to the gable end and facing the river will be semi inset and projecting with metal railings.

The Sidings
- Plot F – Balconies facing the railway and the north-south street are to be inset or semi-inset (part projecting) with brick columns (buttresses) and solid balustrades provide privacy in this location.

10 Townscape Views and Sections

10.1 Masterplan Scale and Massing

The proposed approach to scale and massing acknowledges that the character and feel of the streets and open spaces within the development is greatly influenced by the scale and relative position of the buildings that frame them. In order to meet the underlying intention to achieve a variety of open spaces and distinct character areas within this Masterplan, massing was also distributed to contribute to the identity of each character area.

The scheme will relate to the River Stort to create a strong but diverse waterfront edge. To create a strong riverside frontage to the area, a mixture of building heights are composed in a fragmented block type that will vary between 4 and 6 storeys. The buildings with maximum height of 6 storeys are proposed within the north sector of the masterplan and reduce to the south end. Upper floors are set within the roof line to the public frontage.

The fundamental design principle in setting out built form across the Masterplan is to ensure that blocks make a clear distinction between public fronts and private backs. Buildings which front streets and open spaces present their public face to the outside world and give life to it. Public fronts and private backs are made distinct when primary access is from the street, the principal frontage. The proposed layout creates blocks with building lines that clearly define streets as the spaces in-between the buildings.

The proposed massing varies considerably in shape and size according to the configuration of streets and the preferred orientation and location of open spaces and parks. The nature of plot sub-divisions and apartments that are to be accommodated has also influenced the layout of blocks.

Lined along the perimeter of the streets and open spaces, the blocks create positively framed public realm, clearly either streets or open spaces. A common building line maintains the differentiation between public, semi-public and private zones, and contributes to the distinct functions of each area. Distinctions are achieved through elements such ground floor treatments and proposed materials.

The following are a series of townscape views and sections which describe the proposed masterplan. Section 11 Character Areas, considers each part of the site in further detail.

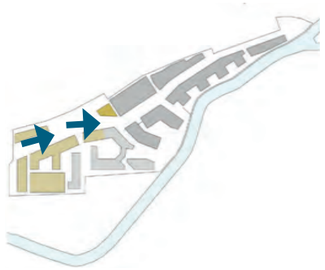
10.2 Townscape

The masterplan creates a series of townscape views connecting and enhancing views from the train station towards the town centre and also from the station down to the Maltings at the rivers edge. These views are de¬fined in the Town Centre Planning Framework as views which require enhancing, to enhance Bishop's Stortford Historic Character.

The masterplan sets up further views from the North-South street to the river. At the southern end of the site a new pedestrian connection from London Road to the river will create a new view.

The Town Centre Planning Framework mentions the maintenance of local and town side views to key land¬mark buildings.

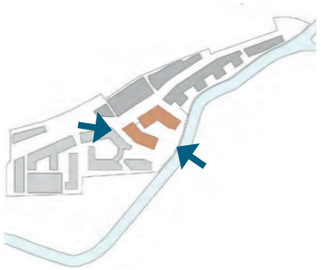
10.3 Townscape Views - Station Square (A7)



INDICATIVE SKETCH VIEW OUTSIDE THE STATION LOOKING TOWARD A7 AND THE MALTINGS BEYOND (PLOT C)

INDICATIVE SKETCH VIEW IN STATION SQUARE BESIDE A7 LOOKING TOWARD THE MALTINGS (PLOT C)

10.4 Townscape and Street Section - The Maltings (Plot C)



The following principles define the character of the street:

Building arrangement offers views to Station square and River Stort.

Primary route in the Malting's Character area connects the Station to the Riverside and brings green space towards station square through increased soft landscaping.

Parking does not dominate this area, allowing Stort Way to be predominantly pedestrianised. Access is requires for servicing the plots.

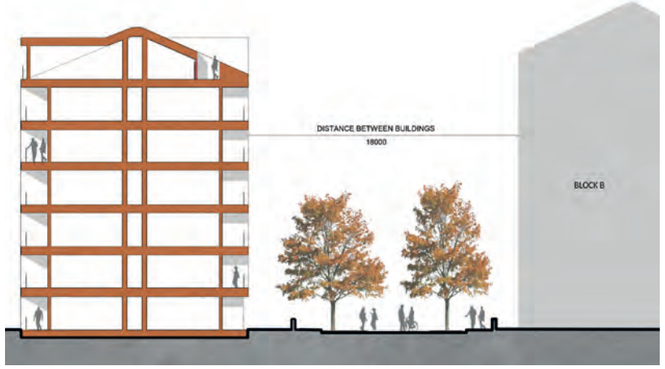
As residential uses are proposed for the ground floor of the Maltings, a residential boundary treatment of 1.5m is proposed to blocks.

A mixture of inset and recessed balconies animates the street edge.

INDICATIVE SKETCH VIEW LOOKING SOUTH ALONG ROAD AND EAST TOWARDS THE MALTINGS AND STORT RIVER

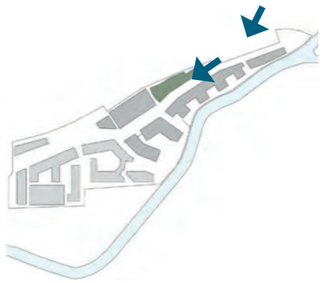
INDICATIVE SKETCH VIEW ACROSS THE RIVER STORT RIVERSIDE GARDEN, ROUTE UP TO STATION SQUARE

SECTION 01 - THROUGH THE MSCP AND THE MALTINGS (PLOT C)



SECTION 02 - THROUGH THE MALTINGS (PLOT C)

10.5 Townscape View and Street Section - The Sidings (Plot F) and The Riverside (Plot D)



The following principles define the character of the street:

Traffic calming is proposed along the street.
Building heights reduce in this area from 3 - 4 storeys.
Dormer windows and recessed balconies create variation along street-scape to West elevation.

Designated residential parking to either side of access road. As residential uses are proposed for the ground floor the Sidings, a residential boundary treatment of 1.5m is proposed to Plots F and G.

INDICATIVE SKETCH VIEW OF FROM LONDON ROAD TOWARDS THE RIVERSIDE (PLOT E) AND THE SIDINGS

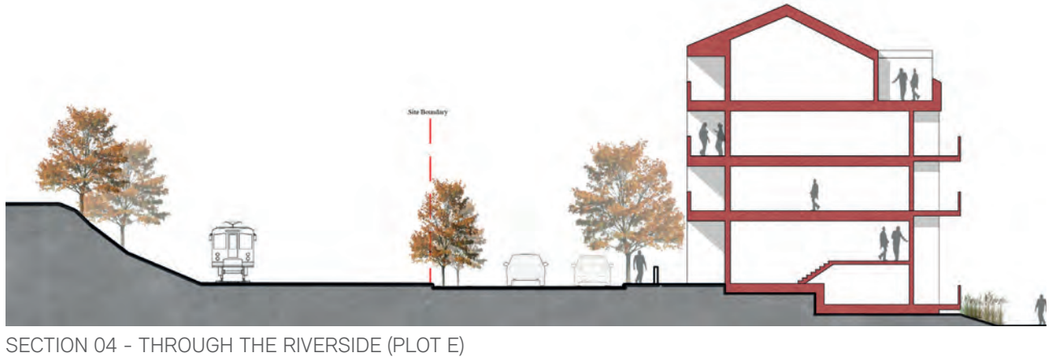
INDICATIVE SKETCH VIEW LOOKING NORTH ALONG NORTH-SOUTH ROAD

SECTION 03 - THROUGH THE SIDINGS (PLOT F) AND THE RIVERSIDE (PLOT D)

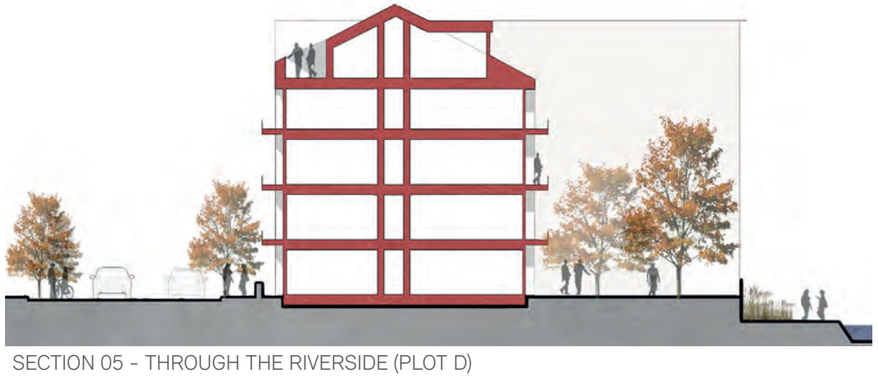
10.6 Townscape View and Street Section - The Riverside (Plot D and E)

INDICATIVE SKETCH APPROACH VIEW OF THE RIVERSIDE (PLOT E) NORTH ALONG ROAD

INDICATIVE SKETCH VIEW LOOKING NORTH ALONG THE NORTH-SOUTH ROAD TOWARDS THE SIDINGS (PLOT F) WITH THE RIVERSIDE (PLOT D)



SECTION 04 - THROUGH THE RIVERSIDE (PLOT E)



SECTION 05 - THROUGH THE RIVERSIDE (PLOT D)

10.7 Townscape View and Street Section - The Riverside (Plot D) and The Sidings (Plot F)

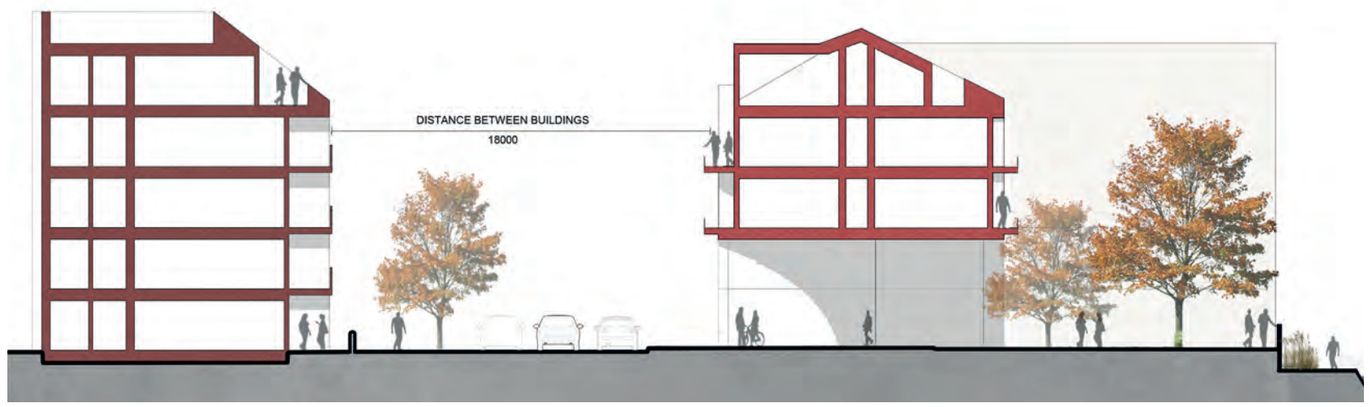
The following principles define the character of the street:

Arrangements form courtyards, facing and framing views towards the River Stort.

Residential parking to either side of access road between Plots D and F.

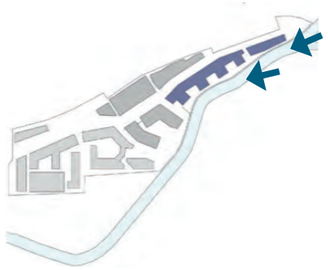
Residential uses are proposed for the ground floor the Riverside, a residential boundary treatment of 1.5m is proposed to Plots D and E

INDICATIVE SKETCH VIEW LOOKING TOWARDS THE MALTINGS (PLOT C) WITH THE RIVERSIDE (PLOT D)



SECTION 06 - THROUGH THE SIDINGS AND THE RIVERSIDE (PLOT D)

10.8 Townscape View - The Riverside - Plot D and E



INDICATIVE SKETCH VIEW LOOKING NORTH ALONG TOW-PATH BESIDE RIVER STORT AND THE RIVERSIDE (PLOT E)

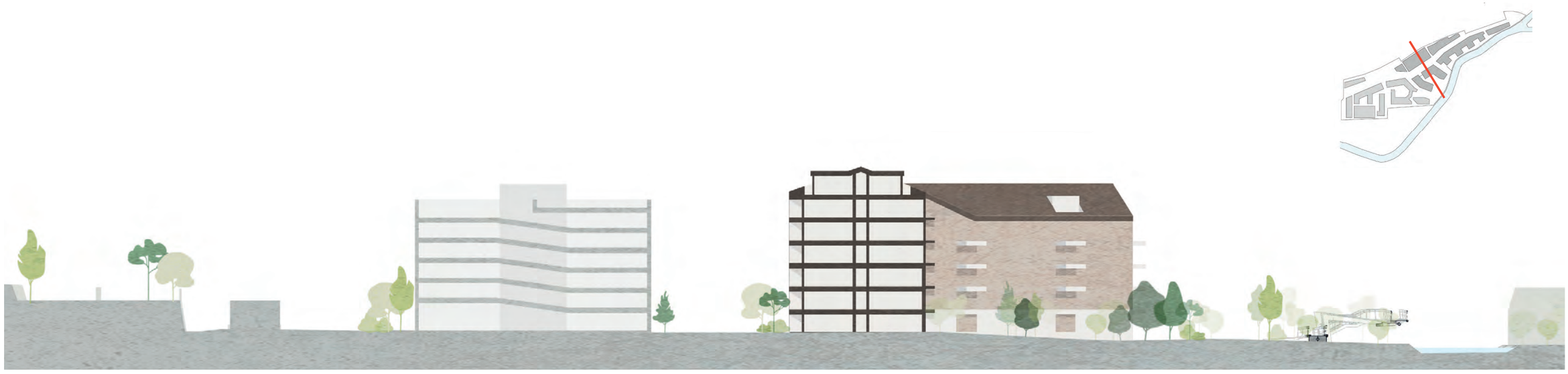
INDICATIVE SKETCH VIEW LOOKING NORTH ALONG TOW-PATH BESIDE THE RIVER STORT AND THE RIVERSIDE (PLOT D)

10.9 Illustrative sections through the masterplan

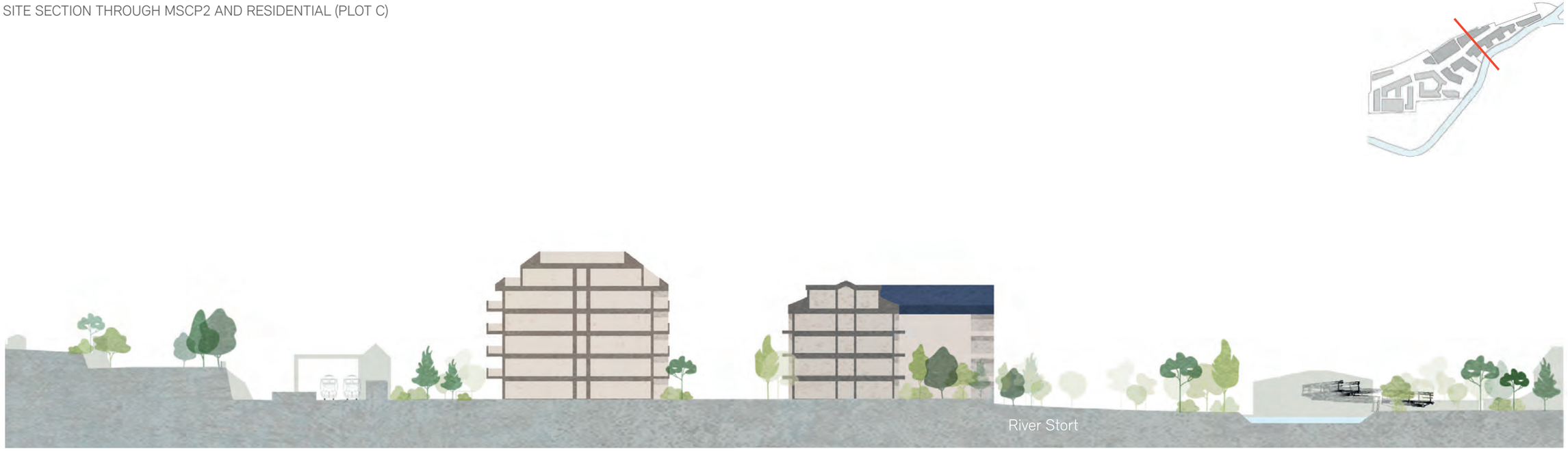
SITE SECTION THROUGH PLOT A7 - STATION SQUARE AND ROUTE DOWN TO RIVERSIDE (PLOT C)

ELEVATION ALONG SEXTONS ROAD (A7, MSCP2, PLOT F)

10.10 Illustrative sections through the masterplan



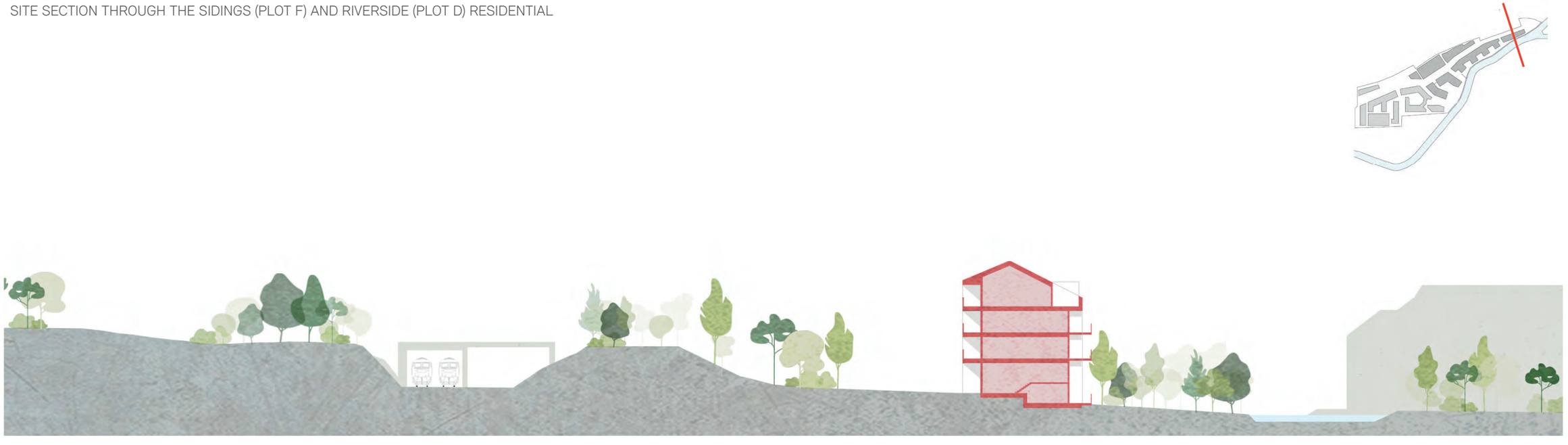
SITE SECTION THROUGH MSCP2 AND RESIDENTIAL (PLOT C)



SITE SECTION THROUGH THE SIDINGS (PLOT F) AND RIVERSIDE (PLOT D)

10.11 Sections through the Masterplan

SITE SECTION THROUGH THE SIDINGS (PLOT F) AND RIVERSIDE (PLOT D) RESIDENTIAL



SITE SECTION THROUGH THE RIVERSIDE AND RAILWAY SIDINGS (NEAR LONDON ROAD)

11 Character Areas

11.1 Character Area Plan

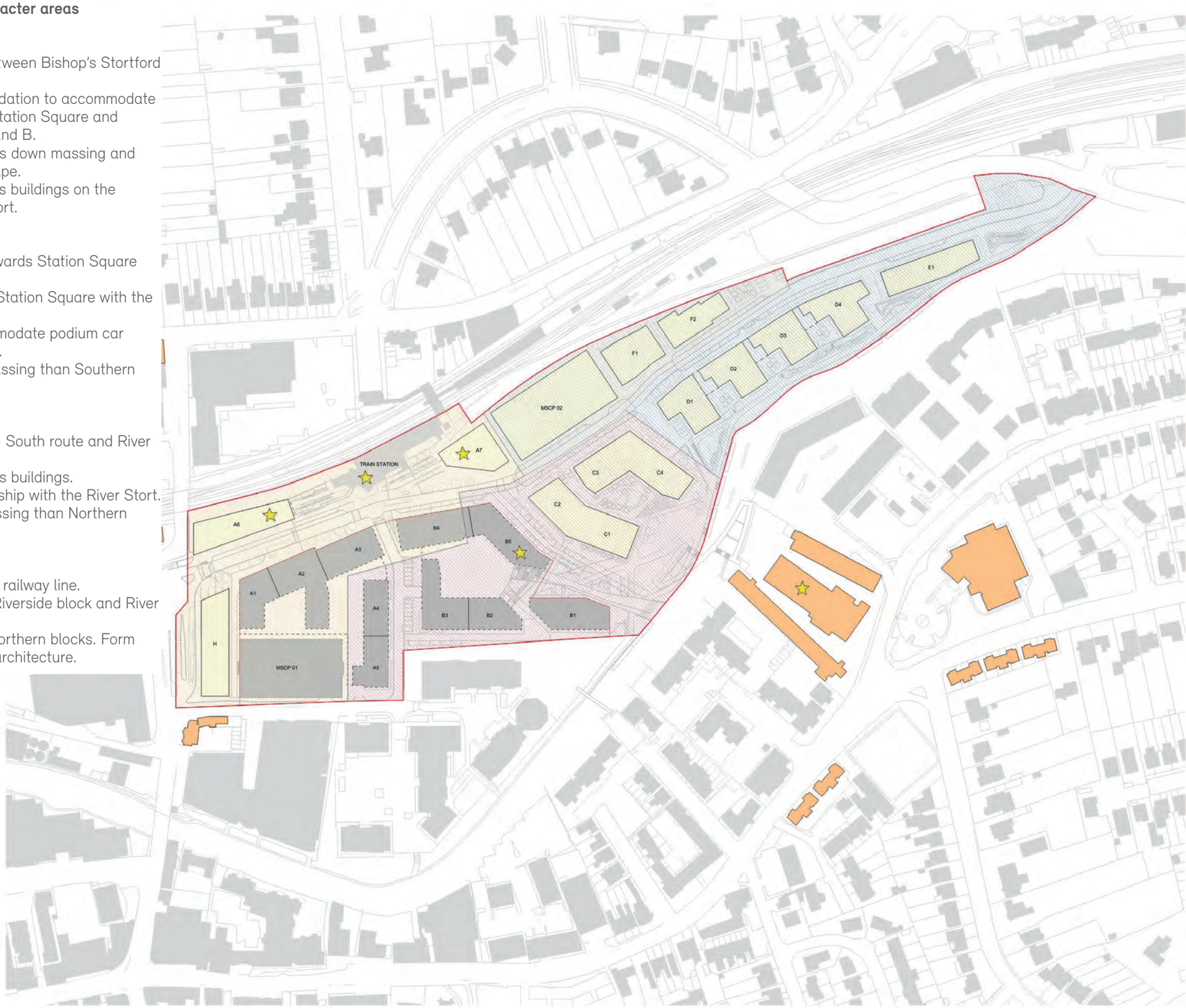
Key characteristics of the character areas

Station Square
- Open views/ connections between Bishop's Stortford Station and the River Stort.
- Taller ground floor accommodation to accommodate commercial space fronting Station Square and podium parking to blocks A and B.
- Variation in roof profile breaks down massing and provides rhythm on streetscape.
- Materials reflect the Malting's buildings on the opposite side of the River Stort.

The Maltings
- Open views/ connections towards Station Square and the River Stort.
- Direct 'Green link' connects Station Square with the River Stort.
- Taller ground floor to accommodate podium car parking to blocks A, B and C.
- Higher scale, density and massing than Southern blocks.

The Riverside
- Connections between North- South route and River Stort.
- Building form reflect Malting's buildings.
- Buildings have close relationship with the River Stort.
- Lower scale density and Massing than Northern Blocks.

The Sidings
- Visual link and connection to railway line.
- Visual connections West to Riverside block and River Stort.
- Lower scale, massing that Northern blocks. Form reflects Goods Yard railway architecture.



GENERAL NOTES:
This drawing is © 2021 PTE architects.
Use figured dimensions only. DO NOT SCALE.

All dimensions are in millimetres unless noted otherwise.

This drawing must be read in conjunction with all other relevant drawings and specifications from the Architect and other consultants.

If in doubt, ask.

SETTING OUT NOTES:
All setting out to be confirmed on site prior to construction - any discrepancy must be immediately reported to the Architect.

All setting out to face of structure or to grid. All partitions set out to studwork or structure.

For setting out and specification of M&E services refer to M&E Consultants documents.

For setting out and specification of structure refer to Structural Engineer's documents.

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LEGEND:

- MASTERPLAN BOUNDARY
- UNDER CONSTRUCTION
- COMPLETED
- BLOCK BOUNDARY
- STATION SQUARE
- THE MALTINGS
- THE SIDINGS
- RIVERSIDE
- HERITAGE ASSETS
- KEY BUILDINGS

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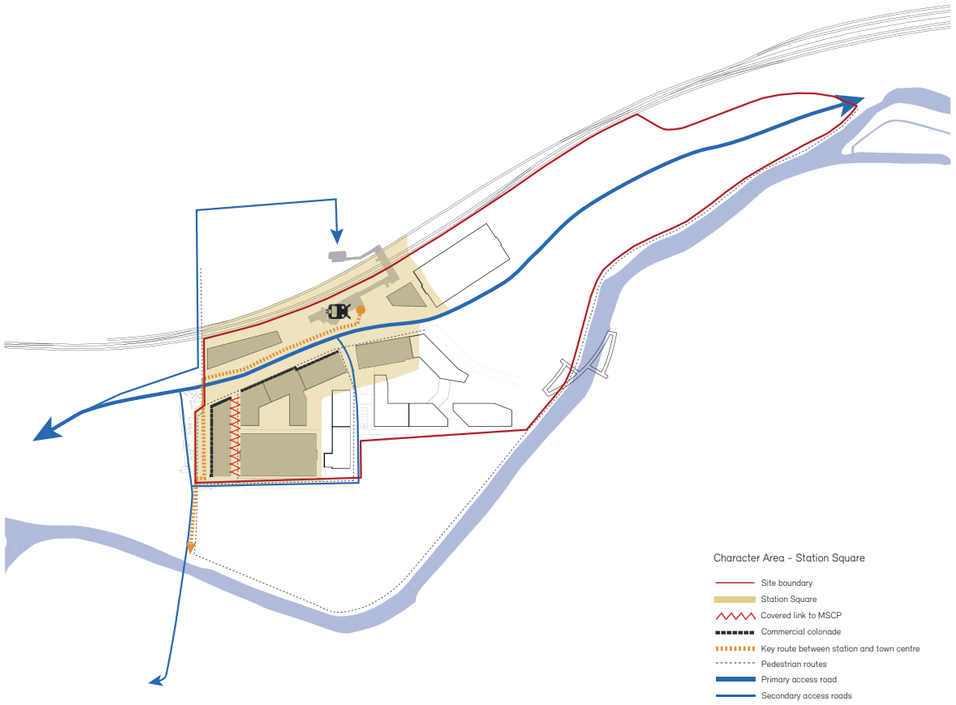
Pollard Thomas Edwards

project: Bishop's Stortford
job number: 21-015
drawn:
scale: Author's indicated@A1
drawing title: Character Area Plan
drawing number: BSGY- PTE- ZZ-XX-DR-A-10010

11.2 Station Square

Refinig the Character Area

The Station Square character area runs north / south and is located at the northern end of the masterplan, encompassing the vehicular road and access points into the site from Bishop Stortford along with the station car park. This area forms the entrance gateway to the northern edge of the site and backs onto the railway line along its eastern edge. The Station Square is envisioned to be linear in character with commercial use at the ground floor and apartments above lining the western edge of the access road. The commercial 'key' buildings frame the existing station building along the eastern edge of this area. This character area contains the main public / civic space - a gateway to the station forecourt. The buildings along the western edge are under construction and will reflect the form and scale of the buildings in central Bishop's Stortford and will also accentuate that the Station Square is a transient area that is 'passed through'. The massing of the blocks is punctuated by a number of pedestrian routes, one of which forms a covered colonnade leading from the station through to the car park. The car park is embedded within this zone defining the western edge of the character area.



