



Essex County Council

Corporate Policy and Scrutiny Committee

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| 09:00 | Thursday, 24 November 2022 | Committee Room 1 County Hall, Chelmsford, CM1 1QH |
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For information about the meeting please ask for:

Graham Hughes, Senior Democratic Services Officer

Telephone: 033301 34574

Email: democratic.services@essex.gov.uk

Essex County Council and Committees Information

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| ** | Private Pre-Meeting for CPSC Members Only Please note that there will be a private pre-meeting for committee members on Wednesday 23 November 2022 at 3.30pm via Microsoft Teams. | |
| 1 | Membership, Apologies, Substitutions and Declarations of Interest | 4 - 4 |
| 2 | Minutes: 22 September 2022 To approve as a correct record the minutes of the meeting held on 22 September 2022 and consider the matters arising. | 5 - 10 |
| 3 | Questions from the Public A period of up to 15 minutes will be allowed for members of the public to ask questions or make representations on any items on the agenda for this meeting. Please note that members of the public wishing to ask a question must email democratic.services@essex.gov.uk before noon on the day before the meeting (Wednesday 23 November 2022) and that questions must relate to an item on the agenda for the meeting. | |
| 4 | Everyone's Essex - Update Report to follow. | |
| 5 | 2022/23 Financial Overview as at the Half Year Stage | 11 - 39 |

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| 6 | Levelling Up - Update | 40 - 61 |
| 7 | Work Programme | 62 - 66 |
| 8 | Date of Next Meeting To note that the next meeting will be held on Thursday 8 December 2022, in Committee Room 1, County Hall. | |
| 9 | Urgent Business To consider any matter which in the opinion of the Chairman should be considered in public by reason of special circumstances (to be specified) as a matter of urgency. | |

Exempt Items

(During consideration of these items the meeting is not likely to be open to the press and public)

The following items of business have not been published on the grounds that they involve the likely disclosure of exempt information falling within Part I of Schedule 12A of the Local Government Act 1972. Members are asked to consider whether or not the press and public should be excluded during the consideration of these items. If so it will be necessary for the meeting to pass a formal resolution:

That the press and public are excluded from the meeting during the consideration of the remaining items of business on the grounds that they involve the likely disclosure of exempt information falling within Schedule 12A to the Local Government Act 1972, the specific paragraph(s) of Schedule 12A engaged being set out in the report or appendix relating to that item of business.

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| 10 | Urgent Exempt Business To consider in private any other matter which in the opinion of the Chairman should be considered by reason of special circumstances (to be specified) as a matter of urgency. |
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Agenda item 1

Committee: Corporate Policy and Scrutiny Committee

Enquiries to: Graham Hughes, Senior Democratic Services Officer

Membership, Apologies, Substitutions and Declarations of Interest

Recommendations:

To note

1. Membership as shown below
2. Apologies and substitutions
3. Declarations of interest to be made by Members in accordance with the Members' Code of Conduct

Membership (Quorum: 4)

| | |
|-------------------------|---------------|
| Councillor C Pond | Chairman |
| Councillor T Cunningham | |
| Councillor J Fleming | |
| Councillor M Garnett | |
| Councillor I Henderson | |
| Councillor S Kane | |
| Councillor D Land | |
| Councillor M Mackrory | Vice-Chairman |
| Councillor A McQuiggan | |
| Councillor C Siddall | |
| Councillor W Stamp | |
| Councillor M Steptoe | Vice-Chairman |
| Councillor M Vance | |
| Councillor A Wiles | |

Minutes of the meeting of the Corporate Policy and Scrutiny Committee, held at 10.15am on Thursday, 22 September 2022 in the Council Chamber, County Hall, Chelmsford.

Present:

County Councillors:

C Pond (Chairman)
J Fleming
I Henderson
D Land
A McQuiggan
M Mackrory (Vice Chairman)
C Siddall
M Vance

Graham Hughes, Senior Democratic Services Officer, and Emma Hunter, Democratic Services Officer, were also present.

1 Membership, Apologies, Substitutions and Declarations of Interest

The report on Membership, Apologies, Substitutions and Declarations was received and noted.

Apologies for absence had been received from Councillors T Cunningham, M Garnett, S Kane and M Steptoe.

2. Minutes

The draft minutes of the meeting held on 28 July 2022 were approved as a true record and signed by the Chairman of the meeting. The Matters Arising report was noted.

3. Questions from the public

There were no questions from the public.

4. 2022/23 Financial Overview as at the First Quarter and Budget Setting Process

The Committee considered report CPSC/19/2022 comprising the 2022/23 Financial Overview as at the First Quarter (Part 1) which had been presented to Cabinet on 19 July 2022 and an overview of the Budget Setting Process (Part 2) for 2023/24, including how the budget was built, key risks being considered, and the uncertainty driving the medium term.

The following joined the meeting to introduce the item:

Councillor Christopher Whitbread, Cabinet Member for Finance, Resources and Corporate Affairs;
Stephanie Mitchener, Director of Finance
Adrian Osborne, Head of Strategic Finance and Insight.

The Cabinet Member highlighted that the Council was currently operating in a rising inflation environment. When the 2022/23 budget had been set inflation predictions were for a peak of 5.5% but the rate was now beyond 10%. Alongside this, the Council continued to face uncertain levels of demand for many of the services it delivered. This was likely to result in ongoing volatility of financial forecasting.