STATION SQUARE (CONSENTED 2018)

01 Spine Road- Street Character

02 Riverside Walkway

03 Existing Bishop's Stortford Railway Station.

04 Taller ground floor forming parking podium and commercial colonnade.

05 Key buildings framing station building and public square.

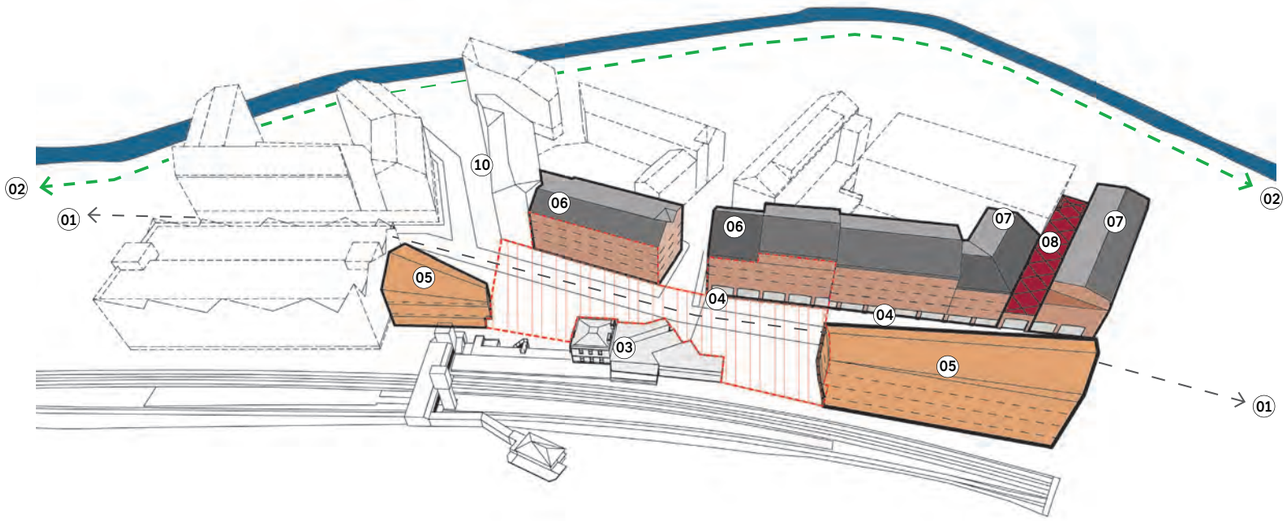
06 Roof profile helps break massing of buildings and provides rhythm along street-scape.

07 Linear block emphasises route from central Bishop's Stortford to Station Square.

08 Colonnade - walkway link between station and car park.

09 Car park- embedded within the Character Area.

10 Buildings orientated to emphasise route between road and river.



STATION SQUARE (CONSENTED 2018)

VIEW OF BISHOP'S STORTFORD TRAIN STATION THE 1960'S

GRENEVILLIERS CENTRE,
BRENAC GONZALEZ

BRIGHTON COLLEGE,
ALLIES AND MORRISON

THE GRANARY,
POLLARD THOMAS EDWARDS

11.2.1 Station Square

Arrival – Gateway Commercial Building
The gateway Goods Sheds (A6 and A7) buildings frame station square and centre the existing station building in the space, creating a sense of arrival in Bishop's Stortford.

Potential retail/ cafe spaces located on the square edge of the commercial building at ground floor would further animate the public space with outdoor tables and chairs in the square.

A7 marks the route from the River Stort to Station Square and will provide cycle parking beside at ground level.

Ground Connections
It is important to learn from and reference the existing town of Bishop's Stortford. The building form of the East elevation of station square responds to the medieval jettying of buildings in Bishop's Stortford town centre where the building line of the upper floor projects beyond the ground floor.

A colonnade of shop fronts faces onto Station Square activating the Street edge and accentuating the route towards the vibrant commercial town centre.

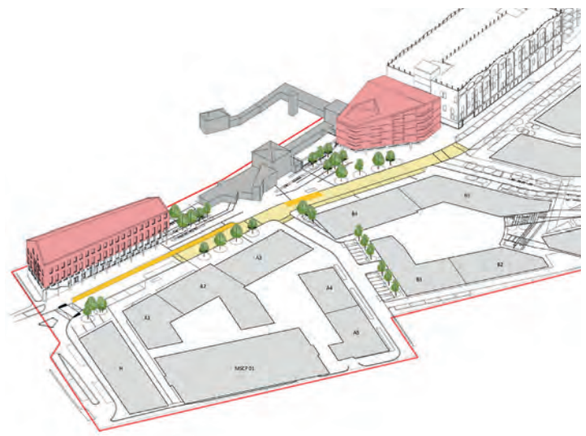
The Lane
A lane-way is proposed between Plot A and Plot H to provide a pedestrian connection between the Car park and Station Square.

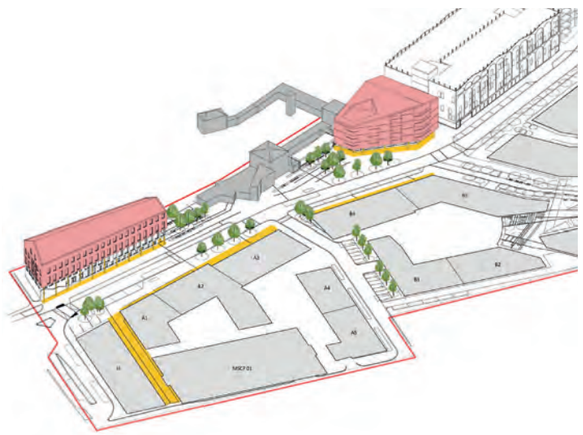
It is an aspiration that this space is animated by expanses of floor to ceiling glazing and overhead lighting, creating a safe and pleasant environment for pedestrians.

Plot H and Car park brick walls facing onto the Lane-way will be painted white to create a feeling of lightness to the space. The position of the commercial building at the end of the lane-way acts as a way- finding tool en route to the Station, creating a sense of arrival to Station Square.

Street design – boundary treatments
The following principles define the character of the street:

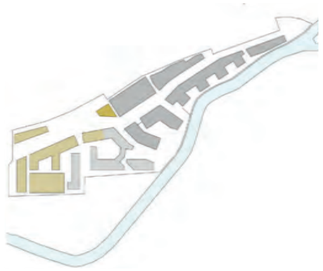
— Traffic calming is proposed along the street through a raised table, creating a shared surface outside the station with pedestrian priority.
— Building heights are appropriate to the scale of the existing station building. Commercial building roof forms reduce in scale at station to negotiate a change in height from the residential buildings.
— Street trees are provided along the length of the North- South route. A cluster of trees is located outside the station creating a green edge to the plaza.
— Easy access to buses and taxis from station with designated taxi bays.





PROPOSED NEW LOCATION FOR STATION CYCLE PARKING

11.2.3 Station Square - Block H



Plot H is the site of the consented Hotel. To the north it will front a new bus interchange off Station Road, to the east the new north-south route and Goods Shed (A6), to the south, the lane. On the opposite side of the lane Plot A is under construction and the Multi Storey Car park 01 is completed. To the west is Anchor Street and the Rose and Crown Public House.

Revised ground floor
The footprint of this building and its relationship to the surrounding context and townscape is to remain similar to the previous proposal.

The proposed ground floor will have retail/workspace and community use, with a hotel above.

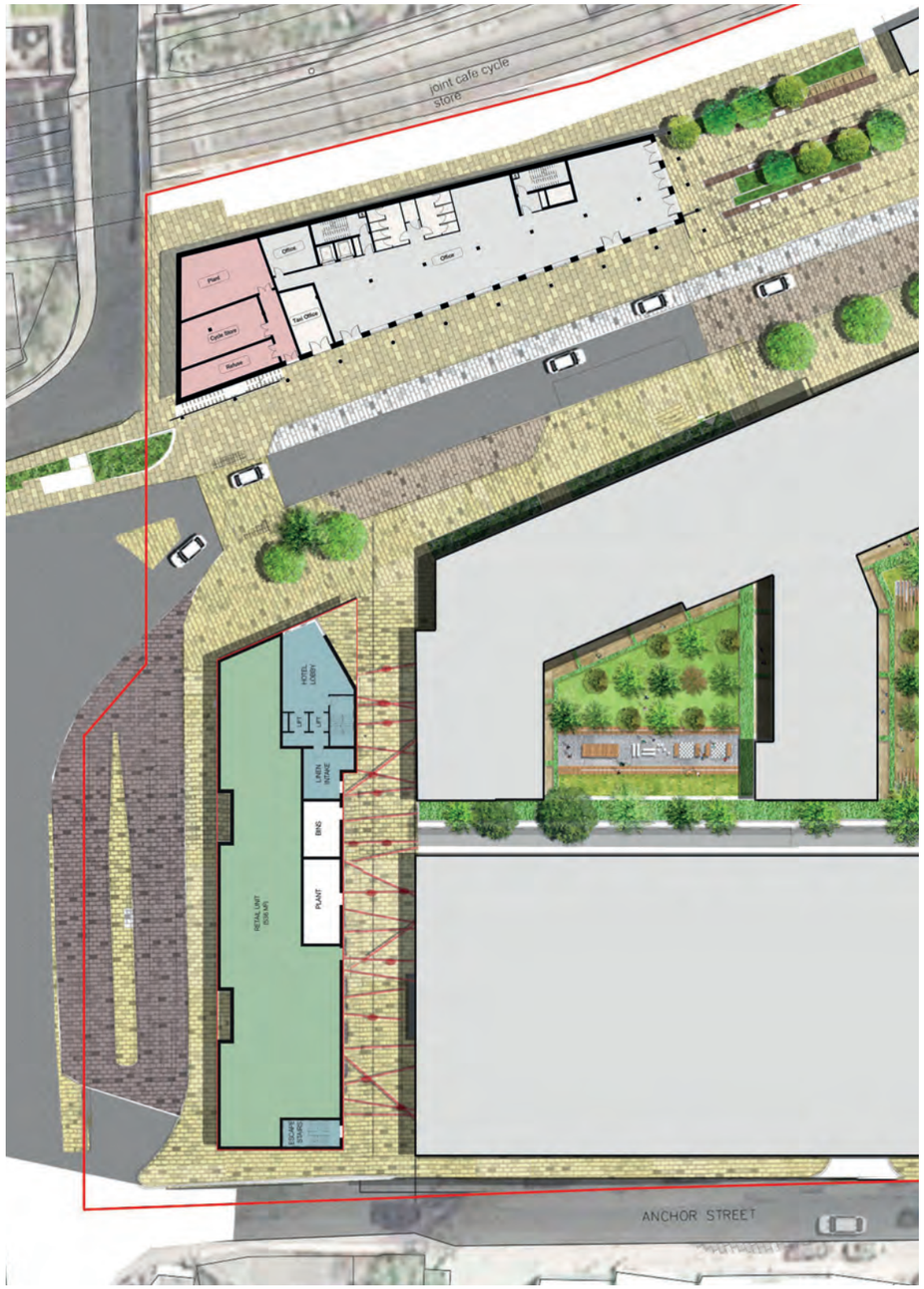
The introduction of commercial space at ground level opens up the opportunity to introduce glazed facades providing for active frontages to all four sides of the building. The main access points to the building will remain the same.

Solum have met with HCC and discussed the revised proposal in relation to the bus interchange, whom will accept the same approach to be maintained.

The hotel foyer and core is anticipated to be located on the corner of the lane and Sextons Road.

A plant room/sub-station is anticipated will be located off Anchor Street.

Vehicle servicing will remain for Plot H as the previous, with lay-by access of the north-south route, Station Square.



BLOCK H AND A6 - POTENTIAL REORGANISED FLOOR PLAN LAYOUTS

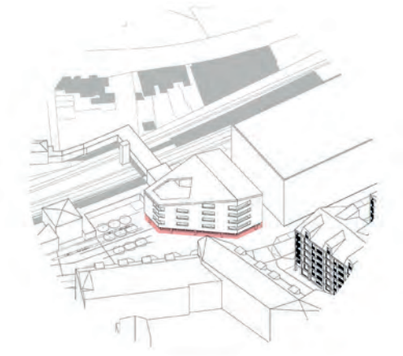
11.2.4 Station Square - A6

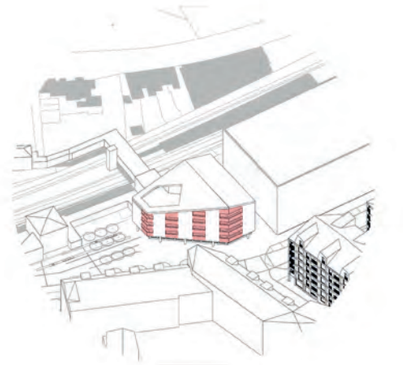
Rationalisation of layout
Blocks A6 and A7 are known as the 'Goods Sheds', key buildings which bookend Station Square.
Goods Shed North (A6) is being adjusted to improve its efficiency as a standalone building and in relation to Goods Shed South.

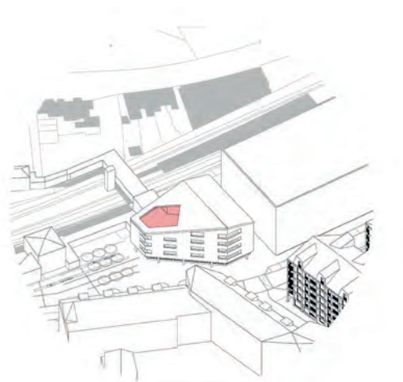
The station cycle parking will be relocated from A6 to beside A7 along with the station kiosks. These moves remove network rail provisions from the building while increasing floor area at ground floor for commercial use. At the upper level, the floor area will increase within the current building form, together these moves offsetting area relocated from A7.

A6 - SKETCH ELEVATION

11.2.5 Station Square - A7







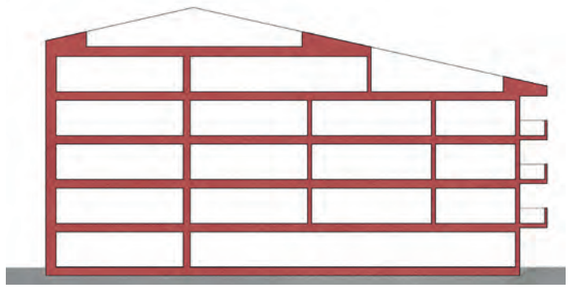
Key Elements of A7
The key elements define the character of this area. The diagrams, part elevations and reference images shown give an indication of the design intent to date. These will continue to evolve with further technical input through to planning submission.

Colonnade
The ground floor treatment to blocks A6 and A7 reference the existing town of Bishop's Stortford. The building form of the East elevation of station square responds to the medieval jettying of buildings in Bishop's Stortford town centre where the building line of the upper floor projects beyond the ground floor.
A colonnade of shop fronts faces onto Station Square activating the Street edge and accentuating the route towards the vibrant commercial town centre.

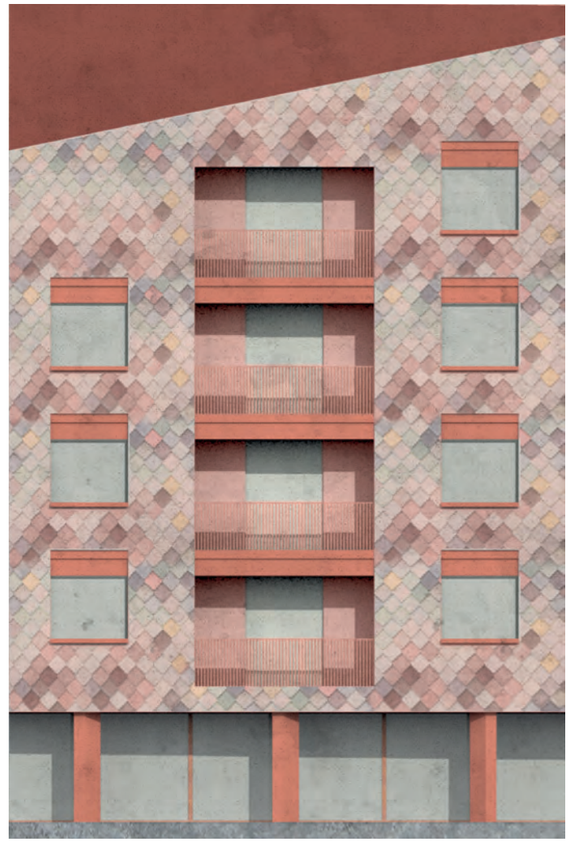
Form and Roofscape
Building heights in the Station Square character area range from 4- 6 storeys. The roof form of the commercial buildings (A6 + A7) reduces in height towards the existing station building negotiating the change in height from the residential buildings and framing the square. The perceived building height through inhabited roofspace and dormer windows creating variation across the roofscape, with dormers running perpendicular to the roof line.

Facade and Material
Building facades in station square reflect the commercial character of the buildings with use of metal cladding and curtain walling. The aspiration is to create a striking sense of arrival to Bishop's Stortford, and a memorable passing destination by train. The residential buildings lining the main axial route, on the opposing side to station square are under construction and are predominately brick with a colonnade at ground level. The roof materials to blocks A2- B4 reflect their relationship to the façades, where a clay tile is proposed.

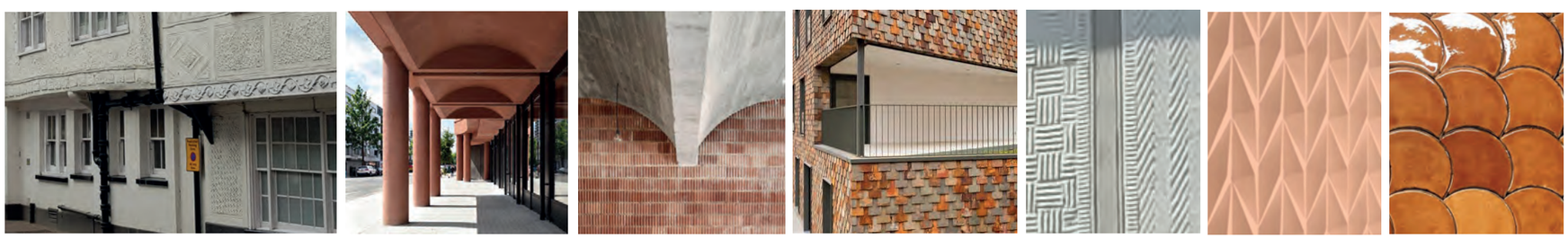
Balconies
The pure form and location of A6 on the main public north south route dictates that the private amenity space at upper levels will be provided by inbound balconies.



SECTION CONCEPT STUDY



CONCEPT SKETCH ELEVATION STUDY



POTENTIAL REFERENCES

11.3 The Maltings

Refinig the Character Area
The Maltings character area is located within the central section of the masterplan. Fronting both onto the North-South route and the River Stort and Maltings buildings.

This area in particular, seeks to reflect Bishop's Stortford's Industrial heritage. There is a strong relationship with the river and the architecture reflects the warehouse typologies along the riverside. With a higher number of apartments and hard surfaced landscaping adding to the warehouse aesthetic.
There is as direct response to the Bishop's Stortford maltings buildings form with 3 gables facing onto the River Stort.

This area bridges between two character areas - the station square area to the north and lower scale Riverside development to the south.

The Buildings form courtyards facing the river edge and are used to frame the views of the river which sit amongst a rich and landscaped riverside park. Block A and B are currently under construction.

01 Spine Road- Street Character

02 Riverside Walkway

03 Buildings orientated to face the Maltings Buildings and River.

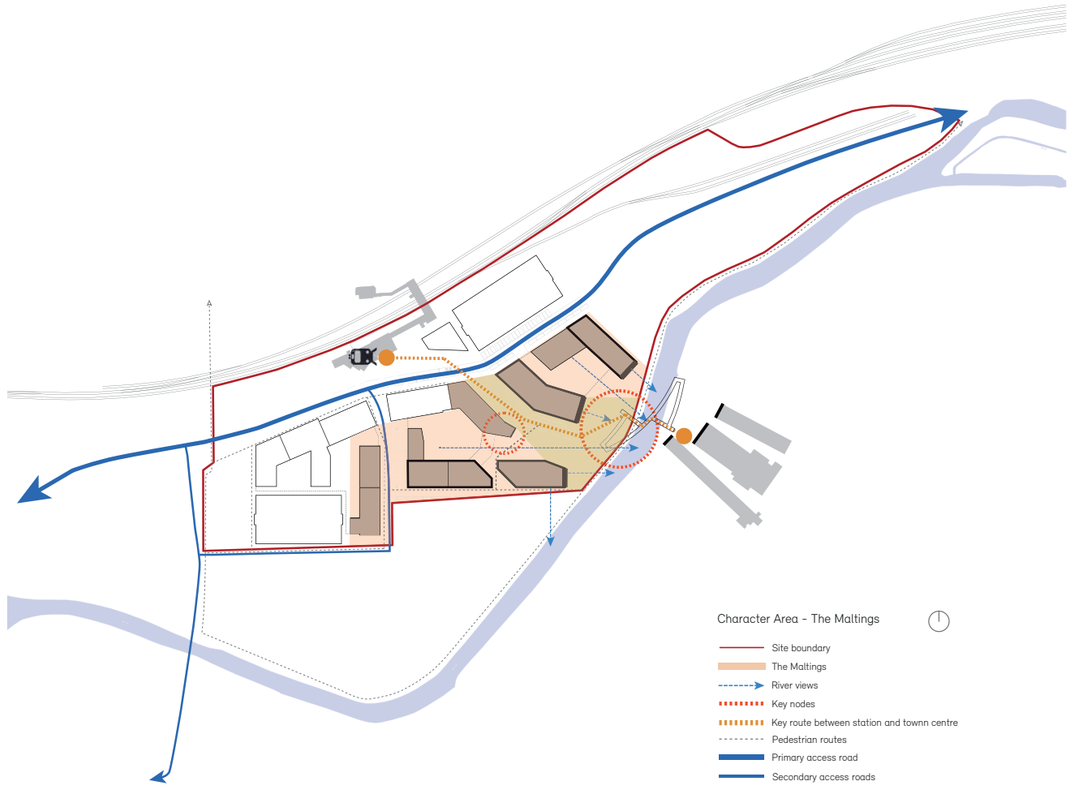
04 Courtyard formed between buildings facing river Stort edge.

05 Parking podiums form base to buildings- taller ground floor.

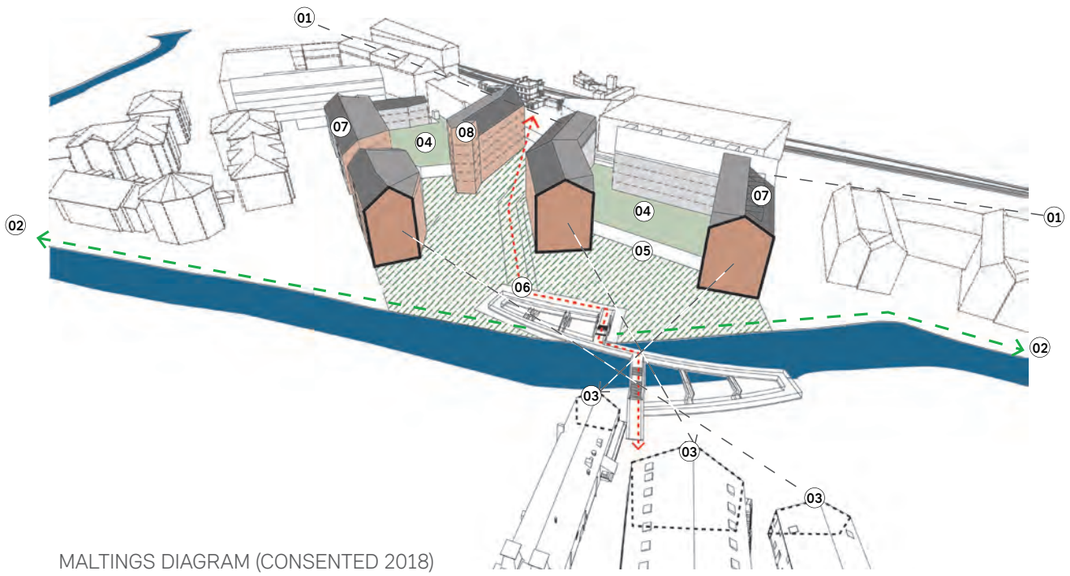
06 Direct link to Bishop's Stortford Station/ Riverside and Bridge.

07 Building form reflects Malting's Buildings.

08 Key buildings as focal point on river edge.



MALTINGS DIAGRAM (CONSENTED) 2018)



MALTINGS DIAGRAM (CONSENTED 2018)

Constraints:
— New road through to London Road has been constructed.
— Set back from the river to create an open space setting.
— Site contours, flood zone.

Opportunities:
— Opportunity to improve the Riverside frontage and connection to the station.
— Linear exposed site with good frontage to River Stort
— Potential to enhance pedestrian and cycle route along side of river.
— Close proximity to and views of The Maltings buildings.
— Opportunity to provide quality green landscape public place.
— Potential to improve traffic movement in the town centre with new road through site connecting to London Road.
— Possibility to accommodate half basement parking taking advantage of the level difference between New Road and River Stort.
— Opportunity to use building lines to direct way finding from new station square down to riverside path and the historic Maltings beyond.
— Potential to retain relationship between buildings running down to river and historic Maltings.
— Opportunity to create additional link.

FORMER SOUTH STREET MALTINGS

KROYERS PLADS, COBE ARCHITECTS

SNAPE MALTINGS, HAWORTH TOMPKINS

THE ECHOES, BELL PHILLIPS ARCHITECTS

11.3.1 The Maltings

BLOCK C1 GABLE END SKETCH

KILNS OF FORMER SOUTH STREET MALTINGS

Key Elements of the Maltings (Plot C)
The key elements define the character of this area. The diagrams, part elevations and reference images shown give an indication of the design intent to date. These will continue to evolve with further technical input through to planning submission.

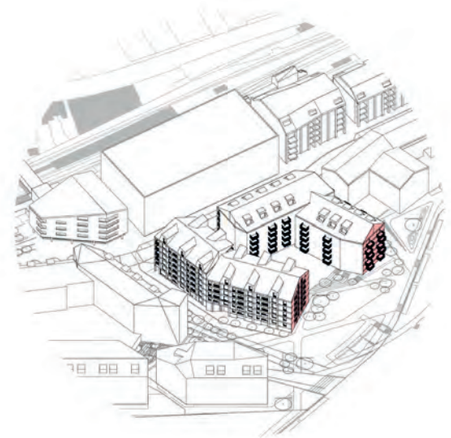
Gables
The gable ends to blocks A, B (under construction) and C, overlooking the River Stout, reflect the gable form to the existing maltings buildings on the opposing bank.

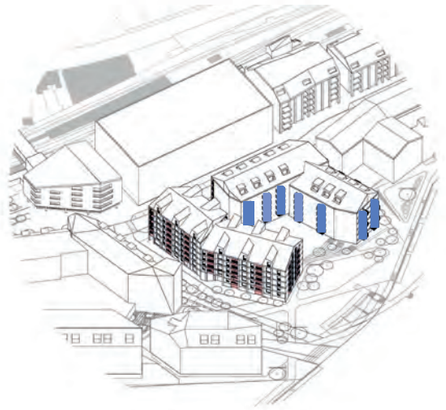
Jetting (Overhang)
The jettying of the Maltings buildings form a colonnade facing onto Station Square activating the Street edge and accentuating the route towards the vibrant commercial town centre.

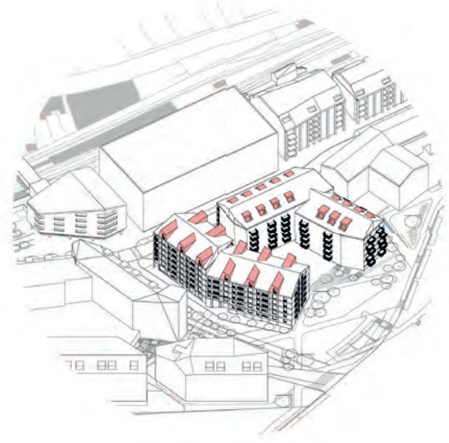
Facade and Material
Building facades in this character area will reference the industrial heritage of the former South Street Maltings buildings west of the River Stort. The predominant material throughout this character area is brick. Soldier and varying brick detailing is proposed in this character, reflecting the brick banding details of the former South Street Maltings.

Balconies
A combination of projecting and inset balconies are proposed depending on location, to create variation to the elevation and offer opportunities to overlook the landscape of the riverside.

Roofscape and Dormers
Building heights in the Maltings character area range between 6 and 7 storeys (including the roofspace). In the taller blocks, the roofspace is used to reduce the perceived scale of the block. Inhabited roof-space reduces the perceived building height and activates the building edge. Dormer windows create variation in the elevation. There is a continuity of roofscape to the Station Square edge, which is broken down by a shift in storey height to the secondary streets running towards the River Stort. The form and massing of the roofscape relaxes in form at the River Edge, an evolution of the form of the pyramidal kilns at the Old Maltings creating a marker on the route between the river and Station square.





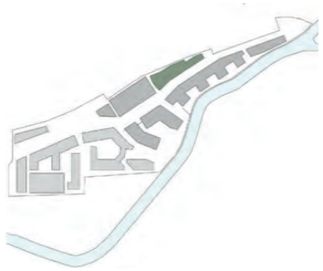


BLOCK C2 SKETCH ELEVATION

BLOCK C4 SKETCH ELEVATION

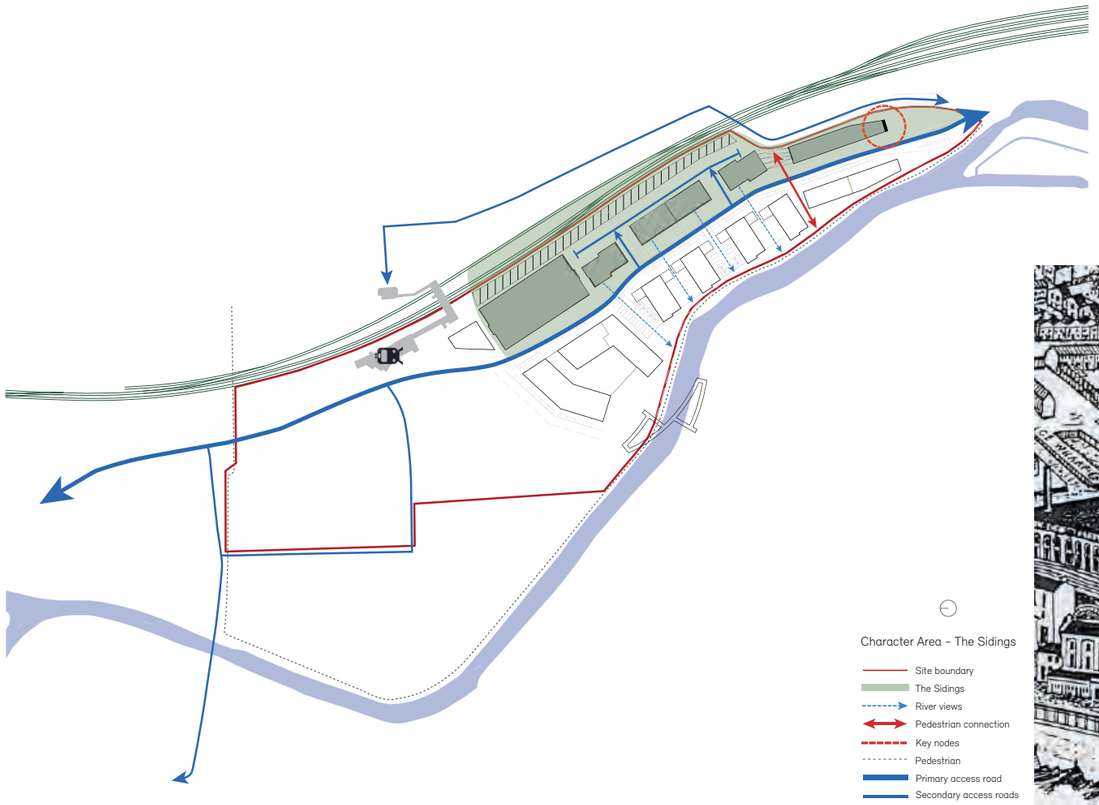
POTENTIAL REFERENCES

11.4 The Sidings



Refining the Character Area
The Sidings provides the opportunity for this area of the site to have a closer relationship the railway past and present. The linear land form between the rail and street allows for honest robust buildings along its length.

The sidings character area is located at the Southern end of the masterplan and runs North - South acting as a buffer between the railway line and North- South route. This area forms the entrance gateway to the Southern end of the site. The sidings area is envisioned to be a long linear character area with taller buildings, the majority of which are apartments lining the road. These buildings will have a high level of uniformity in scale height and building line. As with the station square character area the sidings buildings will also accentuate that this is a transient area that is 'passed through'. There is a strong relationship with the station and the architecture reflects the warehouse typologies of railway and warehouse buildings. The buildings frame parking and landscaped courts.

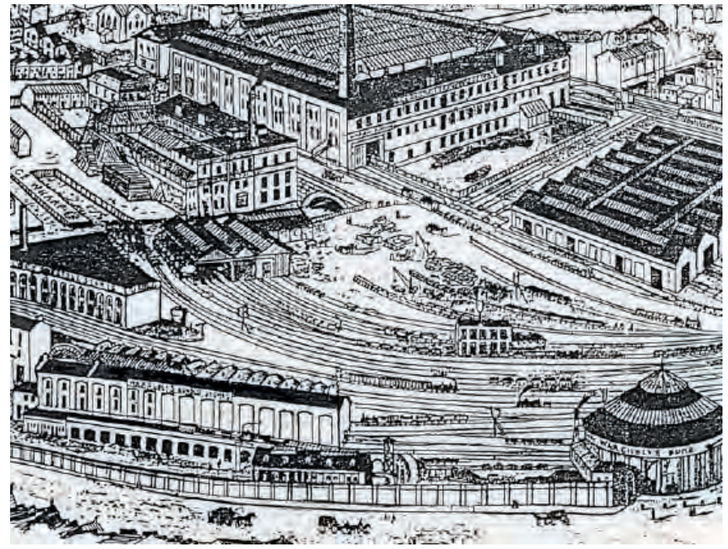


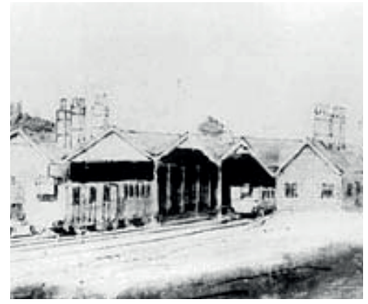
SIDINGS DIAGRAM (CONSENTED 2018)

Constraints of the redefined southern site:
— Railway noise source.
— Aspect / view to the railways.
— Existing pedestrian railway bridge.
— Maintenance distance to be accommodated from the boundary line.
— Car parking.

Opportunities:
— Potential to establish a visual connection with the signal box.
— Opportunity to maximise double aspect homes.
— Ability to enhance views to and from the River Stort.
— Possibility to use form of building to help way finding to and from the station.
— Potential to create a positive arrival experience to Bishop's Stortford by Rail.
— Opportunity to accommodate station car parking flanked by residential buildings.
— Possibility to provide views to railway and riverside.
— Potential to enhanced Good's Yard character along railway edge.

SIGNAL TOWER AT BISHOP'S STORTFORD TRAIN STATION





BISHOP'S STORTFOR'S FIRST STATION IN THE 1840S

DU JARDIN MEWS, KARAKUSEVIC CARSON ARCHITECTS

BRENTFORD LOCK, DUGGAN AND MORRIS ARCHITECTS

PARADISE GARDENS, LIFSCHUTZ DAVIDSON SANDILANDS ARCHITECTS

11.4.1 The Sidings

Key Elements of the Sidings (Plot F)
The key elements define the character of this area. The diagrams, part elevations and reference images shown give an indication of the design intent to date. These will continue to evolve with further technical input through to planning submission.

Buttress detail
As previously mentioned there is a strong relationship with the station and the architecture reflects the warehouse typologies of railway and warehouse buildings. We have introduced buttress elements, as shown in the drawings below, that reinforce this and correspond to the patterning to railway arches.

Balconies
The balcony strategy for the sidings is to provide solid inset balconies for facades fronting the railway, providing both visual and acoustic privacy in this location.
The balconies facing the spine road maybe part inset and part projecting.

Materials
Building facades in this character area will reflect the railway heritage of the site. The predominant material throughout this character area is brick. Brick detailing that enhances the buttress is proposed for this character area.

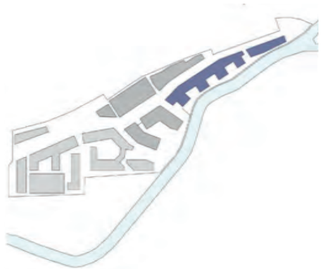
Roofscape
Building heights in the Sidings character area range between 5 and 6 storeys (including the roofspace). The roofspace is used to reduce the perceived scale of the block. Inhabited roof-space reduces the perceived building height and activates the building edge. Skylight windows create variation in the elevation along with terraces 'carved out' within the roof form providing private amenity space to the upper floors.

BLOCK F (GABLE END) SKETCH ELEVATION

BLOCK F (STREET SIDE) SKETCH ELEVATION

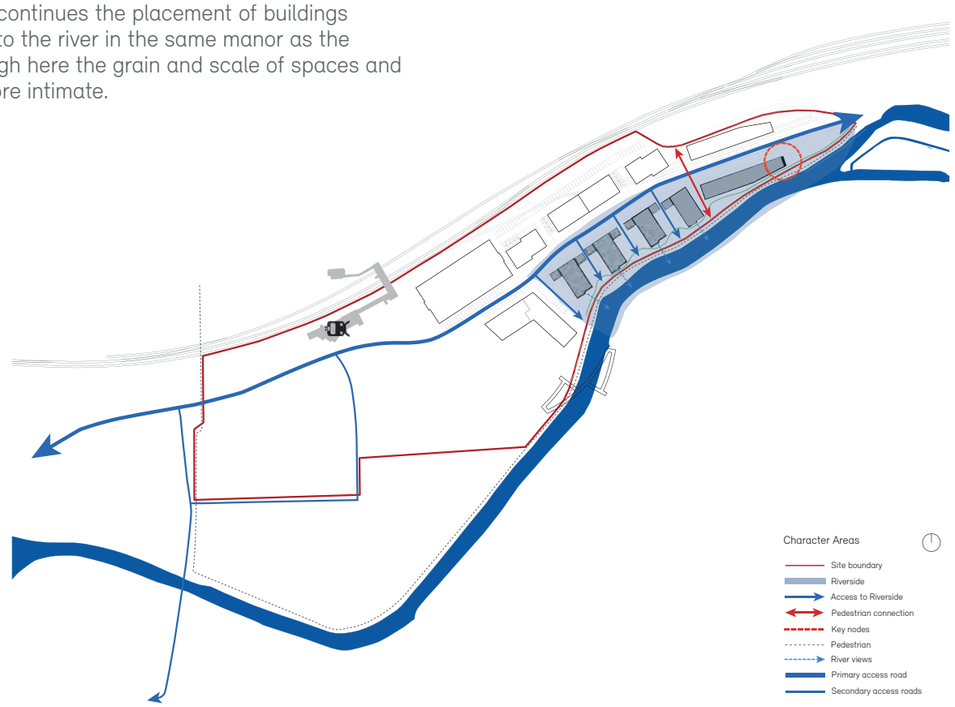
POTENTIAL REFERENCES

11.5 The Riverside



Refining the Character Area
The Riverside character area is located at the southern end of the Bishop's Stortford Goods Yard development. It is unique in that it encompasses only one line of buildings which face out onto the river. The riverside is envisioned as a residential area with building typologies and materials reflecting the adjacent Maltings buildings. The buildings range in height from 5 storeys at the north end adjoining the Maltings buildings to 3 storeys housing at the southern end. As with the Maltings character area the Buildings form courtyards facing the river edge and are used to frame the views of the river and landscaped riverside park.

The Riverside continues the placement of buildings running down to the river in the same manor as the Maltings, though here the grain and scale of spaces and buildings is more intimate.



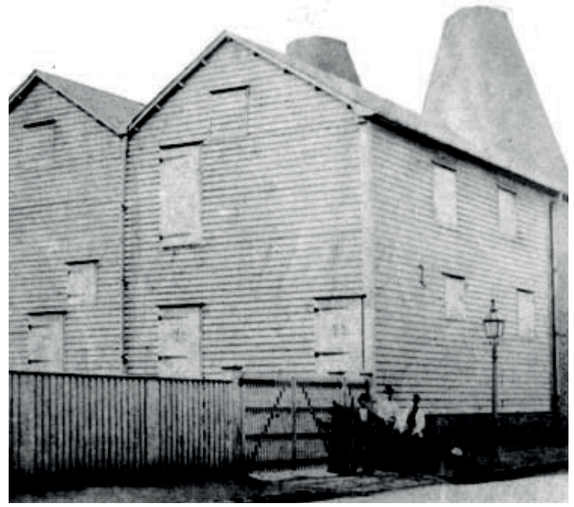
RIVERSIDE DIAGRAM (CONSENTED 2018)

Constraints of the redefined southern site:
— Redefine the site boundary means a single sided frontage for the southern section of the new road
— New carriage way has been constructed
— Temporary road intersections
— The shape of the site being long and narrow
— Site contours, flood zone

Opportunities:
— Ability to create and define a new footpath and on-street car parking along with the landscape edge
— Close proximity to and views of The Maltings buildings
— Opportunity to provide quality green landscape public place
— Potential to accommodate half-basement parking, taking advantage of the level difference between New Road and River Stort
— Potential to enhance riverside pedestrian and cycle paths alongside river front, swale and wetland landscaping
— Potential for new contour to create movement through landscaping, stepping down to the riverside
— Levels provide opportunity to define public and private open space
— Opportunity to re-imagined entrance to the Good's Yard from London Road
— Potential to enhance overlooking to the riverside path, providing a natural surveillance and safe environment
Potential Develop-able Area of Plots D and E

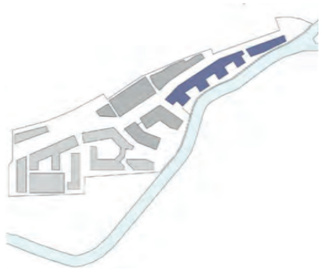
BISHOP'S STORTFORD SMALL SCALE HISTORIC BUILDINGS

BISHOP'S STORTFORD SMALL SCALE HISTORIC BUILDINGS



BISHOP'S STORTFORD HISTORIC MALTINGS
LOCAL REFERENCES

11.5.1 The Riverside



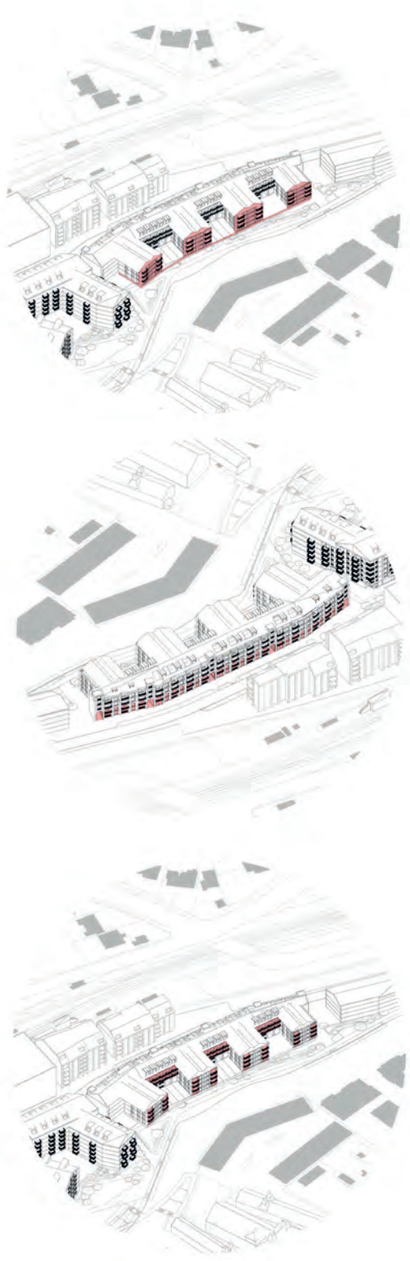
Key Elements of the Riverside (Plot D and E)
The key elements define the character of this area. The diagrams, part elevations and reference images shown give an indication of the design intent to date. These will continue to evolve with further technical input through to planning submission.

Garden Wall and Gables (Plot D)
The riverside is defined by a 'garden wall' marking the edge between private demise to the new buildings and the public tow-path and swale. The riverside wall wraps either end of the block stepping up to form the gable ends. The transition of the wall on the public roadside takes the form of a series of arches.

Arches (Plot D)
The roadside elevation creates a narrative around old railway structures with reference to railway arches historic buildings on Water Lane in Bishop's Stortford. Arches may be created over entrance ways through to courtyard gardens and picked up through lintels and detailing along the facade.

Balconies
The balconies facing the river will project allowing wide views along the river edge and tow-path. To the roadside it is anticipated balconies will be partly inset to provide visual and acoustic privacy along the public edge and location to the railway sidings.

Roofscape and Dormers
The gable ends to the building wings facing the river have split gables, adding variety to the roofscape along the river edge and helping reduce the roof height. There will also be a series of dormers, some set back and some inset within the roofscape.



RIVERSIDE SKETCH PART ELEVATION

STREET SKETCH PART ELEVATION

POTENTIAL REFERENCES

12 Conclusion

The material presented at this stage is a reflection of our engagement and consultation to date, with a view to illustrate and indicate our intent and the design direction for the Goods Yard. At the next stage, we welcome the opportunity to explore and progress these themes as we engage further and develop the design towards a new planning application.

The proposed scheme will provide a combination of residential, commercial and multi-use shared facilities for the residents of Bishop Stortford that will be inviting to the widest cross-section of the local community. It will provide major local regeneration and much needed homes for local people. It responds to the brief and key issues raised during consultation and will provide a safe and secure environment in which to work and a stimulating and inclusive place in which to live. It will make a significant visual improvement to the area, and uplift a run-down, as well as increasing and encouraging biodiversity on the site. The residential element will provide high quality accommodation in a part of the town well serviced by transport, shops and other facilities. We are confident that the proposals described in the masterplan will make a wholly positive contribution to the Bishop Stortford and surroundings.

The Goods Yard will be an exceptional place in which to live, work or enjoy a day out. Inspired by the culture and history on its doorstep it will bring together a series of;

— riverside neighbourhoods;
— inspirational architecture;
— landscaping and;
— exemplary community infrastructure;
— it will have exceptional rail links;
— a cycling network and;
— pedestrian friendly streets.

The Goods Yard will be that of a thriving, residential and mixed use community that is physically and socially integrated with the rest of Bishop's Stortford.

It will be a much sought after place in which to live, offering a uniquely convenient address for rail commuters with a wide range of social, community and commercial facilities, all in an exceptional setting.

Its layout and design will reflect its proximity to the High Street and the River Stort. We expect that it will also become a visitor destination in its own right, complementing High Street, and thereby significantly increasing the attractiveness and prosperity of Bishop's Stortford. Visitors will be attracted by the new riverside and wharf side cafés and shops, by the new parks and by the continuous riverside walk.

We have substantially developed our Masterplan and related proposals for The Goods Yard during the Pre-application stage, in conjunction with the Council, and its consultants. This has been a very successful and productive partnership and we believe that the proposals in this submission now provide the foundations for an exceptional scheme that will not only fully realise the enormous potential of The Goods Yard but also make a major contribution to the economic prosperity of Bishop's Stortford.

To transform the Goods Yard into a successful place, it must look and feel integrated into its setting. It must respond to the surrounding assets and overcome existing barriers. The resulting urban structure will create the structure for the place to grow and enhance over time.

As set out in the vision statement earlier in the document the masterplan layout illustrates a strong urban structure responding to the key moves to integrate the site into its wider context, including;

1. Enhancing the existing river walk through an improved public realm and landscaping, introducing a range of public spaces and experiences, and enabling longer term connections to extend the river walk to connect to the town centre and station, and to connect to the river walk to the south, which may be developed in the longer term.

2. Creating connections between the historic core and enhanced landscapes, effectively linking High Street to river walk and providing a series of gateway spaces welcoming visitors to The Goods Yard.

3. Introducing several new neighbourhoods, each with fabulous river views, a range of open spaces and all within a few minutes walk to the railway station, local facilities, neighbourhood uses and some of Bishop's Stortford best established and new destinations.

4. Defining a new Urban Avenue with a range of mixed commercial, civic, transport and open space uses and concentration of more urban housing along this accessible and connected route.

5. Providing local streets to reinforce views and access to the river walk, each with a distinctive character defined by a range of bespoke housing typologies developed from building precedents within Bishop's Stortford. Embedded in the plan is a very strong open space strategy, based on creating a series of spaces along the river front.

6. A range of mixed uses will provide for both local neighbourhood needs and destinations for the wider community. The bustling Station Square will have convenience retail, offices, cafés, restaurants and a hotel, offering spill-out areas fronting adjacent open space.

The Goods Yard will become a place established in the hearts and minds of local residents. It will be an extension of the historic core and will contribute to wider area regeneration.

Summary of the benefits of the Goods Yard will include:

— Bringing a brownfield site back into productive use
— Much needed homes in the town centre, including affordable homes
— Car parking for the new homes
— New commercial floorspace
— Dual use retail and health care floorspace
— A new hotel for the town.
— Opening up the riverside.
— New accessible public realm and high quality landscaping.
— A new link road through the site connecting Station Road / Dane Street with London Road.
— Jobs and business opportunities.

Station improvements include:
— A new public station square
— A new bus interchange
— New bus stops and links
— Taxi and drop-off bays
— Increased cycle parking
— New station car parking facilities

Pollard Thomas Edwards

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East Herts Council Report

Executive

Date of Meeting: 8 February 2022

Report by: Cllr Goodeve, Executive Member for Planning and Growth

Report title: Land North West of Buntingford Masterplan Document

Ward(s) affected: Buntingford

Summary

- To enable Executive Members to consider the Masterplan Document for the land North West of Buntingford.

RECOMMENDATIONS FOR Executive to recommend to Council:

(a) The Land North West of Buntingford Masterplan Document, as detailed in Appendix A to this report, be agreed as a material consideration for Development Management purposes.

1.0 Proposal(s)

1.1 In accordance with District Plan Policy DES1, a masterplan document has been produced for the Land North West of Buntingford in collaboration with the Shaping Buntingford Steering Group.

2.0 Background

2.1 The East Herts Approach to Masterplanning was first presented to the District Planning Executive Panel in September 2017 (and

agreed by Council on the 18th October 2017). The report set out a series of steps that describe the various stages involved and processes expected for all 'significant' development sites. Whilst not a one-size-fits-all approach, the process is based upon a collaborative approach to identifying and resolving issues, creating a vision for what the site aspires to achieve, testing design options and consulting upon preferred solutions. The output of this process is a Masterplanning Framework or Masterplan which is presented to members for consideration.

2.2 In order to embed the Masterplanning process, District Plan Policy DES1: Masterplanning requires all 'significant' development proposals to prepare a Masterplan. The significance of development is measured not only on its scale, but on the potential impact on the community and local character. However, paragraph 17.4.1 of the District Plan supporting text suggests that generally a threshold of fifty dwellings or more will apply.

2.3 The masterplan should set out the quantum and distribution of land uses; access; sustainable high quality design and layout principles; necessary infrastructure; the relationship between the site and other adjacent and nearby land uses; landscape and heritage assets and other relevant matters. Furthermore, the Masterplan should be collaboratively prepared and informed by public participation. Finally, Policy DES1 states that in order to ensure sites are planned and delivered comprehensively, any application for development on part of the site will be assessed against its contribution to the Masterplan as a whole.

2.4 The Masterplanning document should therefore provide sufficient information to inform the preparation of detailed aspects of the site at the planning application stage. The level of detail required for the Masterplanning document will depend upon the likely form of delivery of the site. For example, where delivery is expected by one party who has been involved throughout the Plan-making stages, a Masterplanning Document

may be prepared, which provides key parameters and aspirations which form the basis of detailed design determined through a planning application process at a later stage.

2.5 Steering groups have been established for each town in the District to help inform the development of strategic sites allocated in the adopted District Plan and other significant sites that come forward for development. These are comprised of East Herts councillors, town and parish councillors, representatives of the local community and other interested groups, where appropriate. The Steering Group is a sounding board for key issues and, depending upon specific circumstances, for discussing detailed design elements whilst preparing the planning application through to when construction is underway. The land North West of Buntingford is the first site to undertake the masterplanning process in Buntingford. The Shaping Buntingford Steering Group was established in March 2021 and has been used to progress the Masterplan Document.

3.0 Reasons

3.1 The Land to the North West of Buntingford is a 'windfall' site, not a site that was allocated in the District Plan. It is located within the town's settlement boundary and as such the principle of residential development on the site is acceptable, in accordance with District Plan Policies *DPS2 The Development Strategy* and *Bunt1 Development in Buntingford*. The supporting text to Policy Bunt 1 sets out that additional homes provided in Buntingford should encourage sustainable transport modes; consist of a mix of dwelling types and sizes including bungalows; and deliver affordable housing to meet local needs. Policy HD1 of the Buntingford Neighbourhood Plan (2017) also confirms that residential development is acceptable in principle within the town's settlement boundary, subject to impact on local character and landscape character. The site is sustainably located, within walking distance of the town's local facilities.

3.2 The masterplan document has been developed collaboratively. Over eight months the steering group has worked with Pigeon to ensure that the masterplan will create a high-quality and landscape led scheme that relates well to adjoining development and the wider town. The design framework for the site responds to the policy requirements in both the District Plan and Buntingford Neighbourhood Plan; and has been established as a result of an analysis of constraints and opportunities, through discussions with officers, Shaping Buntingford Steering Group, the local community and other stakeholders.

3.3 The Masterplan document, as set out in **Appendix A,** sets out a vision for the site supported by a series of principles to deliver around 55 homes alongside landscaping and amenity space to provide an attractive green approach to the northwest of Buntingford. The development will promote sustainable, low carbon development, incorporate 40% affordable housing and include a range of heights and densities. The masterplan includes new walking and cycling connections and allows access to Hertfordshire County Council's land to the south of the site, in order to facilitate potential future education or open space use.

3.4 In terms of on-site matters, the site will include open space (including an amenity area around the retained oak tree and a wildflower meadow to the north of the site), landscaping and Sustainable Urban Drainage (SuDs). It is not required to make other on-site community provision, but will contribute towards other local provision through S.106 agreement in due course through the planning application process.

Engagement

3.5 Throughout the masterplan process a number of meetings have taken place with officers and Pigeon. Pigeon have also liaised with relevant stakeholders on a number of issues such as access, drainage and in relation to noise from the A10.

3.6 Four meetings with the Shaping Buntingford Steering Group has allowed for the open debate of issues. It comprises district and town council representatives and Hertfordshire County Council officers. Suggestions relating to noise from the A10, visual impact and design of development, affordable housing and pedestrian linkages have influenced design of the Masterplan. These issues, alongside local S106 contributions will be further considered at the planning application stage.

3.7 The developers engaged with the Hertfordshire Design Review Panel on 27th September 2021 and the contents of the draft Masterplan were positively received. Suggestions from the Panel to enhance pedestrian and cycle links to adjoining development, increase the provision of open space and set development back from the A10 to address noise concerns have been incorporated into the scheme.

3.8 Public consultation has taken place through a consultation website, which was available for three weeks in September and October 2021. The consultation website was advertised via a leaflet that was distributed to around 350 homes within a consultation zone agreed by Ward and Town Councillors and also advertised via the Buntingford Town Council website and Facebook page. In addition to being able to engage with the masterplan via the website, the consultation leaflet also included contact details for anyone who was unable to access the website.

3.9 There were 34 responses to the public consultation. The main points raised relate to:

- Concern about traffic congestion and for transport improvements associated with the Redrow scheme (housing development adjoining site) to be delivered;
- Impact on social infrastructure (healthcare and education);
- The relationship of the development to the A10;
- Provision of affordable housing;
- The need for sustainable construction;
- Support for the provision of bungalows.

3.10 Many concerns have been addressed in the final Masterplan Document through changes to the layout, to reposition buildings away from the A10; commitment to sustainable construction and the delivery of a mix of tenures and house types. Other issues raised will be addressed at the planning application stage, including design detail and S106 contributions towards community facilities. The transport improvements in relation to the Redrow Scheme are progressing and will be completed in accordance with Hertfordshire Highways' requirements.

Conclusion

3.11 With the adopted District Plan in place, it is important that the Council can continue to demonstrate a delivery of 5 years housing supply. It is therefore important that, while maintaining flexibility, the Masterplanning Framework should provide sufficient breadth of information to guide both future developers and, importantly, decision-makers. An agreed Masterplan Document will be a material consideration in the decision-making process and is key to ensuring that any planning application should meet the Council's aspirations.

3.12 It is the view of Officers that this Masterplan Document provides a good basis upon which to move forward to preparing a detailed application. It provides a suitable framework for the main issues of significance in relation to the proposal, whilst providing enough flexibility that further detail can agreed at appropriate stages as application proposals are worked up, as necessary. Officers will continue to work with Pigeon and other stakeholders to ensure that the best possible quality design is achieved on this site.

3.13 It is therefore recommended that the Masterplan Framework, as detailed at **Appendix A**, be agreed as a material consideration for Development Management purposes.

4.0 Options

4.1 The Council could choose not to approve the Masterplan Document. However this would be contrary to District Plan Policy DES1. It would also mean that when determining the application, the Council would not be able to take account of the design framework agreed in collaboration with the steering group and stakeholders. This is likely to have a detrimental impact on design quality and community engagement.

5.0 Risks

5.1 If the scheme progresses to the planning application stage without a Masterplan, it will be contrary to the District Plan.

6.0 Implications/Consultations

6.1 The masterplanning process includes public engagement and steering group meetings with members and local representatives. This is explained above in more detail.

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

The Masterplan Document incorporates design principles that address environmental sustainability.

Financial

No

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

No

Specific Wards

Buntingford Ward

7.0 Background papers, appendices and other relevant material

7.1 Appendix A: Land North West of Buntingford Masterplan Document

Contact Member

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Land North West of Buntingford

MASTERPLAN DOCUMENT

DECEMBER 2021

Pigeon

Investment Management

Land North West of Buntingford

This masterplan document has been collaboratively developed with East Herts Council, Buntingford Town Council and other key stakeholders to ensure the delivery of a high quality, beautiful and sustainable place on Land North West of Buntingford.

The masterplan presents a site and context appraisal, assessment of relevant policies, design principles and a clear design 'vision' that will help to guide future planning applications and ensure best use is made of this sustainable site in accordance with the agreed design vision.

Contents

1.0 Vision

2.0 Planning Policy Context

3.0 Site in Context: Strategic Location

4.0 Site in Context: The Site

5.0 Sustainable Location

6.0 Connectivity

7.0 Character Assesment

8.0 Site Opportunities and Considerations

9.0 Sustainable Construction

10.0 Design Evolution

11.0 Masterplan Engagement

12.0 Design Framework

13.0 Landscape Strategy

14.0 Illustrative Layout

1.0 Land North West of Buntingford Vision

This masterplan document has been collaboratively developed with East Herts Council, Buntingford Town Council and other key stakeholders to ensure the delivery of a high quality, beautiful and sustainable place on Land North West of Buntingford. By setting out a vision and key design principles, the masterplan aims to ensure the delivery of a high quality sustainable scheme that will enhance the local area and provide beautiful places to live, in accordance with the updated National Planning Policy Framework and policy DES1 (Masterplanning) of the East Herts District Plan.

Design Vision

The design vision for Land North West of Buntingford is to create a high quality, landscape and design-led scheme for around 55 new homes (including 40% affordable homes), together with amenity space, landscaping and all associated infrastructure, that provides an attractive green approach to the northwest of the town through appropriate landscape design and new tree and hedgerow planting along Neale Drive, whilst providing attractive green spaces with native planting that create a strong landscape framework for the site. New homes will be in keeping with the local vernacular and will reflect the character of the surrounding area. The scheme will be designed to integrate with the existing homes to the east and will provide high levels of connectivity to encourage active travel (cycling and walking). New homes will adopt a dwelling-centric, fabric first approach which locks in carbon-savings for the life of the building with opportunities for renewable energy technologies to achieve further carbon savings; and electric vehicle charging points and water efficient measures provided to encourage sustainable living.

The design vision will be delivered through provision of the following key elements:

High Quality Beautiful Design

- Create a beautiful traditional style scheme in keeping with the local vernacular, incorporating a materials palette that reflects local character.
- Provide a high-quality approach to the northwest of the town, through landscape design and new tree and hedgerow planting along Neale Drive, to create a sense of arrival.
- Incorporate new hedgerow and tree planting throughout in order to provide a beautiful setting for new homes.
- Create a range of building types, heights and densities that respond positively to the site's topography and landscape features.
- Dual aspect buildings on key corner plots.
- Position buildings in order to mitigate potential noise from the A10 (buildings fronting onto the A10 and private amenity space to the rear).
- Create an east-west green corridor incorporating the existing oak tree in the southern part of the site.
- Provision of an attractive public realm through the use of appropriate surface treatments, street tree planting and soft landscaping.

Movement and Connections

- Provide for a well-connected site and create a place that encourages active travel (cycling and walking) over car-based trips.
- Provide for cycle and pedestrian links with the town centre and the neighbouring scheme, including provision of a new cycle and pedestrian link with Baker Drive.
- Provide for an access to the Hertfordshire County Council land to the south in order to allow for its potential future use for education/sport and recreation.
- Provide active frontages within the scheme to influence driver behaviour and create a traffic calmed environment for residents.

Landscaping and Green Space

- Provide a high-quality approach to the northwest of the town, through appropriate landscape design and new tree and hedgerow planting along Neale Drive.
- Adopt a landscape-led approach that integrates with the proposed green space to the east of the site and retains existing landscape features.
- Provide attractive green spaces with native planting in order to create a strong landscape framework.
- Retention and reinforcement of existing landscape features, including the creation of an east-west green corridor incorporating the existing oak tree in the southern part of the site.
- Deliver a biodiversity net gain through appropriate planting that encourages wildlife, including planting within sustainable drainage features.
- Incorporate new hedgerow and tree planting throughout in order to provide a beautiful setting for new homes.
- Creation of an area of species rich wildflower meadow planting in the northern part of the site, providing opportunities for informal recreation and the creation of new wildlife habitat.
- Provide access to proposed green spaces to the east including provision of a green link with Baker Drive.

Sustainability

- Provide new homes that adopt a dwelling-centric, fabric first approach which locks in carbon-savings for the life of the building with opportunities for renewable energy technologies to achieve further carbon savings.
- Provide for electric vehicle charging points in safe and accessible locations.
- Design buildings to minimise the use of mains water through the inclusion of water efficient appliances and rainwater harvesting.
- Provide secure and weatherproof cycle parking and storage facilities for all homes.

2.0 Planning Policy Context

The National Planning Policy Framework (NPPF) 2021

Relevant national planning policy is set out in the National Planning Policy Framework (NPPF), which was first published in March 2012, and most recently updated in July 2021. The purpose of the planning system is to contribute to the achievement of sustainable development, with emphasis on three key objectives: social, economic and environmental sustainability. At the heart of the NPPF is a presumption in favour of sustainable development, as set out in Paragraph 11.

Section 12 of the NPPF addresses design matters, with Paragraph 124 explaining that "good design is a key aspect of sustainable development, creates better places in which to live and work and helps make development acceptable to communities." It also highlights that "**the creation of high quality, beautiful and sustainable buildings and places is fundamental to what the planning and development process should achieve**". Paragraph 130 further details design objectives that new development is expected to meet:

1. function well and add to the overall quality of the area, not just for the short term but over the lifetime of the development;
2. visually attractive as a result of good architecture, layout and appropriate and effective landscaping;
3. sympathetic to local character and history, while not preventing or discouraging appropriate innovation or change;
4. establish or maintain a strong sense of place;
5. optimise the potential of the site to accommodate and sustain an appropriate amount and mix of development;
6. create places that are safe, inclusive and accessible and which promote health and well-being.

East Herts District Plan, 2018

The Land North West of Buntingford falls within the 'Buntingford Settlement' where policies BUNT1 and DPS2 apply. Policy DPS2 of the District Plan confirms that residential development within settlement boundaries is acceptable in principle.

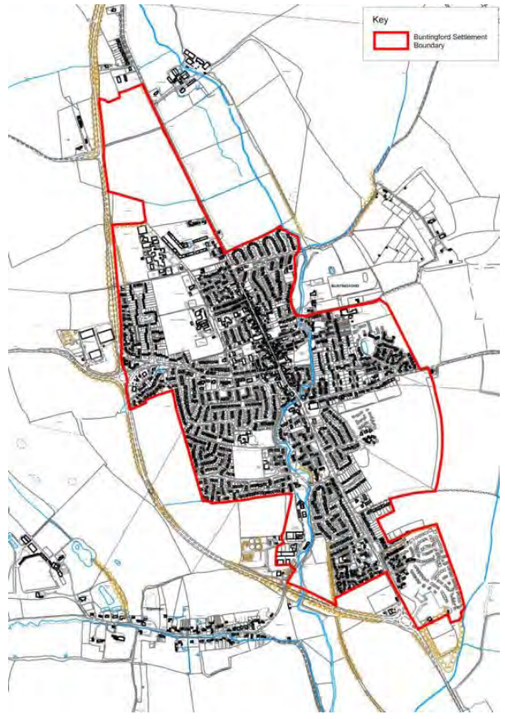
The explanatory text for policy BUNT1 notes that:
"…additional homes will be provided which will consist of a mix of dwelling types and sizes, including bungalows and specialist retirement accommodation, to ensure that Buntingford's population is able to access a balanced housing market catering for all life stages. The provision of affordable housing as part of new residential and mixed-use development schemes will allow emerging households to be able to remain living in Buntingford in accommodation suited to their needs".

Policy DES1 (Masterplanning) introduces a requirement to prepare a Masterplan setting out the quantum and distribution of land uses; access; sustainable high quality design and layout principles; necessary infrastructure; the relationship between the site and other adjacent and nearby land uses; landscape and heritage assets; and other relevant matters

Buntingford Neighbourhood Plan, May 2017

The site's location within the settlement boundary is also confirmed in the Buntingford Neighbourhood Plan – where Policy HD1 confirms that new housing development (which it is inferred also includes class C2 development) is acceptable in principle, subject to such development meeting the following criteria:

- All new developments should be sensitive to the landscape and be of a height that does not impact adversely on views from the countryside. Where appropriate an LVIA will be required (policy HD2);
- Green energy principles will be encouraged and supported (policy HD3), and
- New housing design should respect the rural / semi-rural character of the area, having regard to the design code (policy HD4 / Appendix 4) and reflect local housing needs in terms of mix and tenure (according to the SHMA and other up-to-date evidence) (policy HD7)



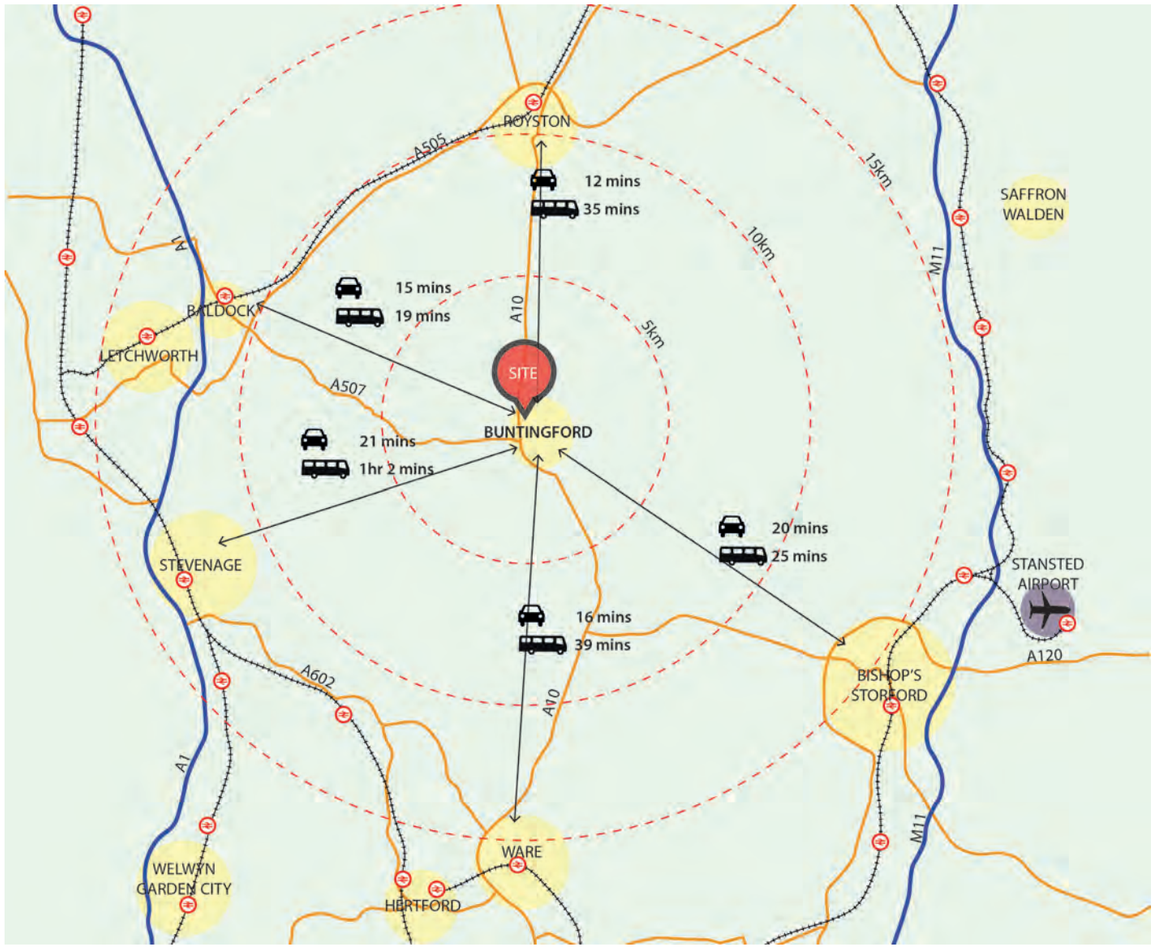
Buntingford Neighbourhood Plan, May 2017

3.0 Site in Context: Strategic Location

Buntingford is located at the centre of a large rural area in the northern half of the District. The town has developed in a valley setting astride the River Rib and the Roman Road Ermine Street.

Being surrounded by an extensive rural hinterland enables Buntingford to function as an important rural service centre for the outlying villages in the north of the District and it has an extensive range of services and facilities that serve the day-to-day needs of its residents.

The site is located to the north west of Buntingford on land to the east of the A10 and west of Ermine Street.



4.0 Site in Context: The Site

THE SITE

The site consists of two parcels of land, north and south of Neale Drive. The A10 runs along the western boundary and the recently completed Redrow Homes scheme at Ermine Street lies to the east.

The site consists of vacant land with boundary hedgerows and trees. The southern parcel features a mature oak tree, which will be retained as part of the scheme.

Views of the Site

Site Location

5.0 Sustainable Location

Buntingford functions as an important rural service centre for the outlying villages in the north of the District. It has a vibrant local community demonstrated by the numerous clubs and societies that are active in the town and it has an extensive range of services and facilities that serve the day-to-day needs of residents, within easy walking and cycling distance of the site.

Buntingford Library

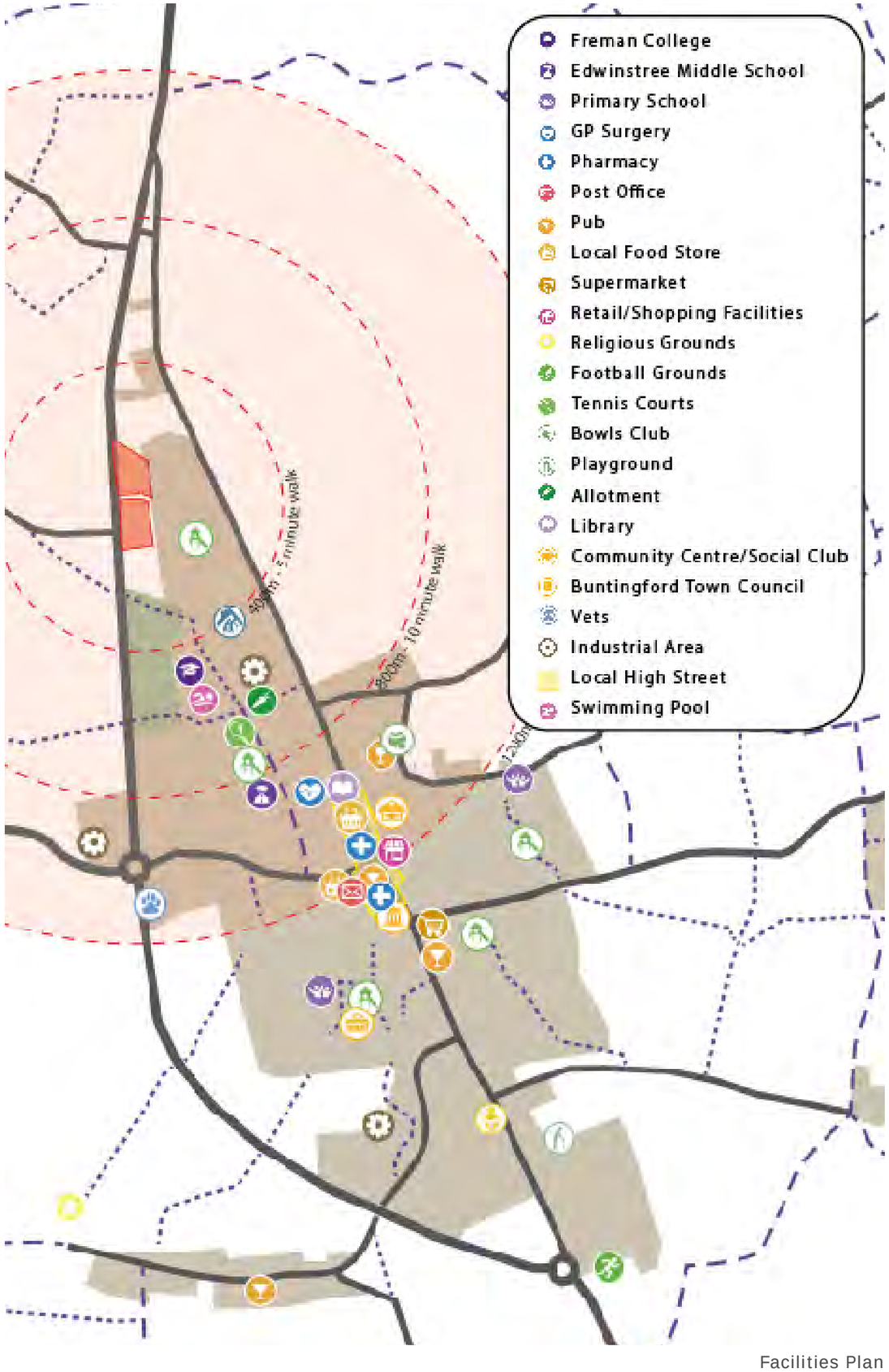
Large Co-Op near the High Street

Playground less than 200m from the site

St Peters Church

Pharmacy in the centre of the town

One of the pubs within the town



Facilities Plan

6.0 Connectivity

The site is located in a highly sustainable location within easy walking and cycling distance of the town centre and associated services and facilities. A 3m shared foot/cycleway on the northern side of Neale Drive provides a safe and convenient link with existing cycle and pedestrian infrastructure on Ermine Street.

Arriva busses provide services in and around Buntingford that connect with Hertford, Ware and other local towns and villages. Proposed bus stops on Neale Drive are located immediately adjacent to the site.

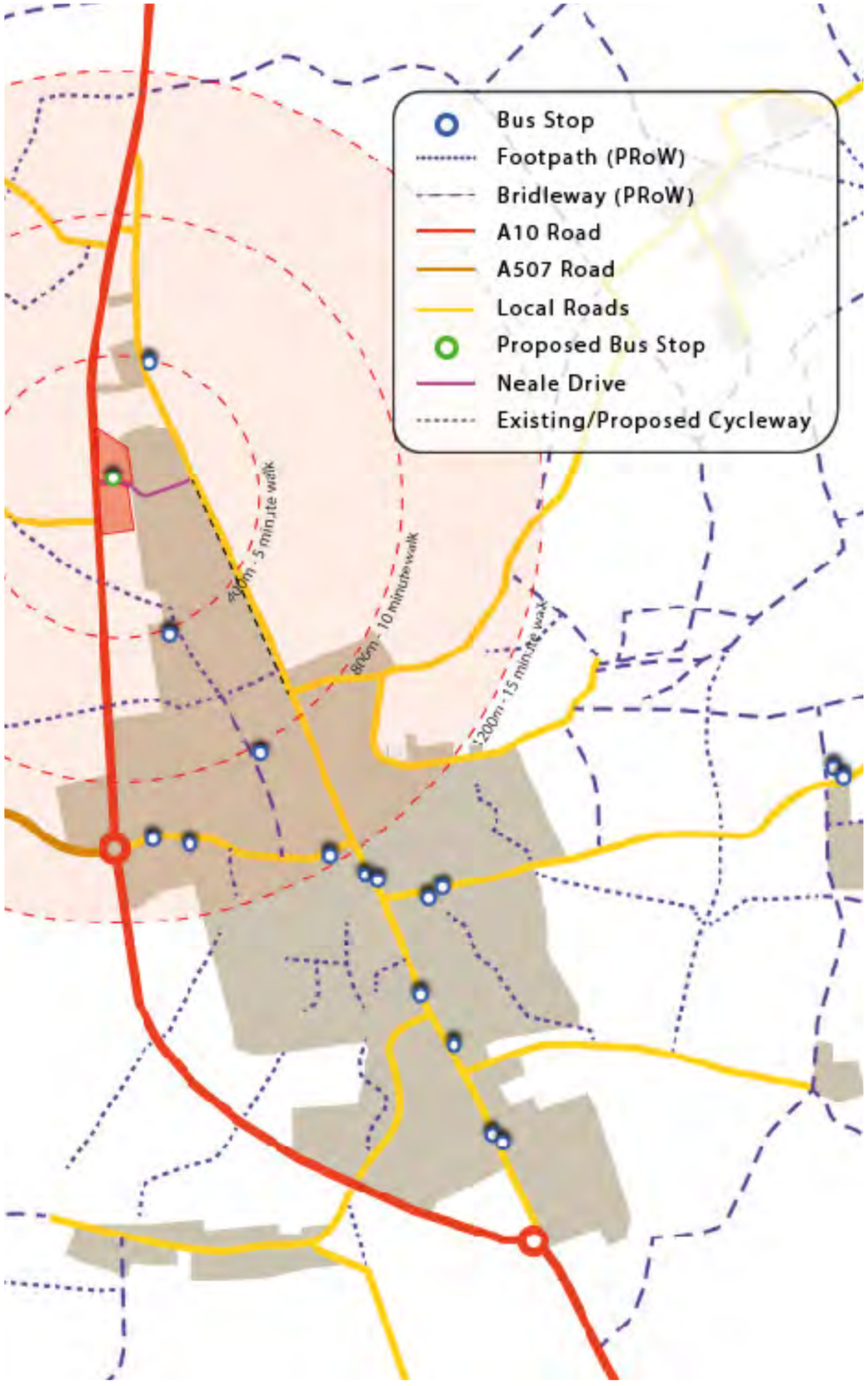
The Connectivity and Movement Plan diagram shows the site in the context of the existing public rights of way network, showing potential off-road walking routes, including Footpath 35, which provides a link onto Bowling Green Lane to the south.

View along Ermine Street looking north

Buntingford PRoW network

Public right of way from Ermine Street

Bus stop along the High Street



Connectivity & Movement Plan

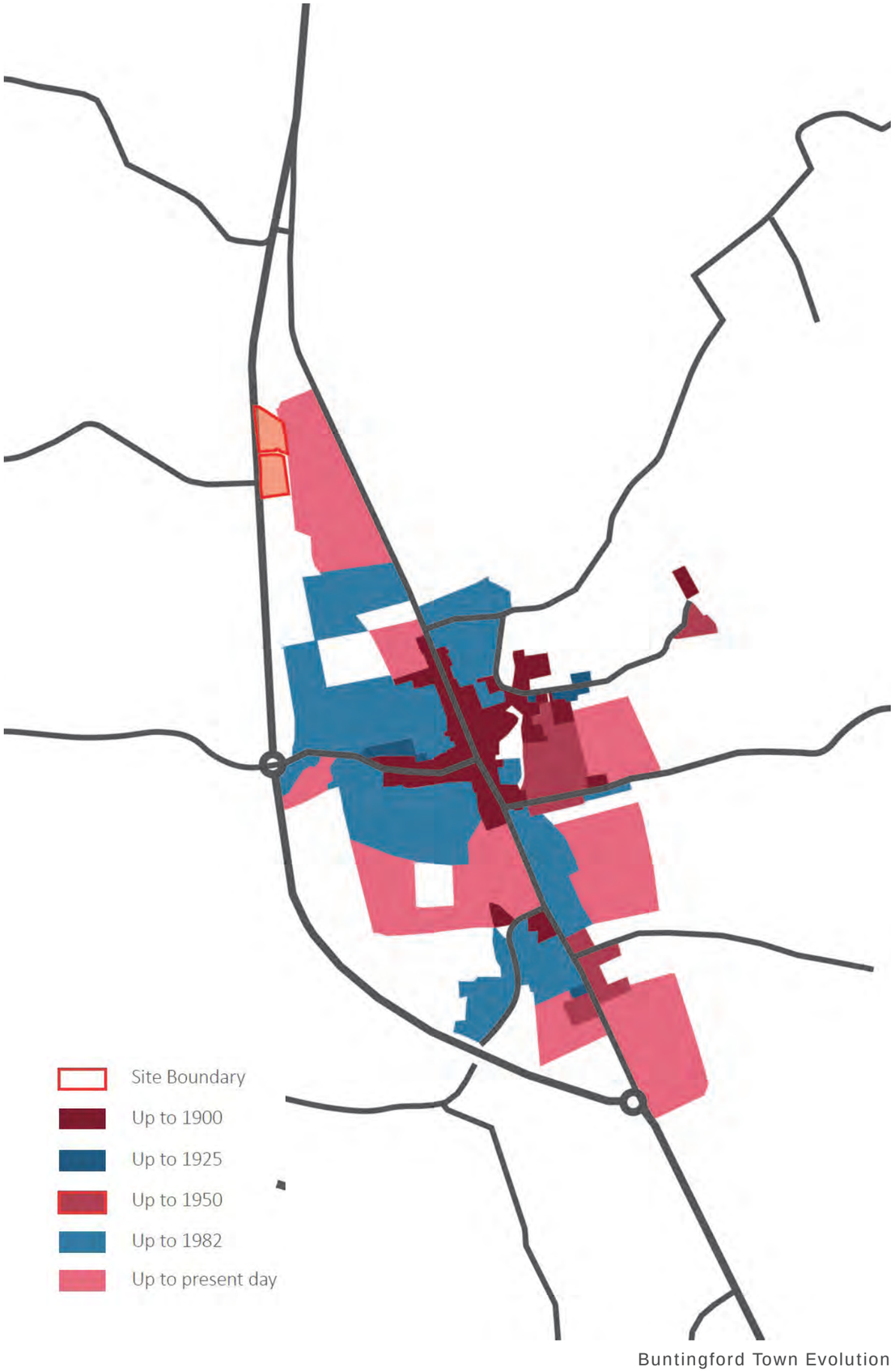
7.0 Character Assessment

The town has a varied roof line, particularly along the High Street within the historic core. There are a mix of housing types and the scheme will be designed to reflect this variation.

Other notable features that are present within the town are historic frontages with a large opening for movement and vehicles and predominantly portrait orientation windows

The character of the site itself is also heavily influenced by the recent Redrow Homes scheme to the east.

The photographs below provide examples of some of the architectural styles within the Town. The Buntingford Town Evolution diagram shows the evolution of the Town with the historic core shown in maroon and more recent schemes, including the Redrow Homes scheme to the east of the site, shaded pink.



Buntingford Town Evolution

8.0 Site Opportunities and Considerations

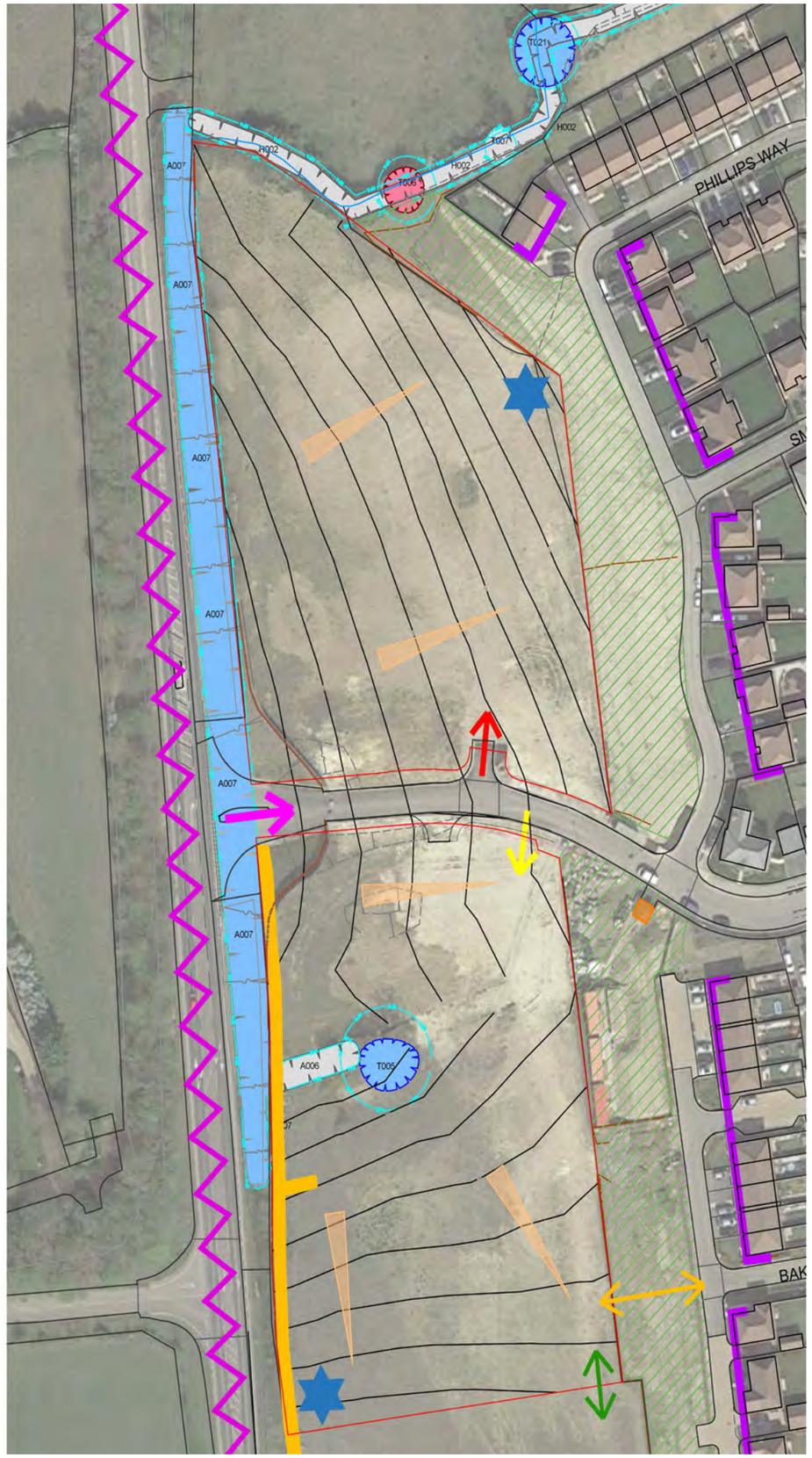
The Opportunities and Considerations diagram provides a summary of the key considerations for the site and its surrounding context, based upon detailed site surveys and analysis that have been undertaken to inform the master planning process.

The diagram also identifies site opportunities that have helped to inform the evolving design. These include the existing oak tree within the southern parcel and access from the A10.

View from the new access point from the A10, looking east

View west looking at the category B oak tree in the middle of the southern parcel

- Site Boundary
- Access from A10 - new northern gateway to town
- Main access point into the northern parcel
- Potential access point into southern parcel
- Potential pedestrian & cycle connections
- Potential all traffic access to the sports & recreation land
- Sub station
- Adjacent landscape features from Redrow scheme
- Category B tree
- Category B hedgerow
- Category C hedgerow
- Category U hedgerow
- Root protection area
- Existing development frontage which overlooks the site
- Topography contours (5m intervals)
- Direction of slope
- Lowest point of the site- potential area for SuDs
- A10 noise
- Alignment of cable & easement
- Fence



Opportunities and Considerations Diagram

9.0 Sustainable Construction

- The scheme will be designed to function as a highly sustainable addition to the Town, utilising existing footpath links and providing new foot and cycleway connections to maximise the potential for people to walk and cycle along attractive routes, providing connectivity with key destinations within Buntingford.
- The scheme will create a Green Infrastructure network incorporating existing landscape features, new landscaping and SuDS features, which will be designed to provide new habitat.
- All new homes will include a dwelling centric, fabric first approach which locks in carbon savings for the life of the building.
- Further carbon savings through building centric, renewable energy technologies will be confirmed during the detailed design process, including installation of carbon saving technology such as photovoltaic (solar) panels and air source heat pumps.
- Provision will be made for electric vehicle charging points in safe and accessible locations as part of the detailed design, in accordance with planning policy.
- Buildings will seek to minimise the use of mains water through the inclusion of water saving measures and equipment (i.e. water efficient appliances) and rain water harvesting. New homes will be designed so that mains water consumption will meet a target of 110 litres or less per head per day and opportunities to include grey water recycling will be considered as part of its detailed design.
- During construction a Waste Management Plan will be prepared to identify means of reducing waste, and appropriate methods of disposal of waste to minimise harm to the environment. Post construction, the scheme will make provision for the storage and collection of recycling waste.

10.0 Design Evolution

The following sequence of diagrams show the key principles that have helped to shape the design concept, taking into account the site context, policy requirements and opportunities and considerations set out in the previous sections.

1. The site today comprises vacant land between the A10 and the recently completed Redrow Homes scheme, which lies to the east. Access is provided from Neale Drive, which runs through the middle of the site. The site will provide an important approach to the town from the northwest and this is reflected in the scheme design.

2. The site is located within the **'Buntingford Settlement Boundary'** where new homes are acceptable in principle, subject to compliance with relevant policies within the East Herts District Plan and the Buntingford Neighbourhood Plan. These policies have been taken into account as part of the design evolution.

10.0 Design Evolution

3. Retention of existing landscape features, including planting along the A10 and the green space to the east of the site are important elements for the scheme design. These features provide a strong landscape framework for the scheme.

4. The **Landscape Framework** will be enhanced through new tree and hedgerow planting in order to create a high-quality green approach to the northwest of the town and provide a beautiful setting for people to live. This includes the retention of the existing oak tree within the southern parcel and the creation of a green corridor in this part of the site.

10.0 Design Evolution

5. In order to **mitigate potential noise from the A10** buildings will be designed to front onto the A10 with private amenity space positioned to the rear of buildings adopting principles of good acoustic design. This requirement begins to create a framework and structure for the buildings.

6. The site falls gently towards the east and southeast. **Sustainable Drainage Features** are positioned within the lower lying parts of the site using the site's existing topography to manage on-site surface water. The site **topography** also provides an opportunity to consider single storey buildings within the northern part of the site and 2-storey buildings and apartments elsewhere.

10.0 Design Evolution

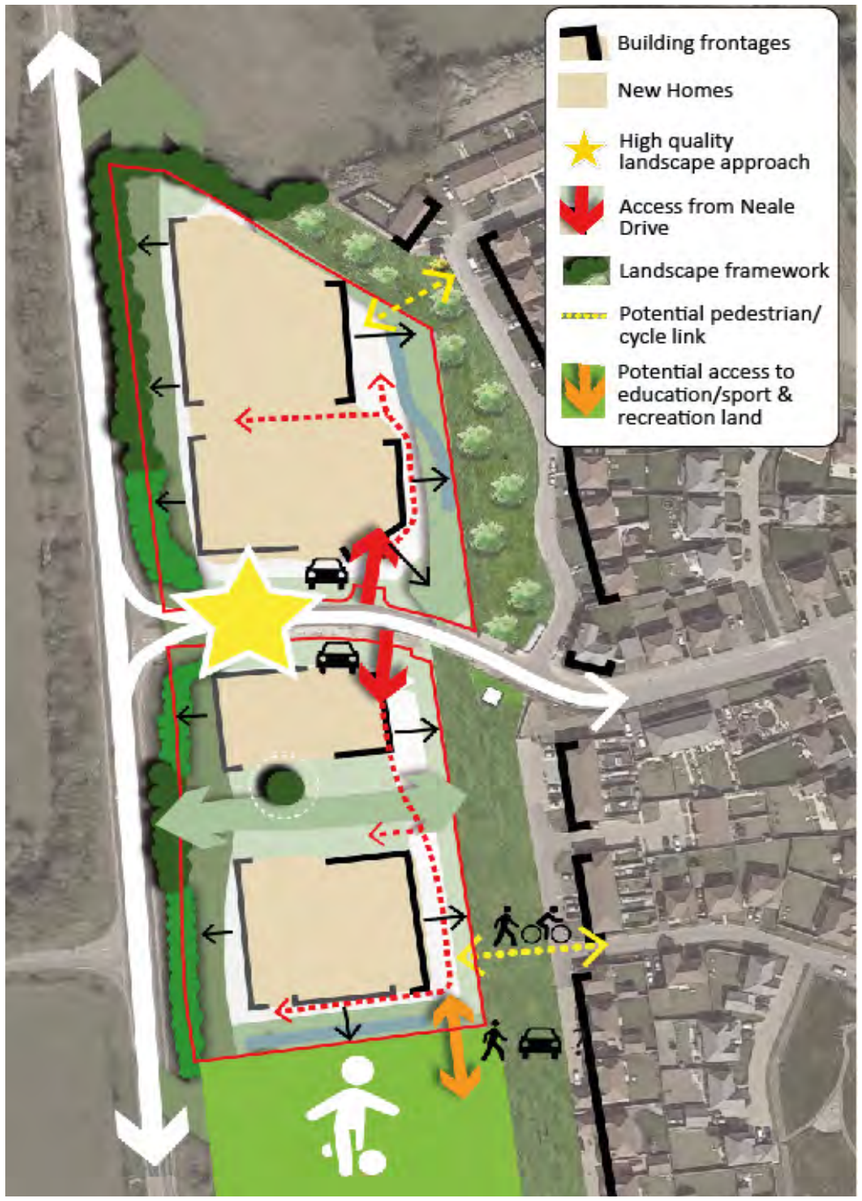
7. The site's location off the A10 to the northwest of the town creates an opportunity to create a **high-quality approach to the northwest of the town**, through appropriate landscape design and new tree and hedgerow planting along Neale Drive, with buildings positioned to front onto the A10, the proposed green space to the east and the land for potential future education/ sport and recreation use to the south.

8. The site topography and surrounding context provide the opportunity to incorporate a **range of building types, heights and densities**, which will help to provide for a range of housing needs, including singe storey homes to meet the needs of an ageing population, whilst responding positively to the site's landform and visual context.

10.0 Design Evolution

9. The main site access is from Neale Drive. In order to **encourage cycling and walking**, the new residential streets will be designed to provide **high levels of connectivity** throughout the scheme. Connectivity will be provided with the shared foot/cycleway on Neale Drive, together with a new cycle/pedestrian link providing connectivity with Baker Drive and the existing community to the east. The scheme also provides for an access to the potential future education/ sport and recreation land to the south.

10. The principles set out within the previous diagrams help to create a **Design Framework** for the site that forms the basis for the Masterplan and design aspirations set out in the following section. The Masterplan will form the basis for the future scheme design.



11.0 Masterplan Engagement

As part of the masterplan preparation a public consultation website was hosted between 7 September and 11 October 2021 to provide the local community with an opportunity to engage in the masterplan and provide comments on how the scheme should be brought forward to ensure the delivery of a high quality, beautiful and sustainable scheme. The consultation website was advertised via a leaflet that was distributed to around 350 homes within an agreed consultation zone and was also advertised via the Buntingford Town Council website and Facebook page. During the consultation there were 303 unique visitors to the website and 34 feedback forms were received. In addition to being able to engage with the masterplan via the website, the consultation leaflet also included a contact telephone number and a postal address for anyone who was unable to access the website.

The following provides a summary of the key messages from the feedback received:

- Support for the principle of development and acknowledgement that it complies with the Buntingford Neighbourhood Plan.
- Support for the creation of a green approach along Neale Drive and the need to "finish-off" the north-western part of the town.
- Support for the provision of bungalows.
- Suggestion that apartments should be positioned adjacent to the A10.
- Comments surrounding the need for new homes and the need for genuinely affordable homes for people living in Buntingford.
- The need to consider the impact of traffic on the town and for highway improvements associated with the Redrow scheme to be delivered.
- The need to ensure that there is sufficient community infrastructure alongside the provision of new homes (NB. improvements towards health and education will be secured at the planning application stage).
- The need to ensure that sustainable construction techniques are considered at the detailed design stage.

The need to consider an access to the HCC land to the south of the site, including the potential for this land to come forward for a Special Educational Needs School.

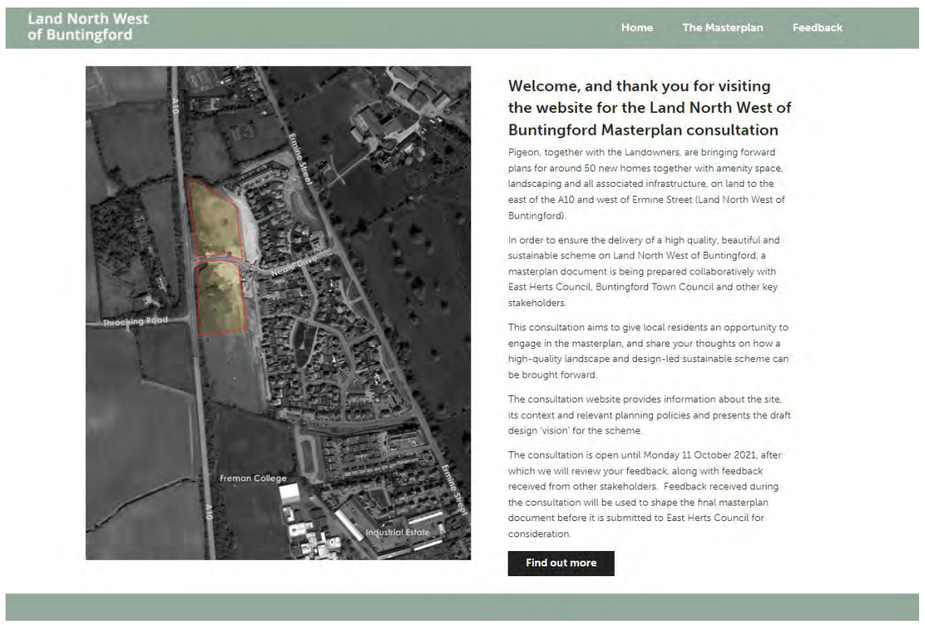
As part of the masterplan preparation, the scheme was also presented to the Hertfordshire Design Review Panel on the 27 September 2021.

Following completion of the formal masterplan consultation and receipt of feedback from the Hertfordshire Design Review Panel, further meetings were held with the Shaping Buntingford Steering Group on 21 October and 7 December 2021. During these meetings, updated draft plans were presented to the Steering Group to enable the masterplan to be finalised prior to submission to East Herts Council.

The key changes to the masterplan that have followed the engagement activities described above are:

- Creating enhanced east-west connections through the scheme to encourage active travel (cycling and walking) over car-based travel.
- Creation of a larger area of amenity space as part of an east-west green corridor around the existing oak tree in the southern part of the site.
- Reconfiguring the southern part of the site to create a more clearly defined southern edge that responds positively to the land to the south.
- Repositioning the apartments in the south-western corner of the site to create increased separation with the A10.
- Relocating car parking for the apartments so that it creates a buffer between the new homes and the A10.
- Introduction of more varied roof heights and building form, together with increased density within the southern part of the site so the scheme better reflects the character of Buntingford.
- Provision of access (including footway provision) to the Hertfordshire County Council land to the south in order to provide for its potential future use for education/sport and recreation.

The feedback received during the masterplan engagement has helped to shape the scheme and is reflected in the updated Design Framework and Illustrative Layout presented in the following sections. All comments received during the masterplan engagement have been fully considered and, where appropriate, have helped to shape the masterplan. Where comments have been received that are not directly related to the masterplan, these will continue to be considered as the scheme is taken forward, as part of a future planning application.



12.0 Design Framework

The Design Framework for the site is based upon the following key design aspirations:

- Provide a high-quality approach to the northwest of the town, through landscape design and new tree and hedgerow planting along Neale Drive;
- Provide attractive green spaces with native planting in order to deliver biodiversity net gain and create a strong landscape framework, including the creation of an east-west green corridor around the existing oak tree in the southern part of the site;
- Position buildings in order to mitigate potential noise from the A10 (private amenity space positioned to the rear of buildings);
- Provide for a well-connected site and create a place that encourages active travel (cycling and walking) over car-based trips;
- Provide for an access to the Hertfordshire County Council land to the south in order to facilitate its potential future use for education/sport and recreation.
- Incorporate new hedgerow and tree planting throughout in order to provide a beautiful setting for new homes;
- Create a range of building types, heights and densities that respond positively to the site's topography, landscape features and visual context;
- Create an attractive traditional style scheme in keeping with the local vernacular, whilst incorporating a high-quality materials palette, which respects local character.
- Provide new homes that adopt a dwelling-centric, fabric first approach which locks in carbon-savings for the life of the building with opportunities for renewable energy technologies to achieve further carbon savings.
- Provide for electric vehicle charging points in safe and accessible locations and design buildings to minimise the use of mains water through the inclusion of water efficient appliances and rainwater harvesting.

The above design aspirations and the Design Framework diagram form the basis of the scheme design, and will help to inform subsequent stages of detailed design.

13.0 Landscape Strategy

The scheme adopts a landscape-led approach with existing landscape features together with new hedgerow and tree planting creating a strong landscape framework.

By conserving and enhancing the site's existing landscape features, the scheme will provide a high-quality approach to the northwest of the town, through appropriate landscape design and new tree and hedgerow planting along Neale Drive.

This landscape-led approach will help to integrate the site with the proposed green space to the east and will help assimilate the scheme into the existing environment and also the wider landscape setting.

Attractive green spaces will be created through native planting in order to create a strong landscape framework for the site. This will include the creation of an east-west green corridor around the existing oak tree in the southern part of the site and the creation of an area of species rich wildflower meadow planting in the northern part of the site providing opportunities for informal recreation and the creation of new wildlife habitat.

New planting and the use of native species together with appropriate planting that encourages wildlife, including planting within sustainable drainage features, will help to deliver a biodiversity net gain, whilst also helping to provide a beautiful setting for the new homes.

All areas of greenspace will be well overlooked by properties to ensure that they are attractive and safe to use.

The proposed green spaces will be designed to provide the following benefits:

- New wildlife habitat and biodiversity net gain;
- Incorporate sustainable drainage systems (SUDS) with appropriate planting to encourage wildlife;
- Create amenity value and a beautiful place for new residents; and
- Provide a high-quality approach, through appropriate landscape design and new tree and hedgerow planting.

Long-term management and maintenance of the public realm will be via an estate management company thus ensuring that all non-private landscaped areas are maintained to a suitably high standard.

SuDS and Wildflower areas

Street Trees

Boundary native tree and shrub planting

14.0 Illustrative Layout

The Illustrative Layout shows how the scheme could be brought forward to deliver the key design aspirations for the site in accordance with the Design Framework. It shows how the site could be brought forward to deliver a high quality landscape and design-led scheme for around 55 new homes (including 40% affordable homes), amenity space, landscaping and associated infrastructure.

The Illustrative Layout shows the creation of a strong landscape framework and how this combined with the provision of an east-west green corridor in the southern part of the site and an area of species rich wildflower meadow planting in the northern part of the site will create a beautiful setting for new homes.

New tree and hedgerow planting along the A10 and Neale Drive provide for a high quality green approach to the northwest of the town, whilst helping to reinforce the site's landscape framework.

The use of appropriate surface materials, street tree planting and soft landscaping, provide for an attractive public realm that provides for high levels of connectivity, encouraging active travel (cycling and walking) over car-based trips. The Illustrative Layout provides for a new cycle/pedestrian link with Baker Drive to the east together with potential links to the proposed green space to the east. Provision is also included for a future access to the education/sport and recreation land to the south.

A range of building types, heights and densities that respond positively to the site's topography and landscape features are shown, including provision for bungalows within the northern part of the site reflecting the character of the existing bungalows on the Redrow scheme to the east, and two storey homes and apartments elsewhere, helping to meet different housing needs.

Dual aspect buildings are shown on corner plots and at key positions in order to provide natural surveillance for existing and proposed areas of amenity space.

Pigeon

Investment Management

East Herts Council Report

Executive

Date:	8 February 2022
Report by:	Councillor Geoffrey Williamson, Deputy Leader & Executive Member for Financial Sustainability
Report title:	Annual Treasury Management Review 2020/21
Ward(s) affected:	None

Summary

The report reviews the Council's treasury management activities for 2020/21, including the prudential indicators and identifies the associated impact on the 2021/22 treasury management strategy.

RECOMMENDATIONS FOR EXECUTIVE:

(a) That Executive recommend to Council the approval of the Annual Treasury Management Review and Prudential Indicators 2020/21.

1.0 Proposal(s)

1.1 That Executive recommend to Council the approval of the Annual Treasury Management Review and Prudential Indicators 2020/21 (Appendix A).

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).

2.5 The report was considered by Audit and Governance Committee at its meeting on 9 November 2021. There were no comments.

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 2020/21.

4.0 Options

4.1 Members can suggest amendments or additions to the Annual Treasury Management Review 2020/21.

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 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

Contact Member

Councillor Geoffrey Williamson, Deputy Leader & Executive Member for Financial Sustainability

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Appendix A

East Herts District Council Annual Treasury Management Review 2020/21

Outturn Report 2020/21

ABBREVIATIONS USED IN THIS REPORT

This is an optional area which clients may wish to include in their report if they feel that members would appreciate having this list of abbreviations and definitions.

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 Group, Treasury solutions – the council's treasury management advisers.

CE: Capital Economics - is the economics consultancy that provides Link Group, 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 2020/21

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 2020/21. 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 2020/21 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 29/01/2020)
- a mid-year (minimum) treasury update report (Council 16/12/2020)
- 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 Audit and Governance 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	31.3.20 Actual	2020/21 Budget	31.3.21 Actual
Capital expenditure	**10,762**	**64,614**	**31,525**
Financed in year	-6,231	-	-6,870
Unfinanced capital expenditure	**4,531**	**-**	**24,655**

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 (2020/21) plus the estimates of any additional capital financing requirement for the current (2021/22) 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 2020/21. The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator.

	31.3.20 Actual	31.3.21 Actual
Total CFR General Fund (£m)	-23,079	-18.548
Gross borrowing position	4,531	24,655
Under / over funding of CFR	-18,548	6,107

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 2020/21 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.

	2020/21
Authorised limit	£27m
Operational boundary	£24.5m
Financing costs as a proportion of net revenue stream	0.94%

4. Treasury Position as at 31st March 2021

At the beginning and the end of 2020/21 the Council's treasury, (excluding borrowing by PFI and finance leases), position was as follows:

DEBT PORTFOLIO	31.3.20 Principal	Rate/ Return	Average Life yrs	31.3.21 Principal	Rate/ Return	Average Life yrs
Fixed rate funding:						
-PWLB	£1.5m	8.875%	35	£1.5m	8.875%	34
-Market	£6.0m	8.785%		-		
Variable rate funding:						
-PWLB	-			-		
-Market	-			-		
Total debt	**£7.5m**	**8.83%**		**£1.5m**	**8.875%**	
CFR	**(£18.6m)**			**£6.1m**		
Over / (under) borrowing	**£7.5m**			**(£4.6m)**		
Total investments	**£59.0m**			**£33.3m**		
Net debt	**(£51.5m)**			**(£37.9m)**		

The maturity structure of the debt portfolio was as follows:

	31.3.20 actual	31.3.21 actual
Under 12 months	£6.0m	£0.0m
12 months and within 24 months	£0.0m	£0.0m
24 months and within 5 years	£0.0m	£0.0m
5 years and within 10 years	£0.0m	£0.0m
10 years and within 20 years	£0.0m	£0.0m
20 years and within 30 years	£0.0m	£0.0m
30 years and within 40 years	£1.5m	£1.5m
40 years and within 50 years	£0.0m	£0.0m

INVESTMENT PORTFOLIO	31.3.20 Actual £	31.3.20 Actual %	31.3.21 Actual £m	31.3.21 Actual %
Treasury investments				
Banks	23.2m	38.3%	11.5m	20.4%
Building Societies - rated	-	-	-	-
Building Societies – unrated	-	-	-	-
Local authorities	6.5m	11.0%	-	-
DMADF (H M Treasury)	-	-	-	-
Total managed in house	**29.7m**	**49.3%**	**11.5m**	**20.4%**
Bond funds	-	-	-	-
Property funds	20.0m	36.3%	20.0m	62.8%
Cash fund managers	8.5m	14.4%	5.6m	16.8%
Total managed externally	**28.5m**	**50.7%**	**25.6m**	**79.6%**
Accrued interest/timing difference	0.8m		(3.8m)	
TOTAL TREASURY INVESTMENTS	**59.0m**	**100%**	**33.3m**	**100%**
Non Treasury investments				
Third party loans	-	-	-	-
Subsidiaries	-	-	-	-
Companies	2.3m	12.9%	5.0m	35.5%
Property	15.5m	87.1%	9.1m	64.5%
TOTAL NON TREASURY INVESTMENTS	**17.8m**	**100%**	**14.1**	**100%**
Treasury investments	59.0m	76.8%	33.3m	70.3%
Non Treasury investments	17.8m	23.2%	14.1m	29.7%
TOTAL OF ALL INVESTMENTS	**76.8m**	**100%**	**47.4m**	**100%**

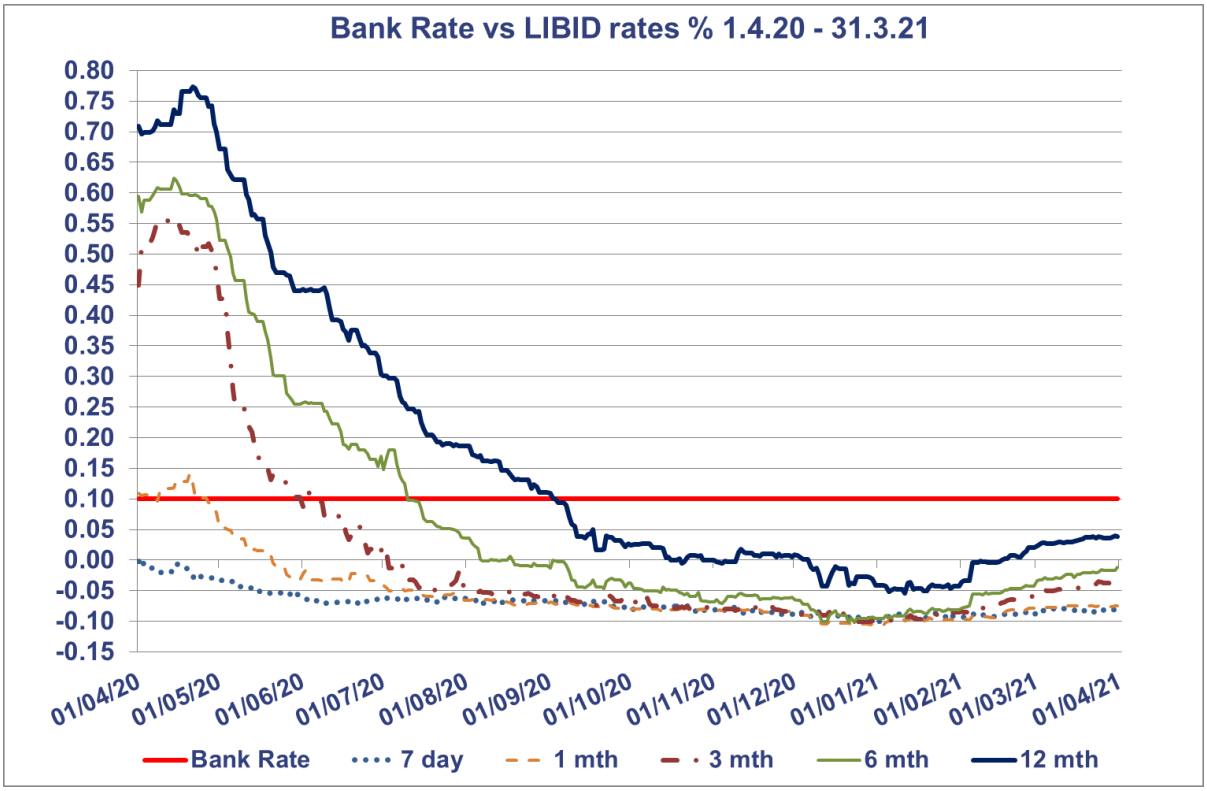
Treasury Investments **As at 31.03.21**	£	Rate
Santander (95 day notice)	1.0m	0.08%
Lloyds (32 day notice)	3.7m	0.05%
Santander (Instant Access)	4.5m	0.04%
Morgan Stanley (Instant Access)	5.6m	Variable MMF cash fund
NatWest (Instant Access EHDC main bank)	2.3m	0.01m
Total actual Investments held as at 31.03.21	**17.1m**	

The maturity structure of the investment portfolio was as follows:

	31.3.20 Actual £	31.3.21 Actual £
Investments		
Longer than 1 year	39.2m	35.0m
Up to 1 year	37.6m	12.4m
Total	**76.8m**	**47.4m**

5. The Strategy for 2020/21

5.1 Investment strategy and control of interest rate risk



	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	-0.10	-0.11	-0.10	-0.10	-0.05
Low Date	01/04/2020	31/12/2020	29/12/2020	23/12/2020	21/12/2020	11/01/2021
Average	0.10	-0.07	-0.05	0.01	0.07	0.17
Spread	0.00	0.10	0.25	0.66	0.73	0.83

Investment returns which had been low during 2019/20, plunged during 2020/21 to near zero or even into negative territory. Most local authority lending managed to avoid negative rates and one feature of the year was the growth of inter local authority lending. The expectation for interest rates within the treasury management strategy for 2020/21 was that Bank Rate would continue at the start of the year at 0.75 % before rising to end 2022/23 at 1.25%. This forecast was invalidated by the Covid-19 pandemic bursting onto the scene in March 2020 which caused the Monetary Policy Committee to cut Bank Rate in March, first to 0.25% and

then to 0.10%, in order to counter the hugely negative impact of the national lockdown on large swathes of the economy. The Bank of England and the Government also introduced new programmes of supplying the banking system and the economy with massive amounts of cheap credit so that banks could help cash-starved businesses to survive the lockdown. The Government also supplied huge amounts of finance to local authorities to pass on to businesses. This meant that for most of the year there was much more liquidity in financial markets than there was demand to borrow, with the consequent effect that investment earnings rates plummeted.

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

During 2019-20, the Council maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt, as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were very low and minimising counterparty risk on placing investments also needed to be considered.

A cost of carry remained during the year on any new long-term borrowing that was not immediately used to finance capital expenditure, as it would have caused a temporary increase in cash balances; this would have incurred a revenue cost – the difference between (higher) borrowing costs and (lower) investment returns.

The policy of avoiding new borrowing by 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.

Against this background and the risks within the economic forecast, caution was adopted with the treasury operations. The Director of Finance therefore monitored

interest rates in financial markets and adopted a pragmatic strategy based upon the following principles to manage interest rate risks:

- if it had been felt that there was a significant risk of a sharp FALL in long and short term rates, (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings would have been postponed, and potential rescheduling from fixed rate funding into short term borrowing would have been considered.

- if it had been felt that there was a significant risk of a much sharper RISE in long and short term rates than initially expected, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position would have been re-appraised. Most likely, fixed rate funding would have been drawn whilst interest rates were lower than they were projected to be in the next few years.

Interest rate forecasts expected only gradual rises in medium and longer term fixed borrowing rates during 2020/21 and the two subsequent financial years. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period.

Forecasts at the time of approval of the treasury management strategy report for 2020/21 were as follows: -

31.1.20

Link Asset Services Interest Rate View													
	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate View	0.75	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	2.90	2.90	3.00	3.00	3.10
10yr PWLB Rate	2.50	2.50	2.60	2.60	2.70	2.80	2.90	3.00	3.10	3.10	3.20	3.20	3.30
25yr PWLB Rate	3.00	3.00	3.10	3.20	3.30	3.40	3.50	3.60	3.70	3.80	3.80	3.90	3.90
50yr PWLB Rate	2.90	2.90	3.00	3.10	3.20	3.30	3.40	3.50	3.60	3.70	3.70	3.80	3.80

The following tables show how interest rate forecasts changed during 2020/21: -

31.3.20

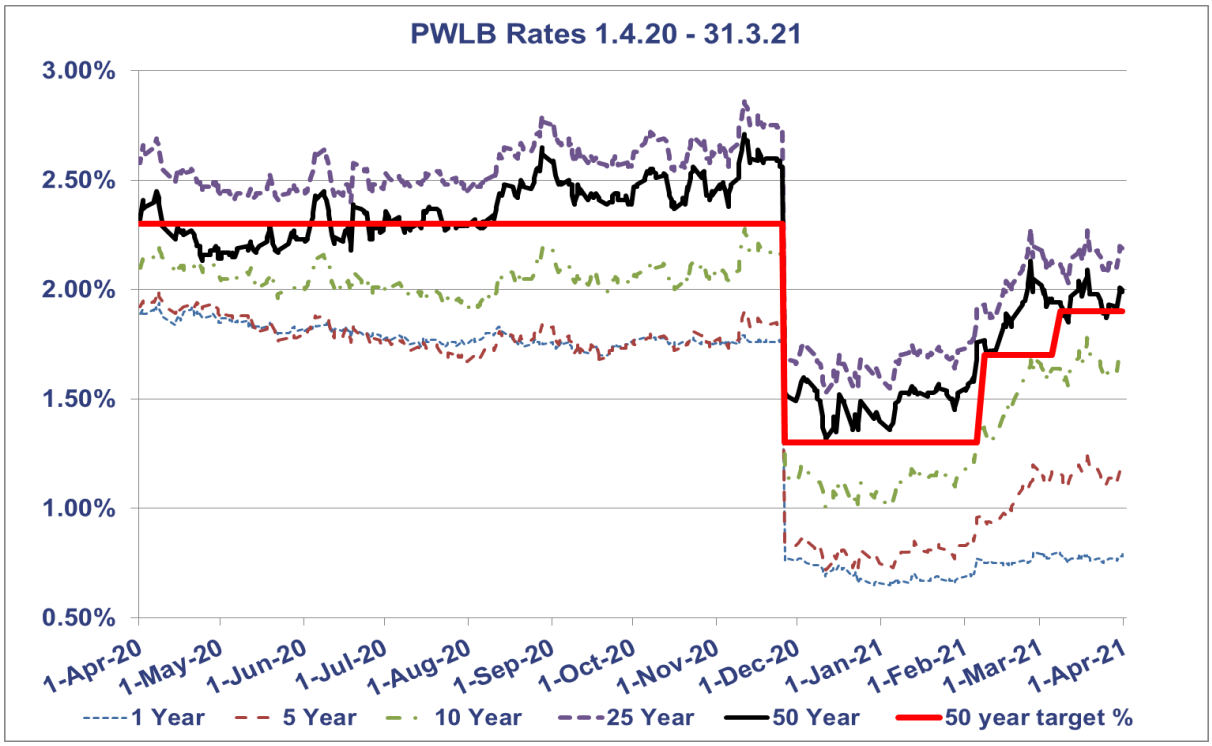
Link Asset Services Interest Rate View								
	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3 Month LIBID	0.45	0.40	0.35	0.30	0.30	0.30	0.30	0.30
6 Month LIBID	0.60	0.55	0.50	0.45	0.40	0.40	0.40	0.40
12 Month LIBID	0.75	0.70	0.65	0.60	0.55	0.55	0.55	0.55
5yr PWLB Rate	1.90	1.90	1.90	2.00	2.00	2.00	2.10	2.10
10yr PWLB Rate	2.10	2.10	2.10	2.20	2.20	2.20	2.30	2.30
25yr PWLB Rate	2.50	2.50	2.50	2.60	2.60	2.60	2.70	2.70
50yr PWLB Rate	2.30	2.30	2.30	2.40	2.40	2.40	2.50	2.50

Link Group Interest Rate View 11.8.20	Sep-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	0.10
3 Month average earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	-	-	-	-
6 Month LIBID	0.10	0.10	0.10	0.10	0.10	0.10	0.10	-	-	-	-
12 Month LIBID	0.20	0.20	0.20	0.20	0.20	0.20	0.20	-	-	-	-
5yr PWLB Rate	1.90	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	2.10	2.20	2.20	2.20	2.30	2.30	2.30
25yr PWLB Rate	2.50	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	2.30	2.40	2.40	2.40	2.50	2.50	2.50	2.50

Link Group Interest Rate View 9.11.20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
BANK RATE	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
6 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
12 month ave earnings	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
5 yr PWLB	1.80	1.80	1.80	1.80	1.80	1.90	1.90	1.90	1.90	1.90	2.00	2.00	2.00	2.00
10 yr PWLB	2.10	2.10	2.10	2.10	2.20	2.20	2.20	2.30	2.30	2.30	2.30	2.30	2.30	2.30
25 yr PWLB	2.50	2.50	2.60	2.60	2.60	2.60	2.70	2.70	2.70	2.70	2.80	2.80	2.80	2.80
50 yr PWLB	2.30	2.30	2.40	2.40	2.40	2.40	2.50	2.50	2.50	2.50	2.60	2.60	2.60	2.60

Link Group Interest Rate View 8.2.21	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
BANK RATE	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
6 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
12 month ave earnings	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
5 yr PWLB	0.90	0.90	0.90	0.90	1.00	1.00	1.10	1.10	1.10	1.20	1.20	1.20	1.20
10 yr PWLB	1.30	1.30	1.30	1.30	1.40	1.40	1.50	1.50	1.50	1.60	1.60	1.60	1.60
25 yr PWLB	1.90	1.90	1.90	1.90	2.00	2.00	2.10	2.10	2.10	2.20	2.20	2.20	2.20
50 yr PWLB	1.70	1.70	1.70	1.70	1.80	1.80	1.90	1.90	1.90	2.00	2.00	2.00	2.00

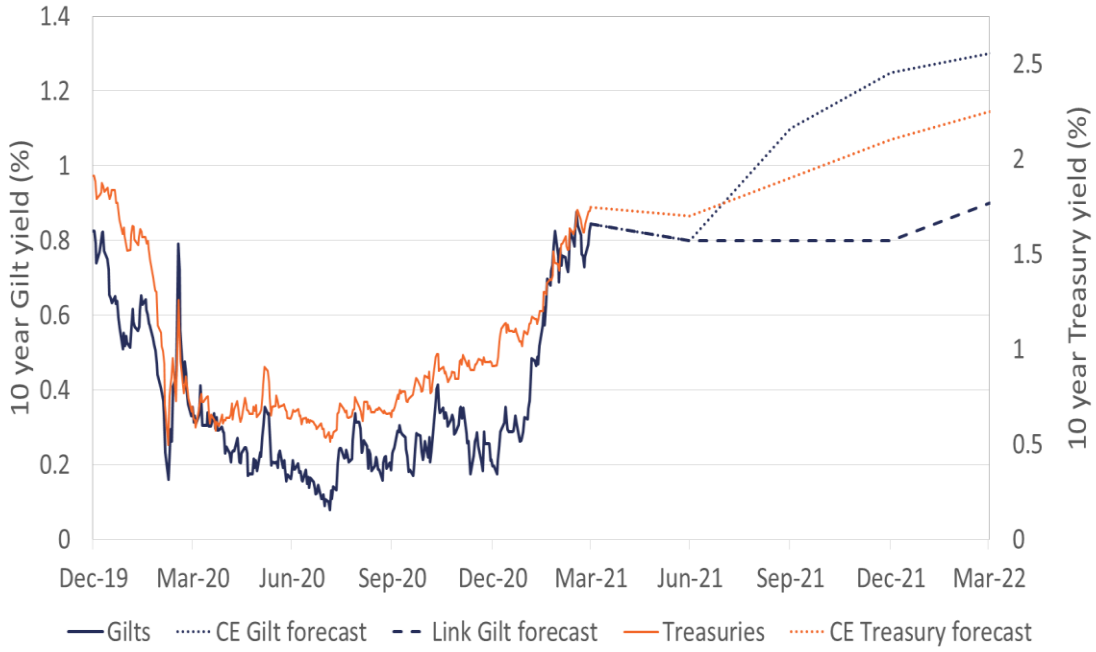
Link Group Interest Rate View 8.3.21	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
BANK RATE	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
3 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
6 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
12 month ave earnings	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
5 yr PWLB	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.30	1.30	1.40	1.40	1.40	1.40
10 yr PWLB	1.60	1.60	1.60	1.60	1.70	1.70	1.70	1.80	1.80	1.90	1.90	1.90	1.90
25 yr PWLB	2.10	2.10	2.10	2.20	2.30	2.30	2.30	2.40	2.40	2.50	2.50	2.50	2.50
50 yr PWLB	1.90	1.90	1.90	2.00	2.10	2.10	2.10	2.20	2.20	2.30	2.30	2.30	2.30



	1 Year	5 Year	10 Year	25 Year	50 Year
Low	0.65%	0.72%	1.00%	1.53%	1.32%
Date	04/01/2021	11/12/2020	11/12/2020	11/12/2020	11/12/2020
High	1.94%	1.99%	2.28%	2.86%	2.71%
Date	08/04/2020	08/04/2020	11/11/2020	11/11/2020	11/11/2020
Average	1.43%	1.50%	1.81%	2.33%	2.14%
Spread	1.29%	1.27%	1.28%	1.33%	1.39%

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. The main influences on gilt yields are Bank Rate, inflation expectations and movements in US treasury yields. Inflation targeting by the major central banks has been successful over the last 30 years in lowering inflation and 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 seen over the last two years, many bond yields up to 10 years in the Eurozone turn negative on expectations that the EU would struggle to get growth rates and inflation up from low levels. 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.

Graph of UK gilt yields v. US treasury yields



Gilt yields fell sharply from the start of 2020 and then spiked up during a financial markets melt down in March caused by the pandemic hitting western countries; this was rapidly countered by central banks flooding the markets with liquidity. While US treasury yields do exert influence on UK gilt yields so that the two often move in tandem, they have diverged during the first three quarters of 2020/21 but then converged in the final quarter. Expectations of economic recovery started earlier in the US than the UK but once the UK vaccination programme started making rapid progress in the new year of 2021, gilt yields and gilt yields and PWLB rates started rising sharply as confidence in economic recovery rebounded. Financial markets also expected Bank Rate to rise quicker than in the forecast tables in this report.

At the close of the day on 31 March 2021, all gilt yields from 1 to 5 years were between 0.19 – 0.58% while the 10-year and 25-year yields were at 1.11% and 1.59%.

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 non-HRA capital schemes. A consultation was then held with local authorities and **on 25th November 2020, the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates;** the standard and certainty margins were reduced by 1% but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchase of

assets for yield in its three year capital programme. The new margins over gilt yields are as follows: -.

- **PWLB Standard Rate** is gilt plus 100 basis points (G+100bps)
- **PWLB Certainty Rate** is gilt plus 80 basis points (G+80bps)
- **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)

There is likely to be only a gentle rise in gilt yields and PWLB rates over the next three years as Bank Rate is not forecast to rise from 0.10% by March 2024 as the Bank of England has clearly stated that it will not raise rates until inflation is sustainably above its target of 2%; this sets a high bar for Bank Rate to start rising.

Change in strategy during the year – the strategy adopted in the original Treasury Management Strategy Report for 2020/21 approved by the Council on 29th January 2020, was subject to revision during the year due to delays in major capital project spend, reducing the 2020/21 borrowing requirement.

6. Borrowing Outturn

Treasury Borrowing
No borrowing was undertaken during the year.

Borrowing in advance of need
The Council has not borrowed more than, or 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
On 22nd May 2020 a historic, club loan / bond of £6m, with a fixed rate of 8.785%, matured and was repaid.

7. 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 29th January 2020. 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	31.3.20	31.3.21
Balances	£46.8m	£9.2m
Earmarked reserves	£11.9m	£23.9m
Usable capital receipts / Capital grants	£0.3m	£0.2m
Total	**£59.0m**	**£33.3m**

Investments held by the Council

- The Council maintained an average balance of £31.8m of internally managed funds.
- The internally managed funds earned an average rate of return of 0.30%, which exceeds comparable performance indicators listed below:

7 day LIBID uncompounded	-0.0706%
7 day LIBID compounded weekly	-0.0699%
1 month uncompounded	-0.0526%
1 month compounded monthly	-0.0471%
3 month uncompounded	0.0150%
3 month compounded quarterly	0.1092%

- Total investment income was £1.086m compared to a budget of £1.090m, being just £4k below budget, which was an excellent return, considering the budget was set pre-COVID 19 and all funds other than property funds, were kept liquid.

Investments held by fund managers

The Council uses two external property funds to invest part of its cash balances. The performance of these funds was as follows:

Fund Manager	Investments Held	Unit Value 31.03.21	Gross Total Rental Return and Interest 2020/21*	Return on initial investment
Lothbury Property Trust	£10.000m	£10.319m	£0.392m	3.92%
Hermes Property Unit Trust	£10.000m	£10.606m	£0.457m	4.57%
Total	£20.000m	£10.925m	£0.849m	4.24%

** Before management fees.*

Performing exceedingly well against a benchmark of:

12 month uncompounded	0.1731%
12 month compounded	0.7086%

Non- treasury Investments held

The council holds an investment property portfolio which is valued each year at its fair value, to ensure compliance under IFRS 9. Their value and performance are as follows:

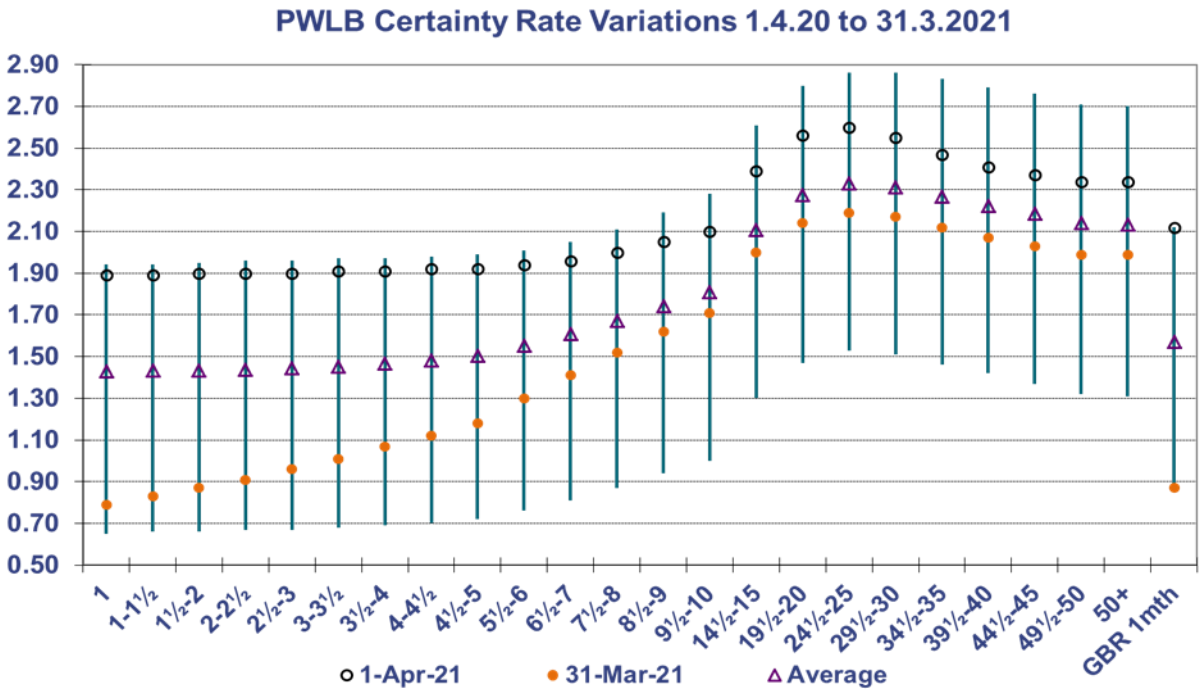
	Fair Value	Gross Rental Return	Return on Fair Value	Fair Value	Gross Rental Return	Return on Fair Value
	31.03.20	31.03.20	31.03.20	31.03.21	31.03.21	31.03.21
Investment Property Portfolio	£15.486m	£0.956m	6.17%	£9.070m	£0.882m	9.72%

The financial sustainability programme, set up increase our investment property portfolio, has been frozen, due to the change in PWLB borrowing rules.

Appendix 1: Graphs

Please find below a selection of graphs and tables for your information.

a) PWLB borrowing rates

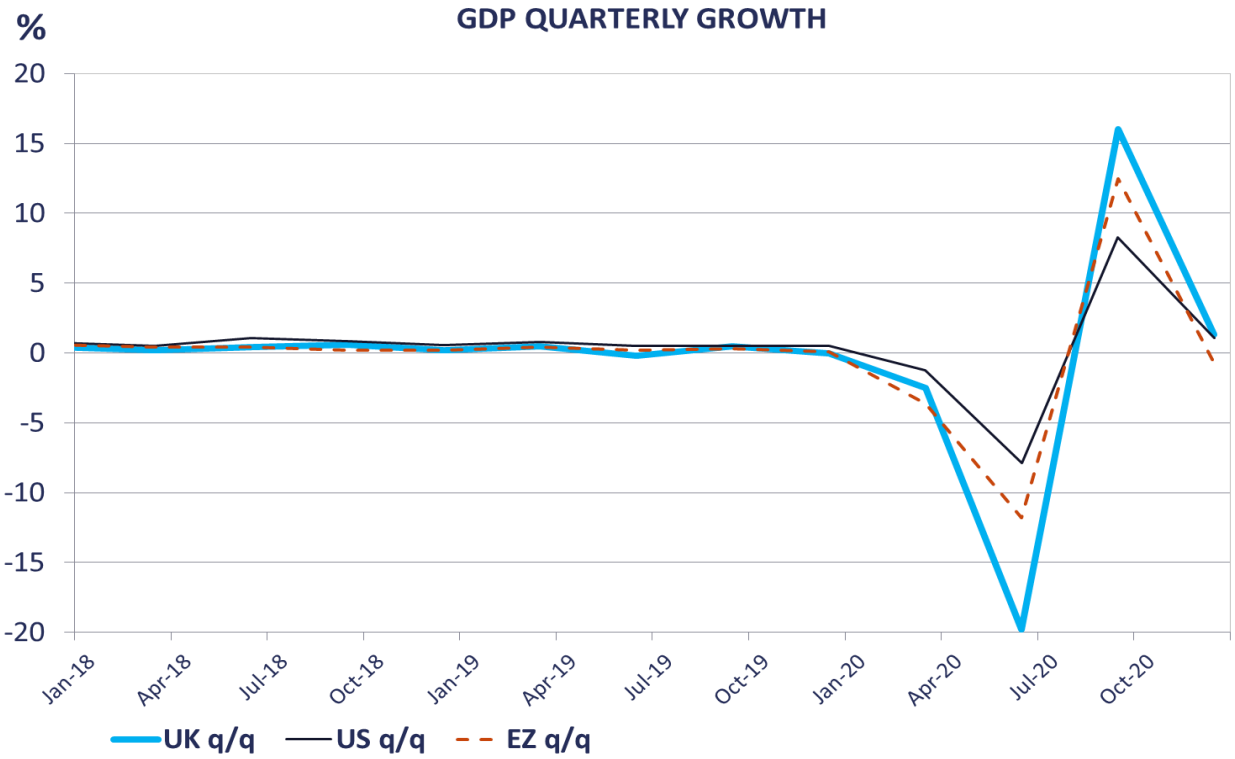


	1 Year	5 Year	10 Year	25 Year	50 Year
Low	0.65%	0.72%	1.00%	1.53%	1.32%
Low date	04/01/2021	11/12/2020	11/12/2020	11/12/2020	11/12/2020
High	1.94%	1.99%	2.28%	2.86%	2.71%
High date	08/04/2020	08/04/2020	11/11/2020	11/11/2020	11/11/2020
Average	1.43%	1.50%	1.81%	2.33%	2.14%
Spread	1.29%	1.27%	1.28%	1.33%	1.39%

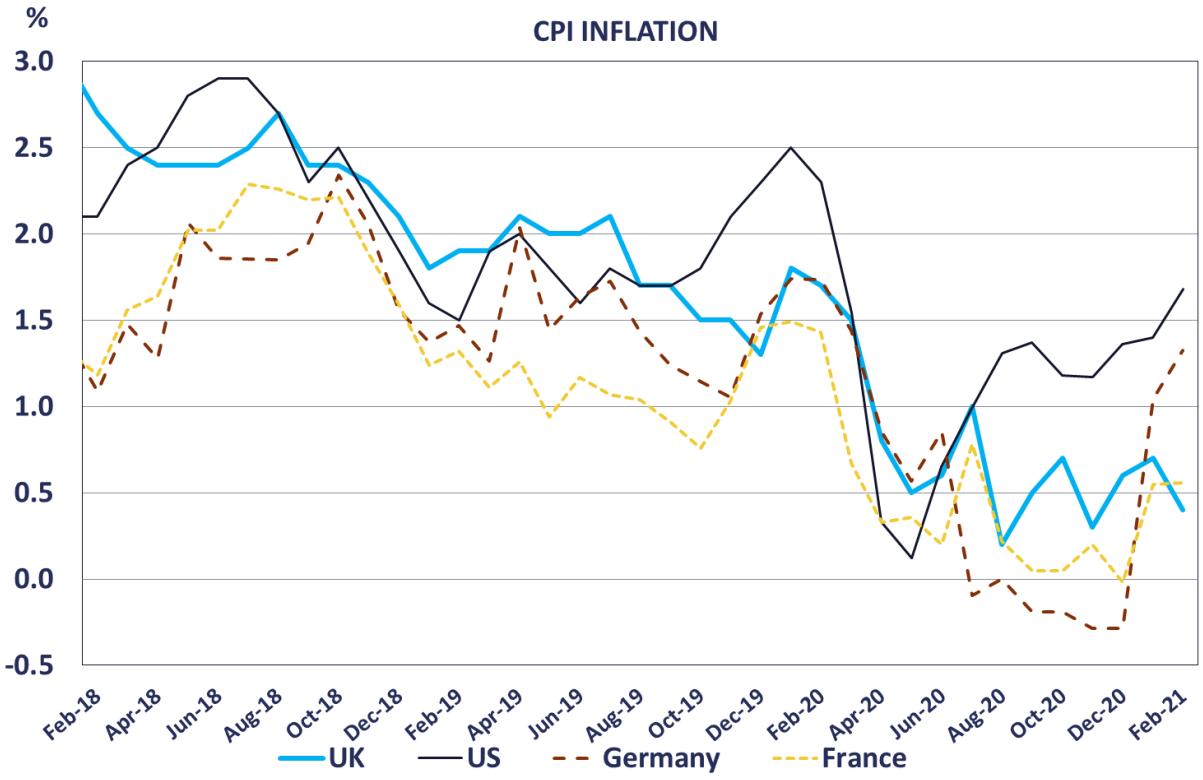
b) Money market investment rates and forecasts 2020/21

	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	-0.10	-0.11	-0.10	-0.10	-0.05
Low Date	01/04/2020	31/12/2020	29/12/2020	23/12/2020	21/12/2020	11/01/2021
Average	0.10	-0.07	-0.05	0.01	0.07	0.17
Spread	0.00	0.10	0.25	0.66	0.73	0.83

c) UK, US and EZ GDP growth



d) Inflation UK, US, Germany and France



Appendix 4: Approved countries for investments as at 31st March 2021

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:	8 February 2022
Report by:	Councillor Geoffrey Williamson, Deputy Leader & Executive Member for Financial Sustainability
Report title:	Treasury Management Mid-Year Review 2021/22
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 recommend to Council to approve the Treasury Mid-year Review and Prudential Indicators for the first 6 months of 2021/22.

1.0 Proposal(s)

1.1 This report proposes that Executive recommend to Council to approve the Treasury Management Mid-year Review and Prudential Indicators for the first 6 months of 2021/22.

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).

2.5 The report was considered by Audit and Governance Committee at its meeting on 9 November 2021. There were no comments.

3.0 Reason(s)

3.1 This Council is required by regulations issued under the Local Government Act 2003 to produce a mid-year review of its treasury management activities and prudential and treasury indicators for 2021/22.

3.2 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 2021/22 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 2021/22;
- A review of the Council's borrowing strategy for 2021/22;
- A review of any debt rescheduling undertaken during 2021/22;
- A review of compliance with Treasury and Prudential

Limits for 2021/22.

4.0 Options

4.1 Members can suggest amendments or additions to the Treasury Management Mid-Year Review for 2021/22.

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 2021/22 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 2021/22

Contact Member

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Report Author

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Appendix A

East Herts District Council Treasury Management Strategy Statement and Annual Investment Strategy

Mid-Year Review Report 2021/22

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. These require all local authorities 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 2021/22 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 2021/22;
- A review of the Council's borrowing strategy for 2021/22;
- A review of any debt rescheduling undertaken during 2021/22;
- A review of compliance with Treasury and Prudential Limits for 2021/22.

3. Economics and interest rates

3.1 Economics update

MPC meeting 24.9.21

- The Monetary Policy Committee (MPC) voted unanimously to leave Bank Rate unchanged at 0.10% and made no changes to its programme of quantitative easing purchases due to finish by the end of this year at a total of £895bn; two MPC members voted to stop the last £35bn of purchases as they were concerned that this would add to inflationary pressures.

- There was a major shift in the tone of the MPC's minutes at this meeting from the previous meeting in August which had majored on indicating that some tightening in monetary policy was now on the horizon, but also not wanting to stifle economic recovery by too early an increase in Bank Rate. In his press conference after the August MPC meeting, Governor Andrew Bailey said, "the challenge of avoiding a steep rise in unemployment has been replaced by that of ensuring a flow of labour into jobs" and that "the Committee will be monitoring closely the incoming evidence regarding developments in the labour market, and particularly unemployment, wider measures of slack, and underlying wage pressures." In other words, it was flagging up a potential danger that labour shortages could push up wage growth by more than it expects and that, as a result, CPI inflation would stay above the 2% target for longer. It also discounted sharp increases in monthly inflation figures in the pipeline in late 2021 which were largely propelled by events a year ago e.g., the cut in VAT in August 2020 for the hospitality industry, and by temporary shortages which would eventually work their way out of the system: in other words, **the MPC had been prepared to look through a temporary spike in inflation.**

- So, in August the country was just put on alert. However, this time the MPC's words indicated there had been a marked increase in concern that more recent increases in prices, particularly the increases in gas and electricity prices in October and due again next April, are, indeed, likely to lead to **faster and higher inflation expectations and underlying wage growth, which would in turn increase the risk that price pressures would prove more persistent next year than previously expected. Indeed, to emphasise its concern about inflationary pressures, the MPC pointedly chose to reaffirm its commitment to the 2% inflation target in its statement;** this suggested that it was now willing to look through the flagging economic recovery during the summer to prioritise bringing inflation down next year. This is a reversal of its priorities in August and a long way from words at earlier MPC meetings which indicated a willingness to look through inflation overshooting the target for limited periods to ensure that inflation was 'sustainably over 2%'. Indeed, whereas in August the MPC's focus was on getting through a winter of temporarily high energy prices and supply shortages, believing that inflation would return to just under the 2% target after reaching a high around 4% in late 2021, now its primary concern is that underlying price pressures in the economy are likely to get embedded over the next year and elevate future inflation to stay significantly above its 2% target and for longer.

- Financial markets are now pricing in a first increase in Bank Rate from 0.10% to 0.25% in February 2022, but this looks ambitious as the MPC has stated that it wants to see what happens to the economy, and particularly to employment once furlough ends at the end of September. At the MPC's meeting in February it will only have available the employment figures for November: to get a clearer picture of employment trends, it would need to wait until the May meeting when it would have data up until February. At its May meeting, it will also have a clearer understanding of the likely peak of inflation.

- **The MPC's forward guidance on its intended monetary policy** on raising Bank Rate versus selling (quantitative easing) holdings of bonds is as follows: -
    1. Placing the focus on raising Bank Rate as "the active instrument in most circumstances".
    2. Raising Bank Rate to 0.50% before starting on reducing its holdings.
    3. Once Bank Rate is at 0.50% it would stop reinvesting maturing gilts.
    4. Once Bank Rate had risen to at least 1%, it would start selling its holdings.

- **COVID-19 vaccines.** These have been the game changer which have enormously boosted confidence that **life in the UK could largely return to normal during the summer** after a third wave of the virus threatened to overwhelm hospitals in the spring. With the household saving rate having been exceptionally high since the first lockdown in March 2020, there is plenty of pent-up demand and purchasing power stored up for services in hard hit sectors like restaurants, travel and hotels. The big question is whether mutations of the virus could develop which render current vaccines ineffective, as opposed to how quickly vaccines can be modified to deal with them and enhanced testing programmes be implemented to contain their spread.

US. See comments below on US treasury yields.

EU. The slow role out of vaccines initially delayed economic recovery in early 2021 but the vaccination rate has picked up sharply since then. After a contraction in GDP of -0.3% in Q1, Q2 came in with strong growth of 2%, which is likely to continue into Q3, though some countries more dependent on tourism may struggle. Recent sharp increases in gas and electricity prices have increased overall inflationary pressures but the ECB is likely to see these as being only transitory after an initial burst through to around 4%, so is unlikely to be raising rates for a considerable time. German general election. With the CDU/CSU and SDP both having won around 24-26% of the vote in the September general election, the composition of Germany's next coalition government may not be agreed by the end of 2021. An SDP-led coalition would probably pursue a slightly less restrictive fiscal policy, but any change of direction from a CDU/CSU led coalition government is likely to be small. However, with Angela Merkel standing down as Chancellor as soon as a coalition is formed, there will be a hole in overall EU leadership which will be difficult to fill.

China. After a concerted effort to get on top of the virus outbreak in Q1 2020, economic recovery was strong in the rest of the year; this enabled China to recover all the initial contraction. During 2020, policy makers both quashed the virus and implemented a programme of monetary and fiscal support that was particularly effective at stimulating short-term growth. At the same time, China's economy benefited from the shift towards online spending by consumers in developed markets. These factors helped to explain its comparative outperformance compared to western economies during 2020 and earlier in 2021. However, the pace of economic growth has now fallen back after this initial surge of recovery from the pandemic and China is now struggling to contain the spread of the Delta variant through sharp local lockdowns - which will also depress economic growth. There are also questions as to how effective Chinese vaccines are proving. In addition, recent regulatory actions motivated by a political agenda to channel activities into officially approved directions, are also likely to reduce the dynamism and long-term growth of the Chinese economy.

Japan. 2021 has been a patchy year in combating Covid. However, after a slow start, nearly 50% of the population are now vaccinated and Covid case numbers are falling. After a weak Q3 there is likely to be a strong recovery in Q4. The Bank of Japan is continuing its very loose monetary policy but with little prospect of getting inflation back above 1% towards its target of 2%, any time soon: indeed, inflation was negative in July. New Prime Minister Kishida has promised a large fiscal stimulus package after the November general election – which his party is likely to win.

World growth. World growth was in recession in 2020 but recovered during 2021 until starting to lose momentum more recently. Inflation has been rising due to increases in gas and electricity prices, shipping costs and supply shortages, although these should subside during 2022. It is likely that we are heading into a period where there will be a reversal of **world globalisation** and a decoupling of western countries from dependence on China to supply products, and vice versa. This is likely to reduce world growth rates from those in prior decades.

Supply shortages. The pandemic and extreme weather events have been highly disruptive of extended worldwide supply chains. At the current time there are major queues of ships unable to unload their goods at ports in New York, California and China. Such issues have led to mis-distribution of shipping containers around the world and have contributed to a huge increase in the cost of shipping. Combined with a shortage of semi-conductors, these issues have had a disruptive impact on production in many countries. Many western countries are also hitting up against a difficulty in filling job vacancies. It is expected that these issues will be gradually sorted out, but they are currently contributing to a spike upwards in inflation and shortages of materials and goods on shelves.

3.2 Interest rate forecasts

The Council's treasury advisor, Link Group, provided the following forecasts on 29th September 2021 (PWLB rates are certainty rates, gilt yields plus 80bps):

Link Group Interest Rate View	29.9.21									
	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
BANK RATE	0.10	0.10	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.75
3 month ave earnings	0.10	0.10	0.20	0.20	0.30	0.40	0.50	0.50	0.60	0.70
6 month ave earnings	0.20	0.20	0.30	0.30	0.40	0.50	0.60	0.60	0.70	0.80
12 month ave earnings	0.30	0.40	0.50	0.50	0.50	0.60	0.70	0.80	0.90	1.00
5 yr PWLB	1.40	1.40	1.50	1.50	1.60	1.60	1.60	1.70	1.70	1.70
10 yr PWLB	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10
25 yr PWLB	2.20	2.20	2.30	2.30	2.40	2.40	2.40	2.50	2.50	2.60
50 yr PWLB	2.00	2.00	2.10	2.20	2.20	2.20	2.20	2.30	2.30	2.40

Additional notes by Link on this forecast table: -

- *LIBOR and LIBID rates will cease from the end of 2021. Work is currently progressing to replace LIBOR with a rate based on SONIA (Sterling Overnight Index Average). In the meantime, our forecasts are based on expected average earnings by local authorities for 3 to 12 months.*
- *Our forecasts for average earnings are averages i.e., rates offered by individual banks may differ significantly from these averages, reflecting their different needs for borrowing short term cash at any one point in time.*

The coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings.

As shown in the forecast table above, one increase in Bank Rate from 0.10% to 0.25% has now been included in quarter 2 of 2022/23, a second increase to 0.50% in quarter 2 of 23/24 and a third one to 0.75% in quarter 4 of 23/24.

Significant risks to the forecasts

- COVID vaccines do not work to combat new mutations and/or new vaccines take longer than anticipated to be developed for successful implementation.
- The pandemic causes major long-term scarring of the economy.
- The Government implements an austerity programme that supresses GDP growth.
- The MPC tightens monetary policy too early – by raising Bank Rate or unwinding QE.
- The MPC tightens monetary policy too late to ward off building inflationary pressures.
- Major stock markets e.g. in the US, become increasingly judged as being over-valued and susceptible to major price corrections. Central banks become increasingly exposed to the "moral hazard" risks of having to buy shares and corporate bonds to reduce the impact of major financial market sell-offs on the general economy.
- Geo-political risks are widespread e.g. German general election in September 2021 produces an unstable coalition or minority government and a void in high-profile leadership in the EU when Angela Merkel steps down as Chancellor of Germany; on-going global power influence struggles between Russia/China/US.

The balance of risks to the UK economy: -

- The overall balance of risks to economic growth in the UK is now to the downside, including residual risks from Covid and its variants - both domestically and their potential effects worldwide.

Forecasts for Bank Rate

Bank Rate is not expected to go up fast after the initial rate rise as the supply potential of the economy has not generally taken a major hit during the pandemic, so should be able to cope well with meeting demand without causing inflation to remain elevated in the medium-term, or to inhibit inflation from falling back towards the MPC's 2% target after the surge to around 4% towards the end of 2021. Three increases in Bank rate are forecast in the period to March 2024, ending at 0.75%. However, these forecasts may well need changing within a relatively short time frame for the following reasons: -

- There are increasing grounds for viewing the economic recovery as running out of steam during the summer and now into the autumn. This could lead into stagflation which would create a dilemma for the MPC as to which way to face.
- Will some current key supply shortages e.g., petrol and diesel, spill over into causing economic activity in some sectors to take a significant hit?
- Rising gas and electricity prices in October and next April and increases in other prices caused by supply shortages and increases in taxation next April, are already going to deflate consumer spending power without the MPC having to take any action on Bank Rate to cool inflation. Then we have the Government's upcoming budget in October, which could also end up in reducing consumer spending power.
- On the other hand, consumers are sitting on around £200bn of excess savings left over from the pandemic so when will they spend this sum, in part or in total?
- There are 1.6 million people coming off furlough at the end of September; how many of those will not have jobs on 1st October and will, therefore, be available to fill labour shortages in many sectors of the economy? So, supply shortages which have been driving up both wages and costs, could reduce significantly within the next six months or so and alleviate the MPC's current concerns.
- There is a risk that there could be further nasty surprises on the Covid front, on top of the flu season this winter, which could depress economic activity.

In summary, with the high level of uncertainty prevailing on several different fronts, it is likely that these forecasts will need to be revised again soon - in line with what the new news is.

It also needs to be borne in mind that Bank Rate being cut to 0.10% was an emergency measure to deal with the Covid crisis hitting the UK in March 2020. At any time, the MPC could decide to simply take away that final emergency cut from 0.25% to 0.10% on the grounds of it no longer being warranted and as a step forward in the return to normalisation. In addition, any Bank Rate under 1% is both highly unusual and highly supportive of economic growth.

Forecasts for PWLB rates and gilt and treasury yields

As the interest forecast table for PWLB certainty rates above shows, there is likely to be a steady rise over the forecast period, with some degree of uplift due to rising treasury yields in the US.

There is likely to be **exceptional volatility and unpredictability in respect of gilt yields and PWLB rates** due to the following factors: -

- How strongly will changes in gilt yields be correlated to changes in US treasury yields?

- Will the Fed take action to counter increasing treasury yields if they rise beyond a yet unspecified level?
- Would the MPC act to counter increasing gilt yields if they rise beyond a yet unspecified level?
- How strong will inflationary pressures turn out to be in both the US and the UK and so impact treasury and gilt yields?
- How will central banks implement their new average or sustainable level inflation monetary policies?
- How well will central banks manage the withdrawal of QE purchases of their national bonds i.e., without causing a panic reaction in financial markets as happened in the "taper tantrums" in the US in 2013?
- Will exceptional volatility be focused on the short or long-end of the yield curve, or both?

The forecasts are also predicated on an assumption that there is no break-up of the Eurozone or EU within our forecasting period, despite the major challenges that are looming up, and that there are no major ructions in international relations, especially between the US and China / North Korea and Iran, which have a major impact on international trade and world GDP growth.

Gilt and treasury yields

Since the start of 2021, there has been a lot of volatility in gilt yields, and hence PWLB rates. During the first part of the year, US President Biden's, and the Democratic party's determination to push through a $1.9trn (equivalent to 8.8% of GDP) fiscal boost for the US economy as a recovery package from the Covid pandemic was what unsettled financial markets. However, this was in addition to the $900bn support package already passed in December 2020 under President Trump. This was then followed by additional Democratic ambition to spend further huge sums on infrastructure and an American families plan over the next decade which are caught up in Democrat / Republican haggling. Financial markets were alarmed that all this stimulus, which is much bigger than in other western economies, was happening at a time in the US when: -

1. A fast vaccination programme has enabled a rapid opening up of the economy.
2. The economy had already been growing strongly during 2021.
3. It started from a position of little spare capacity due to less severe lockdown measures than in many other countries. A combination of shortage of labour and supply bottle necks is likely to stoke inflationary pressures more in the US than in other countries.
4. And the Fed was still providing monetary stimulus through monthly QE purchases.

These factors could cause an excess of demand in the economy which could then unleash stronger and more sustained inflationary pressures in the US than in other western countries. This could then force the Fed to take much earlier action to start tapering monthly QE purchases and/or increasing the Fed rate from near zero, despite their stated policy being to target average inflation. It is notable that some Fed members have moved forward their expectation of when the first increases in the Fed rate will occur in recent Fed meetings. In addition, more recently, shortages of workers appear to be stoking underlying wage inflationary pressures which are likely to feed through into CPI inflation. A run of strong monthly jobs growth figures could be enough to meet the threshold set by the Fed of "substantial further progress towards the goal of reaching full employment". However, the weak growth in August, (announced 3.9.21), has spiked anticipation that tapering of monthly QE purchases could start by the end of 2021. These purchases are currently acting as downward pressure on treasury yields. As the US financial markets are, by far, the biggest financial markets in the world, any trend upwards in the US will invariably impact and influence financial markets in other countries. However, during June and July, longer term yields fell sharply; even the large non-farm payroll increase in the first week of August seemed to cause the markets little concern, which is somewhat puzzling, particularly in the context of the concerns of many commentators that inflation may not be as transitory as the Fed is expecting it to be. Indeed, inflation pressures and erosion of surplus economic capacity look much

stronger in the US than in the UK. **As an average since 2011, there has been a 75% correlation between movements in 10 year treasury yields and 10 year gilt yields. This is a significant UPWARD RISK exposure to our forecasts for longer term PWLB rates. However, gilt yields and treasury yields do not always move in unison.**

There are also possible **DOWNSIDE RISKS** from the huge sums of cash that the UK populace have saved during the pandemic; when savings accounts earn little interest, it is likely that some of this cash mountain could end up being invested in bonds and so push up demand for bonds and support their prices i.e., this would help to keep their yields down. How this will interplay with the Bank of England eventually getting round to not reinvesting maturing gilts and then later selling gilts, will be interesting to keep an eye on.

The balance of risks to medium to long term PWLB rates: -

- There is a balance of upside risks to forecasts for medium to long term PWLB rates.

A new era – a fundamental shift in central bank monetary policy

One of the key results of the pandemic has been a fundamental rethinking and shift in monetary policy by major central banks like the Fed, the Bank of England and the ECB, to tolerate a higher level of inflation than in the previous two decades when inflation was the prime target to bear down on so as to stop it going above a target rate. There is now also a greater emphasis on other targets for monetary policy than just inflation, especially on 'achieving broad and inclusive "maximum" employment in its entirety' in the US before consideration would be given to increasing rates.

- The Fed in America has gone furthest in adopting a monetary policy based on a clear goal of allowing the inflation target to be symmetrical, (rather than a ceiling to keep under), so that inflation averages out the dips down and surges above the target rate, over an unspecified period of time.
- The Bank of England has also amended its target for monetary policy so that inflation should be 'sustainably over 2%' and the ECB now has a similar policy.
- ***For local authorities, this means that investment interest rates and very short term PWLB rates will not be rising as quickly or as high as in previous decades when the economy recovers from a downturn and the recovery eventually runs out of spare capacity to fuel continuing expansion.***
- Labour market liberalisation since the 1970s has helped to break the wage-price spirals that fuelled high levels of inflation and has now set inflation on a lower path which makes this shift in monetary policy practicable. In addition, recent changes in flexible employment practices, the rise of the gig economy and technological changes, will all help to lower inflationary pressures.
- Governments will also be concerned to see interest rates stay lower as every rise in central rates will add to the cost of vastly expanded levels of national debt; (in the UK this is £21bn for each 1% rise in rates). On the other hand, higher levels of inflation will help to erode the real value of total public debt.

4. Treasury Management Strategy Statement and Annual Investment Strategy Update

The Treasury Management Strategy Statement, (TMSS), for 2021/22 was approved by this Council on 2nd March 2021.

- There are no policy changes to the TMSS; the details in this report update the position in the light of the updated economic position and budgetary changes already approved.

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	2021/22 Original Estimate £m	Current Position £m	2021/22 Revised Estimate £m
Total capital expenditure	45.8	14.2	40.5

The current position is lower than expected, due to delays in major projects. The revised estimate, is likely to reduce after further major project re-profiling.

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	2021/22 Original Estimate £m		2021/22 Revised Estimate £m
Total capital expenditure	**45.8**		**40.5**
Financed by:			
Capital receipts	(7.2)		(7.2)
Capital grants	(3.4)		(3.4)
Capital reserves			
Revenue	(0.2)		(0.2)
Total financing	**(10.8)**		**(10.8)**
Borrowing requirement	**35.0**		**29.7**

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

We are on target to achieve the original forecast Capital Financing Requirement (*or explain any significant changes*).

Prudential Indicator – the Operational Boundary for external debt

	2021/22 Original Estimate £m		2021/22 Revised Estimate £m
Prudential Indicator – Capital Financing Requirement			
Total CFR	42.2		35.8
Net movement in CFR	**35.0**		**29.7**
Prudential Indicator – the Operational Boundary for external debt			
Borrowing	40.0		40.0
Other long term liabilities*	10.0		10.0
Total debt (year end position)	**50.0**		**50.0**

** 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 2021/22 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.

** The management of transferred debt should be excluded from net borrowing.*

	2021/22 Original Estimate £m		2021/22 Revised Estimate £m
Borrowing	26.0		29.7
Other long term liabilities*	-		-
Total debt	**26.0**		**29.7**
CFR* (year end position)	**42.2**		**35.8**

** Includes on balance sheet PFI schemes and finance leases etc.*
*** Estimated £15m internal borrowing.*

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	2021/22 Original Indicator £m		2021/22 Revised Indicator £m
Borrowing	150.0		150.0
Other long term liabilities*	10.0		10.0
Total	**160.0**		**160.0**

** Includes on balance sheet PFI schemes and finance leases etc.*

The authorised borrowing level was set prior to the change in the PWLB borrowing regulations and when there was a different proposal for the Old River Lane project. As per the expenditure figures quoted above, we are not due to borrow at the original estimated high levels and the limit will be reduced in the 2022/23 Treasury Management Strategy.

6. Borrowing

The Council's estimated capital financing requirement (CFR) for 2021/22 is £35.8m. 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 estimated borrowings, at year end of £29.7m and is looking to utilise £15m 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 overall financial position and the underlying need to borrow for capital purposes (the CFR), no new external borrowing has been undertaken, as we are currently still utilising cashflow. The capital programme is being kept under regular review due to the effects of coronavirus and shortages of materials and labour. Our borrowing strategy will, therefore, also be regularly reviewed and then revised, if necessary, in order to achieve optimum value and risk exposure in the long-term.

It is anticipated that external borrowing will be undertaken during this financial year.

PWLB maturity certainty rates (gilts plus 80bps) year to date to 30th September 2021

(See graphs and table provided in Appendix1)

Gilt yields and PWLB rates were on a falling trend between May and August. However, they rose sharply towards the end of September.
The 50 year PWLB target certainty rate for new long-term borrowing started 2021/22 at 1.90%, rose to 2.00% in May, fell to 1.70% in August and returned to 2.00% at the end of September after the MPC meeting of 23rd September.

- The current PWLB rates are set as margins over gilt yields as follows: -.
    - **PWLB Standard Rate** is gilt plus 100 basis points (G+100bps)
    - **PWLB Certainty Rate** is gilt plus 80 basis points (G+80bps)
    - **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)

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.

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 2021, the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement for 2021/22. 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 2021/22, which includes the Annual Investment Strategy, was approved by the Council on 2nd March 2021. 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 3.2, it is now impossible to earn the level of interest rates commonly seen in previous decades as all short-term money market investment rates have only risen weakly since Bank Rate was cut to 0.10% in March 2020 until the MPC meeting on 24th September 2021 when 6 and 12 month rates rose in anticipation of Bank Rate going up in 2022. Given this environment and the fact that Bank Rate may only rise marginally, or not at all, before mid-2023, investment returns are expected to remain low.

Creditworthiness.
Significant levels of downgrades to Short and Long Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. However, as economies are beginning to reopen, there have been some instances of previous lowering of Outlooks being reversed.

Investment Counterparty criteria

The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function OR i*nsert any changes to the criteria you wish to make, with supporting criteria.*

CDS prices

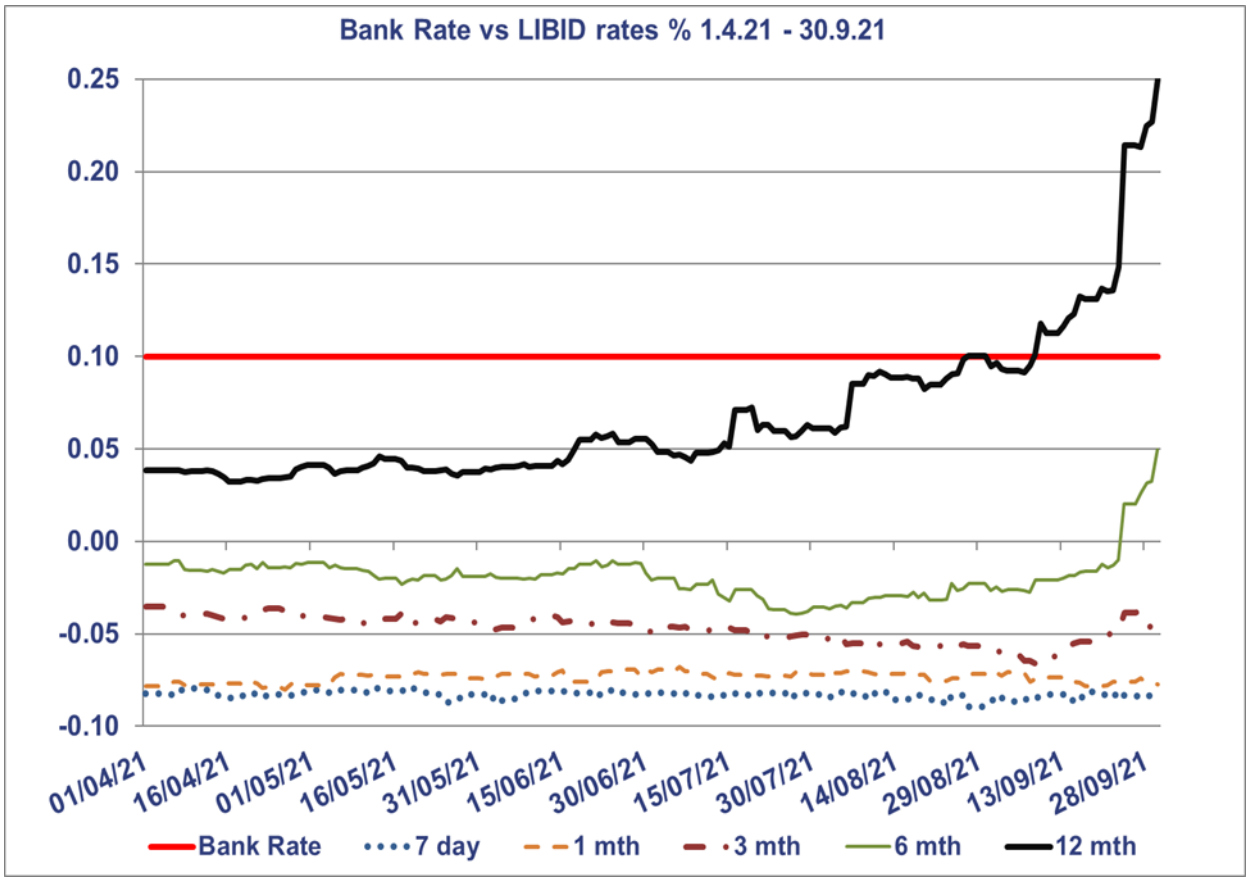
Although CDS prices (these are market indicators of credit risk) for banks (including those from the UK) spiked at the outset of the pandemic in 2020, they have subsequently returned to near pre-pandemic levels. **However, sentiment can easily shift, so it remains important to undertake continual monitoring of all aspects of risk and return in the current circumstances.**

Investment balances

The average level of funds available for investment purposes during the quarter was **£15.4m**. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the capital programme. The Council holds **£20.0m** core cash balances for investment purposes (i.e. funds available for more than one year).

Investment rates during half year ended 30th September 2021

As highlighted earlier in this report, the levels shown below use the traditional market method for calculating LIBID rates – i.e., LIBOR – 0.125%. Given the ultra-low LIBOR levels this year, this produces negative rates across some periods.



	Bank Rate	7 day	1 mth	3 mth	6 mth	12 mth
High	0.10	-0.08	-0.07	-0.04	0.05	0.25
High Date	01/04/2021	09/04/2021	06/07/2021	01/04/2021	30/09/2021	30/09/2021
Low	0.10	-0.09	-0.08	-0.07	-0.04	0.03
Low Date	01/04/2021	27/08/2021	26/04/2021	08/09/2021	27/07/2021	16/04/2021
Average	0.10	-0.08	-0.07	-0.05	-0.02	0.07
Spread	0.00	0.01	0.01	0.03	0.09	0.22

Investment performance year to date as at 30th September 2021

(Please see our note in section 3.2 underneath the table, on the current divergence between the calculation of LIBID rates using market convention and average rates actually being earned by local authorities.)

Period	LIBID benchmark return
7 day	-0.08%
1 month	-0.07%
3 month	-0.05%
6 month	-0.02%
12 month	0.07%

The Council has kept it cashflow investments liquid, investing for no longer than 3 months but has still outperformed the LIBID benchmark, achieving a positive average return of 0.05%. The Council's budgeted investment return for 2021/22 is £750k, which includes returns from our property funds and commercial loans. Performance for the year is currently estimated to return £800k, but if property funds continue to perform well, this figure could be higher.

Fund investments

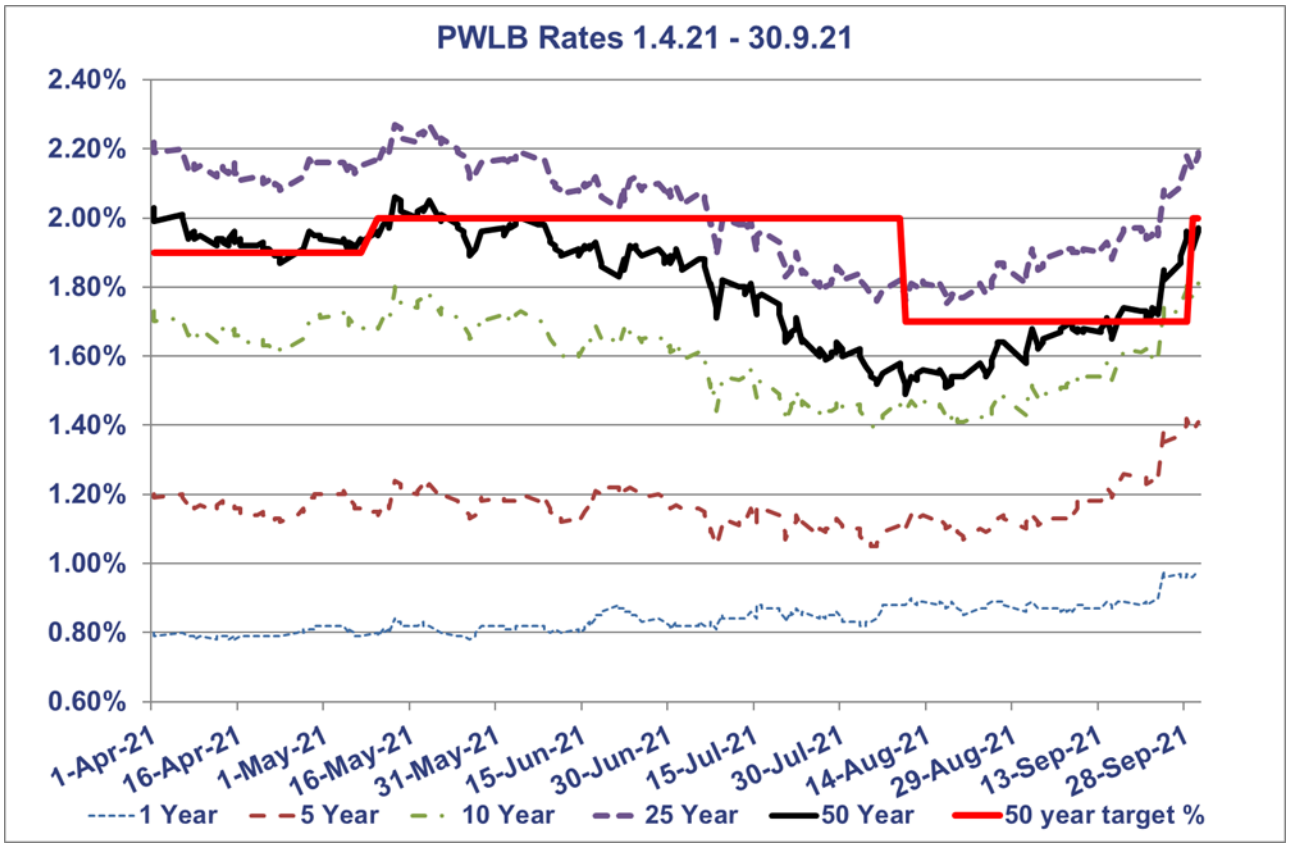
- Property Funds have continued to perform well, under COVID, with the current average, net rate of return as 3.69% and good capital appreciation.

Approved limits

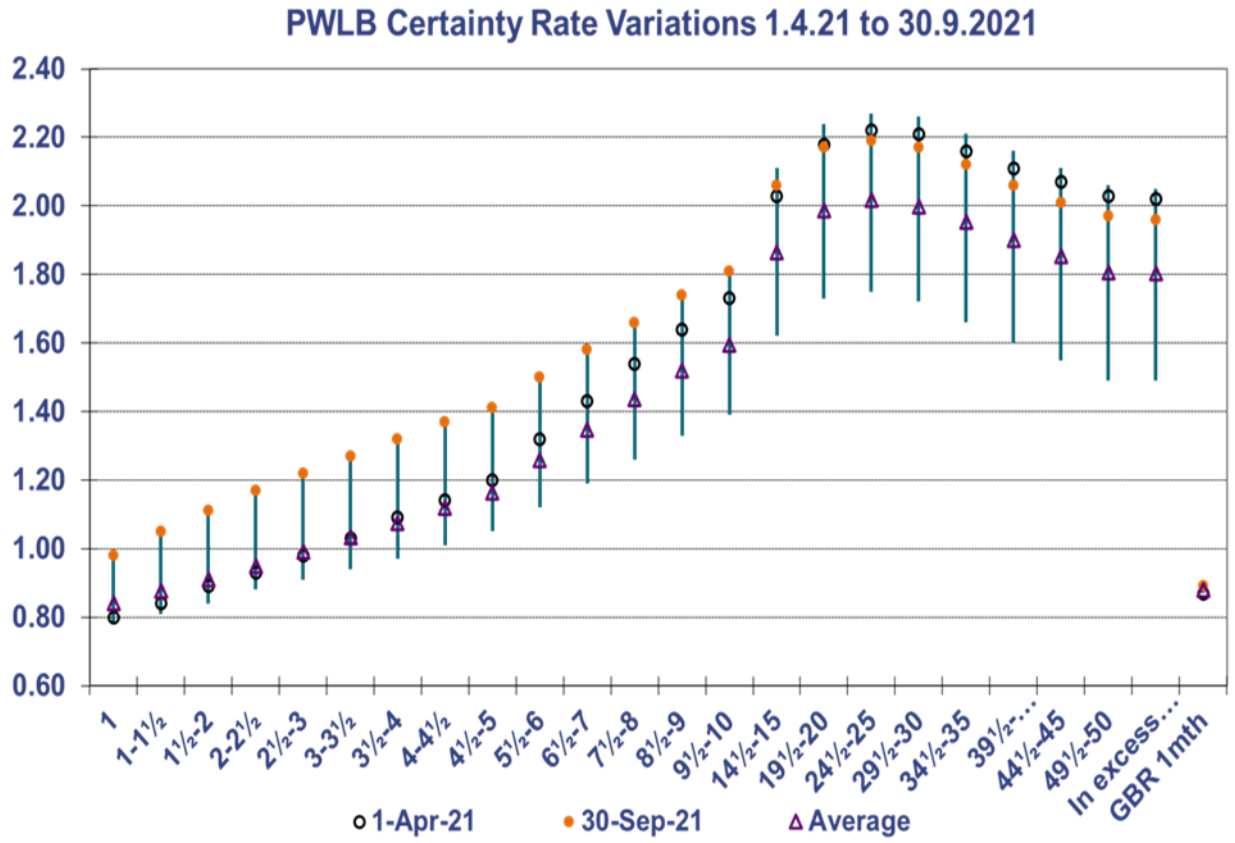
Officers can confirm that the approved limits within the Annual Investment Strategy were not breached during the period ended 30th September 2021.

APPENDIX 1: Borrowing rates

The following graph and tables are optional for clients to use if they wish.



	1 Year	5 Year	10 Year	25 Year	50 Year
Low	0.78%	1.05%	1.39%	1.75%	1.49%
Date	08/04/2021	08/07/2021	05/08/2021	17/08/2021	10/08/2021
High	0.98%	1.42%	1.81%	2.27%	2.06%
Date	24/09/2021	28/09/2021	28/09/2021	13/05/2021	13/05/2021
Average	0.84%	1.16%	1.60%	2.02%	1.81%
Spread	0.20%	0.37%	0.42%	0.52%	0.57%



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 year prior to the coronavirus crisis, this resulted in many bond yields up to 10 years turning negative in the Eurozone. In addition, there was, at times, an inversion of bond yields in the US whereby 10 year yields fell below shorter-term yields. In the past, this has been a precursor of a recession.

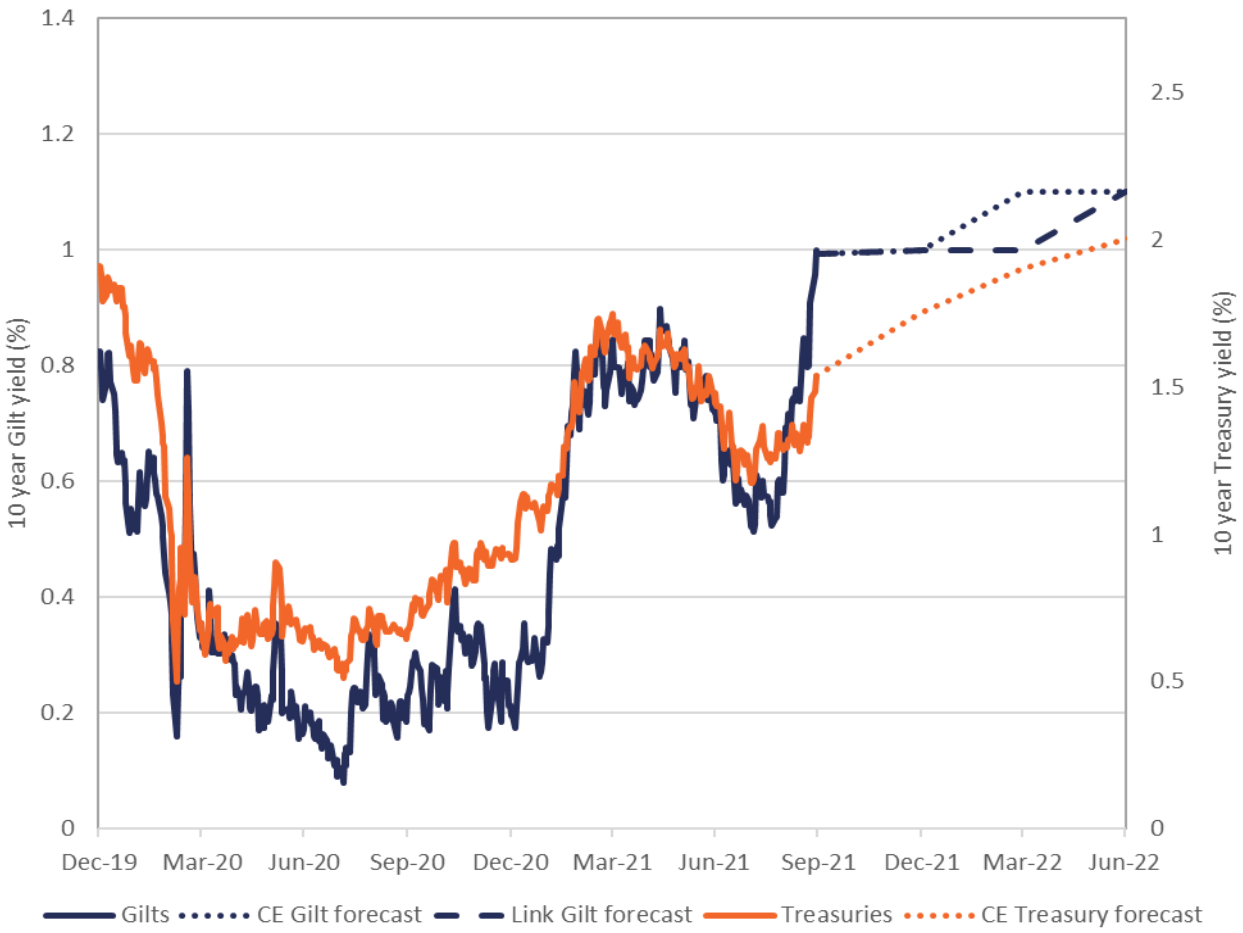
Gilt yields had, therefore, already been on a generally falling trend up until the coronavirus crisis hit western economies during March 2020 which caused gilt yields to spike up. However, yields then fell sharply in response to major western central banks taking rapid policy action to deal with excessive stress in financial markets during March and starting massive quantitative easing driven purchases of government bonds: these actions also acted to put downward pressure on government bond yields at a time when there was 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 start of January 2021, all gilt yields from 1 to 8 years were negative: however, since then all gilt yields have become positive and rose sharply during the spring, especially in medium and longer-term

periods, until starting a significant decline since May which was then sharply reversed in August / September. Repeated assurances by the Fed in the US, and by other major world central banks, that inflation would spike up after Covid restrictions were abolished, but would only be transitory, allayed investor fears until August / September when high inflation was again seen as a growing danger and both central banks in the US and UK gave indications that monetary policy tightening was now on the horizon. **There is considerable concern that the US Fed is taking a too laid-back view that inflation pressures in the US are purely transitory and that they will subside without the need for the Fed to take significant action to tighten monetary policy. Lack of spare economic capacity and rising inflationary pressures are viewed as being much greater dangers in the US than in the UK. This could mean that rates will end up rising faster and further in the US than in the UK if inflationary pressures were to escalate; the consequent increases in treasury yields could well spill over to cause (lesser) increases in gilt yields.**

Correlation between 10 year US treasury yield and 10 year gilt yield

The Link Group forecasts have included a risk of a 75% correlation between movements in US treasury yields and gilt yields over 10 years since 2011. As US treasury yields are expected to rise faster and further than UK gilt yields, there is an upside risk to forecasts for gilt yields due to this correlation. The graph below shows actual movements in both 10 year yields and forecasts by Link (gilt only) and Capital Economics.



- Yields on 10 year Gilts and Treasuries initially both fell during the first quarter of 2020, as signs emerged that the COVID-19 virus would become a global pandemic which would lead to a sharp downturn in economic growth.

- The correlation between 10 year yields in the UK and the US lessened during the second half of 2020 when US yields displayed an increasing tendency to rise, whilst UK yields remained more range bound. This divergence was consistent with the relatively better economic performance registered by the US during the pandemic, which was aided by historically low US business inventory levels needing to be rebuilt.
- During late 2020 gilt yields rose significantly, reflecting optimism that the fast vaccine roll-out in the UK would support a strong economic recovery during 2021.
- During September 2021, treasury yields rose sharply in response to growing investor concerns around high inflation and indications from the Fed that tapering of quantitative easing purchases of treasuries are likely to occur in the near future. Gilts also rose sharply, as did investor concerns around a sharp increase in inflation in the UK which is now likely to go over 4%. In addition, the MPC meeting on 23rd September flagged up major concerns around the strength of inflation which may require Bank Rate to go up much faster than had previously been expected.

APPENDIX 4: Approved countries for investments as at 30th September 2021

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.**

East Herts Council Report

Executive

Date of meeting:	8 February 2022
Report by:	Councillor Geoffrey Williamson, Deputy Leader and Executive Member for Financial Sustainability
Report title:	External Audit National Procurement Opt in
Ward(s) affected:	All

Summary – The Council will need to consider the options available and put in place new arrangements in time to make the appointment of the external auditor by 31 December 2022 for the five financial years beginning April 2023. The Council can opt into the national procurement process run by Public Sector Audit Appointments Limited (PSAA) or undertake its own procurement and risk no suitable firm bidding or higher audit fees than can be gained via the national procurement process.

RECOMMENDATIONS FOR EXECUTIVE:

a) **To recommend to Full Council that, under Regulation 19 of the Local Audit (Appointing Person) Regulations 2015, East Hertfordshire District Council opts into the sector led body for audit appointments provided by Public Sector Audit Appointments Limited.**

1.0 Proposal(s)

1.1 There are three broad options open to the Council under the Local Audit and Accountability Act 2014 (the Act) to appoint an external auditor:

1.1.1 To make a stand-alone appointment;

1.1.2 Set up a Joint Auditor Panel/local joint procurement arrangements; or

1.1.3 Opt-in to a sector led body.

1.2 **Stand-alone appointment:** In order to make a stand-alone appointment the Council will need to set up an Auditor Panel. The members of the panel must be wholly or a majority independent members as defined by the Act. Independent members excludes current and former elected members (or officers) and their close families and friends. Fuller information on Audit Panels is included in a guide available on the web by clicking here.

1.3 The new independent auditor panel established by the Council would be responsible for selecting the auditor and elected members will not have a majority input to assessing bids and choosing which firm of accountants to award a contract for the Council's external audit.

1.4 Appointments can only be made from firms who can demonstrate that they have the required skills and experience and be registered with a Registered Supervising Body approved by the Financial Reporting Council – The Institute of Chartered Accountants in England and Wales and the Institute of Charted Accountants in Scotland. This means big accounting firms such as Grant Thornton, EY, PwC, KPMG

etc. Small local firms are unlikely to qualify. There is also the risk that an audit procurement run by the Council, which will take 6 months in compliance with the Public Procurement Regulations will get no bids or that higher fees would be charged than through the national procurement process.

1.5 Recruitment and servicing of the Auditor Panel, running the bidding exercise and negotiating the contract is estimated by the LGA to cost in the order of £15,000 plus on going expenses and allowances.

1.6 **Set up a Joint Auditor Panel/local joint procurement arrangements:** The Act enables the Council to join with other authorities to establish a joint auditor panel. Again this will need to be constituted of wholly or a majority of independent appointees (members). Again, there would need to be a full procurement exercise in line with the Public Procurement Regulations.

1.7 Further legal advice will be required on the exact constitution of such a panel having regard to the obligations of each Council under the Act and the Council would need to liaise with other local authorities to assess the appetite for such an arrangement. Initial indications are that neighbouring authorities are minded to join the sector-led body.

1.8 The decision making body will be further removed from local input, with potentially no input from elected members where a wholly independent auditor panel is used or possible only one elected member representing each Council, depending

on the constitution agreed with the other bodies involved.

1.9 The choice of auditor could be complicated where individual Councils have independence issues. An independence issue occurs where the auditor has recently or is currently carrying out work such as consultancy or advisory work for the Council. Where this occurs some auditors may be prevented from being appointed by the terms of their professional standards.

1.10 **Opt-in to a sector led body:** Public Sector Audit Appointments Limited (PSAA) has been specified as the sector-led appointing body under the Local Audit (Appointing Person) Regulations 2015. Regulation 19 of the Local Audit (Appointing Person) Regulations 2015 requires that the decision to opt-in must be made by the authority meeting as a whole, i.e. Full Council. Therefore the Executive Member would need to make a recommendation to Full Council to opt in if this option is chosen.

1.11 The PSAA letter inviting the council to opt in and some frequently asked questions are included at Appendix A.

1.12 The advantages of opting in are:

- Assured appointment of a qualified, registered, independent auditor.
- Appointment, if possible, of the same auditors to bodies involved in significant collaboration/joint working initiatives or combined authorities, if the parties believe that it will enhance efficiency and value for money.

- On-going management of independence and conflict of independence issues.
- Securing highly competitive prices from audit firms and minimising procurement and overhead costs.
- High probability of cost avoidance from one major procurement as opposed to small local procurements.
- Distribution of surpluses to participating bodies from PSAA Limited if it retains too much from fees for running costs.
- A scale of fees which reflects size, complexity and audit risk providing certainty and avoiding local negotiation.
- A strong focus on audit quality to help develop and maintain the market for the sector.
- Avoiding the necessity for the Council to establish an auditor panel and to undertake a full auditor procurement.

1.13 The disadvantages of opting in are:

- Individual elected members will have less opportunity for direct involvement in the appointment process other than through the LGA and/or stakeholder representative groups.

1.14 Given the very clear advantages in terms of reduced costs, keeping audit fees low and the clear advantages to corporate governance from an independent appointment that a Sector Led Body gives, this report recommends that the Council should opt to have audit appointments made by a Sector Led Body and that the Committee advise the Executive Member to recommend to Full Council to opt into the Sector Led Body appointment process led by PSAA limited.

1.15 The Audit & Governance Committee considered this proposal at its meeting on 9 November 2021 and resolved:

"*that Members advise the Executive Member to RECOMMEND to full Council, that under Regulation 19 of the Local Audit (Appointing Person) Regulations 2015, East Hertfordshire District Council opts into the sector led body for audit appointments provided by Public Sector Audit Appointments Limited*."

2.0 Reason(s)

2.1 To benefit from joint procurement economies of scale, retain audit appointment independence and avoid the need to establish a local independent auditor panel.

3.0 Options

3.1 Join the PSAA national procurement.

3.2 Set up an Auditor Panel and undertake a local procurement.

4.0 Risks

4.1 There is a risk that local audit procurement may not result in many or any bids if there is a substantial package of work on offer from a sector led body.

4.2 There is a risk that fees will increase substantially if the Council is outside a sector led body.

5.0 Implications/Consultations

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

Yes

Current external fees levels are likely to increase when the current contracts end.

The cost of establishing a local or joint Auditor Panel outlined in options 1 and 2 above will need to be estimated and included in the Council's budget for 2022/23. This will include the cost of recruiting independent appointees (members), servicing the Panel, running a bidding and tender evaluation process, letting a contract and paying members fees and allowances.

Opting-in to a national sector led body provides maximum opportunity to limit the extent of any audit fee increases by entering in to a large scale collective procurement arrangement and would remove the costs of establishing an auditor panel.

Health and Safety

No

Human Resources

Yes

Should the Council choose to make a local or joint appointment then there will be a requirement to recruit suitably qualified Independent Members for the Audit Panel. Officers will need to be identified to support the work of the local or joint Audit Panel and to undertake the procurement exercise. Given the independence issues, it may not be deemed to be appropriate for those officers to come from Finance.

Human Rights

No

Legal

Yes

Section 7 of the Local Audit and Accountability Act 2014 (the Act) requires a relevant authority to appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding year. Section 8 governs the procedure for appointment including that the authority must consult and take account of the advice of its auditor panel on the selection and appointment of a local auditor. Section 8 provides that where a relevant authority is a local authority operating executive arrangements, the function of appointing a local auditor to audit its accounts is not the responsibility of an executive of the authority under those arrangements, i.e. Executive cannot appoint the external auditor.

Section 12 makes provision for the failure to appoint a local auditor: the authority must immediately inform the Secretary of State, who may direct the authority to appoint the auditor named in the direction or appoint a local auditor on behalf of the authority.

Section 17 gives the Secretary of State the power to make regulations in relation to an 'appointing person' specified by the Secretary of State. This power has been exercised in the Local Audit (Appointing Person) Regulations 2015 and this gives the Secretary of State the ability to enable a Sector Led Body to become the appointing person. 45. Regulation 19 of the Local Audit (Appointing Person) Regulations 2015 requires that the decision to opt-in must be made by the authority meeting as a whole i.e. Full Council.

Specific Wards

No

6.0 Background papers, appendices and other relevant material

Appendix A – PSAA Letter inviting East Herts Council to opt into the national procurement exercise.

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Appendix A: Comments from the Audit and Governance Committee

Comment from Committee	Reasons from the Committee	Executive Member/Officer Comment	Recommended Action
Committee Members advise the Executive Member to RECOMMEND to full Council, that under Regulation 19 of the Local Audit (Appointing Person) Regulations 2015, East Hertfordshire District Council opts into the sector led body for audit appointments provided by Public Sector Audit Appointments Limited.	In order to ensure that the Council can appoint an external auditor at the least risk and least cost to the council	The Executive Member thanks Audit & Governance Committee for considering the options and recommending opting into the shared national procurement arrangements,	Agree with Audit & Governance Committee and will recommend to Council opting into the national procurement.

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22 September 2021

To: Mr Cassidy, Chief Executive
East Hertfordshire District Council

Copied to: Mr Linnett, S151 Officer
Councillor Pope, Chair of Audit Committee or equivilent

Dear Mr Cassidy,

Invitation to opt into the national scheme for auditor appointments from April 2023

I want to ensure that you are aware the external auditor for the audit of your accounts for 2023/24 has to be appointed before the end of December 2022. That may seem a long way away but, as your organisation has a choice about how to make that appointment, your decision-making process needs to begin soon.

We are pleased that the Secretary of State has confirmed PSAA in the role of the appointing person for eligible principal bodies for the period commencing April 2023. Joining PSAA's national scheme for auditor appointments is one of the choices available to your organisation.

In June 2021 we issued a draft prospectus and invited your views and comments on our early thinking on the development of the national scheme for the next period. Feedback from the sector has been extremely helpful and has enabled us to refine our proposals which are now set out in the scheme prospectus and our procurement strategy. Both documents can be downloaded from our website which also contains a range of useful information that you may find helpful.

The national scheme timetable for appointing auditors from 2023/24 means we now need to issue a formal invitation to you to opt into these arrangements. In order to meet the requirements of the relevant regulations, we also attach a form of acceptance of our invitation which you must use if your organisation decides to join the national scheme. We have specified the five consecutive financial years beginning 1 April 2023 as the compulsory appointing period for the purposes of the regulations which govern the national scheme.

Given the very challenging local audit market, we believe that eligible bodies will be best served by opting to join the scheme and have attached a short summary of why we believe that is the best solution both for individual bodies and the sector as a whole.

I would like to highlight three matters to you:

1. if you opt to join the national scheme, we need to receive your formal acceptance of this invitation by Friday 11 March 2022;

18 Smith Square, London, SW1P 3HZ

2. the relevant regulations require that, except for a body that is a corporation sole (e.g. a police and crime commissioner), the decision to accept our invitation and to opt in must be made by the members of the authority meeting as a whole e.g. Full Council or equivalent. We appreciate this will need to be built into your decision-making timetable. We have deliberately set a generous timescale for bodies to make opt in decisions (24 weeks compared to the statutory minimum of 8 weeks) to ensure that all eligible bodies have sufficient time to comply with this requirement; and

3. if you decide not to accept the invitation to opt in by the closing date, you may subsequently make a request to opt in, but only after 1 April 2023. We are required to consider such requests and agree to them unless there are reasonable grounds for their refusal. PSAA must consider a request as the appointing person in accordance with the Regulations. The Regulations allow us to recover our reasonable costs for making arrangements to appoint a local auditor in these circumstances, for example if we need to embark on a further procurement or enter into further discussions with our contracted firms.

If you have any other questions not covered by our information, do not hesitate to contact us by email at ap2@psaa.co.uk. We also publish answers to frequently asked questions on our website.

If you would like to discuss a particular issue with us, please send an email also to ap2@psaa.co.uk, and we will respond to you.

Yours sincerely

Tony Crawley
Chief Executive

Encl: Summary of the national scheme

Why accepting the national scheme opt-in invitation is the best solution

Public Sector Audit Appointments Limited (PSAA)

We are a not-for-profit, independent company limited by guarantee incorporated by the Local Government Association in August 2014.

We have the support of the LGA, which in 2014 worked to secure the option for principal local government and police bodies to appoint auditors through a dedicated sector-led national body.

We have the support of Government; MHCLG's Spring statement confirmed our appointment because of our "strong technical expertise and the proactive work they have done to help to identify improvements that can be made to the process".

We are an active member of the new Local Audit Liaison Committee, chaired by MHCLG and attended by key local audit stakeholders, enabling us to feed in body and audit perspectives to decisions about changes to the local audit framework, and the need to address timeliness through actions across the system.

We conduct research to raise awareness of local audit issues, and work with MHCLG and other stakeholders to enable changes arising from Sir Tony Redmond's review, such as more flexible fee setting and a timelier basis to set scale fees.

We have established an advisory panel, which meets three times per year. Its membership is drawn from relevant representative groups of local government and police bodies, to act as a sounding board for our scheme and to enable us to hear your views on the design and operation of the scheme.

The national scheme for appointing local auditors

In July 2016, the Secretary of State specified PSAA as an appointing person for principal local government and police bodies for audits from 2018/19, under the provisions of the Local Audit and Accountability Act 2014 and the Local Audit (Appointing Person) Regulations 2015. Acting in accordance with this role PSAA is responsible for appointing an auditor and setting scales of fees for relevant principal authorities that have chosen to opt into its national scheme. 98% of eligible bodies made the choice to opt-in for the five-year period commencing in April 2018.

We will appoint an auditor for all opted-in bodies for each of the five financial years beginning from 1 April 2023.

We aim for all opted-in bodies to receive an audit service of the required quality at a realistic market price and to support the drive towards a long term competitive and more sustainable market for local audit. The focus of our quality assessment will include resourcing capacity and capability including sector knowledge, and client relationship management and communication.

What the appointing person scheme from 2023 will offer

We believe that a sector-led, collaborative, national scheme stands out as the best option for all eligible bodies, offering the best value for money and assuring the independence of the auditor appointment.

The national scheme from 2023 will build on the range of benefits already available for members:

- transparent and independent auditor appointment via a third party;
- the best opportunity to secure the appointment of a qualified, registered auditor;
- appointment, if possible, of the same auditors to bodies involved in significant collaboration/joint working initiatives, if the parties believe that it will enhance efficiency;
- on-going management of any independence issues which may arise;
- access to a specialist PSAA team with significant experience of working within the context of the relevant regulations to appoint auditors, managing contracts with audit firms, and setting and determining audit fees;
- a value for money offer based on minimising PSAA costs and distribution of any surpluses to scheme members - in 2019 we returned a total £3.5million to relevant bodies and more recently we announced a further distribution of £5.6m in August 2021;
- collective efficiency savings for the sector through undertaking one major procurement as opposed to a multiplicity of smaller procurements;
- avoids the necessity for local bodies to establish an auditor panel and undertake an auditor procurement, enabling time and resources to be deployed on other pressing priorities;
- updates from PSAA to Section 151 officers and Audit Committee Chairs on a range of local audit related matters to inform and support effective auditor-audited body relationships; and
- concerted efforts to work with other stakeholders to develop a more sustainable local audit market.

We are committed to keep developing our scheme, taking into account feedback from scheme members, suppliers and other stakeholders, and learning from the collective post-2018 experience. This work is ongoing, and we have taken a number of initiatives to improve the operation of the scheme for the benefit of all parties.

Importantly we have listened to your feedback to our recent consultation, and our response is reflected in the scheme prospectus.

Opting in

The closing date for opting in is 11 March 2022. We have allowed more than the minimum eight-week notice period required, because the formal approval process for most eligible bodies is a decision made by the members of the authority meeting as a whole [Full Council or equivalent], except police and crime commissioners who are able to make their own decision.

We will confirm receipt of all opt-in notices. A full list of eligible bodies that opt in will be published on our website. Once we have received an opt-in notice, we will write to you to request information on any joint working arrangements relevant to your auditor appointment, and any potential independence matters which may need to be taken into consideration when appointing your auditor.

Local Government Reorganisation

We are aware that reorganisations in the local government areas of Cumbria, Somerset, and North Yorkshire were announced in July 2021. Subject to parliamentary approval shadow elections will take place in May 2022 for the new Councils to become established from 1 April 2023. Newly established local government bodies have the right to opt into PSAA's scheme under Regulation 10 of the Appointing Person Regulations 2015. These Regulations also set out that a local government body that ceases to exist is automatically removed from the scheme.

If for any reason there is any uncertainty that reorganisations will take place or meet the current timetable, we would suggest that the current eligible bodies confirm their acceptance to opt in to avoid the requirement to have to make local arrangements should the reorganisation be delayed.

Next Steps

We expect to formally commence the procurement of audit services in early February 2022. At that time our procurement documentation will be available for opted-in bodies to view through our e-tendering platform.

Our recent webinars to support our consultation proved to be popular, and we will be running a series of webinars covering specific areas of our work and our progress to prepare for the second appointing period. Details can be found on our website and in the scheme prospectus.

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