During the opening presentation and subsequent questioning and discussion, the following was acknowledged, highlighted and/or noted:

- (i) At the time of the First Quarter Overview there was a forecast over spend of £5.1m (0.5%), against a net revenue budget of £1.1bn. A significant part of the overspend had been driven by Adult Social Care, especially residential and nursing care and reablement, market capacity issues and potential non-delivery of savings. Within the Finance, Resources and Corporate Affairs RSSS portfolio there had been delays to property transformation savings, plus pressure on utilities budgets.
- (ii) Inflationary pressures of £6.4m had been identified at the time of the First Quarter Overview to Cabinet including key risks of increased energy costs of streetlighting, increased energy prices across the ECC Estate, increased costs for transport providers and fuel costs. There was also additional cost due to higher CPI impacting on various contractual arrangements. £2.5m had been drawn down from General Risk Reserve to fund inflationary pressures seen at the time of the First Quarter report to Cabinet.
- (iii) Inflationary pressures had further increased since the Cabinet meeting in July. Since publication of the First Quarter report, a further decision had been taken to drawdown £4.46m from the General Risk Reserve to meet cost pressures on the Council's electricity budgets in 2022/23.
- (iv) The Cabinet Member considered that the Council had strong financial foundations. Risks had been highlighted at the time of setting the current budget and specifically those in the Adult Social Care market. Some underspends from the previous year had been placed into reserves. A specific reserve had been set up for inflationary pressures. The last resort was use of General Balance Reserves but this would always be a short-term solution and focus should be on ensuring sustainability in the medium term. £46m of broader savings had been identified for the

financial year, with £6.8m of those savings currently considered at risk.

- (v) ECC would continue to quantify inflationary risks and pressures as inflation continued to be volatile.
- (vi) ECC procured its energy needs through a managed arrangement based on future anticipated need and was able to negotiate the best available prices at the time.
- (vii) The Council's approved treasury management strategy permitted inter authority loans. However, ECC currently had no inter-authority loans and had stopped undertaking these in 2020/21. Members questioned the adequacy of capacity at senior management level to be able to take on the additional responsibilities placed on the Council by the Government to oversee certain aspects of Thurrock Council's finances and management. A strategic workforce planning review was currently underway.

CAPITAL PROGRAMME

- (viii) For the Capital Programme there was an underspend of £7.9m (2.7%) against a budget of £294m. This was primarily due to slippages on Essex Housing and Education projects.
- (ix) Developer contributions (primarily s106 funding) was predominantly used as contributions to projects in the capital programme. The Council made its representations through the planning process to enable it to support the development being proposed. As there became more financial and resource challenges for the capital programme it was important for joined up thinking between district and county planners. Planning portfolio group meetings were held with leading officers and Cabinet Members from Districts. However, there often could be separate negotiations and contributions sought by county, district and Health when there could be synergies from more combined efforts in seeking contributions.
- (x) Members challenged the delivery and outcomes being achieved for some projects and linking both capital programme and developer contributions closer to the levelling up aspirations, and avoiding duplication of work by County and District.
- (xi) The Cabinet Member offered to return at another time to discuss the capital programme and what it was delivering, future plans and how utilising the funds being held.

BUDGET PLANNING FOR 2023/24

- (xii) A fully balanced budget for 2022/23 year was approved in February 2022 but it had forecast an increasing shortfall for subsequent years.
- (xiii) The process for setting the 2023/24 budget and the medium-term resource strategy had been underway since the beginning of the financial year.
- (xiv) Bank of England projections for inflation had further deteriorated through the year. The Council continued to liaise with CIPFA and other Local Government networks as to what others were modelling.
- (xv) The most significant effect of inflation for the Council was on the cost of providing Adult Social Care and basic living wage calculations.
- (xvi) Scenario assumptions for budget setting had been refreshed for 2023/24 modelling ranging from different levels of inflation, tax revenues, government funding, demand, savings at risk, fees and charges with an assessment of the Council's level of confidence in being able to mitigate each challenge.
- (xvii) The Cabinet Member continued to work with other portfolio holders to encourage identification of further savings including service transformations and innovations, new ways of working and use of technology. Executive Directors would be expected to work closely with their Heads of Service in leading on the review of every line of their respective budgets.

Conclusion:

The following was agreed:

- (i) The July Cabinet paper had referenced, as part of the narrative on the Adult Social Care Overspend, the ceasing of some government funding specifically to support hospital discharge. Whilst that had been Covid related funding and time limited, the Cabinet Member agreed to review this further and the anticipated impact of reduced funding and any alternative funding sources available.
- (ii) Further information and breakdown on the vacancies in the Highways Team would be provided.
- (iii) Further information and clarification on the highways maintenance and sustainable transport budgets and the

reference to a related overspend within the Local Highways Panels budget in relation to savings in the budget for which a permanent solution could be found.

- (iv) The underspend due to the level of use of concessionary fares and how much of this reduction was due to loss of bus services together with monitoring of the delivery of the contracted bus services. The Committee may decide to pursue this with the Cabinet Member for Highways Maintenance and Sustainable Transport – possibly in conjunction with the Place Services and Economic Growth Policy and Scrutiny Committee.
- (v) A further financial update would be scheduled after discussions about appropriate timing for this between the Chairman, Cabinet Member and officers.

The Cabinet Member and supporting officers were thanked for their attendance and they then left the meeting.

5. Work Programme

The Committee received report CPSC/18/21 comprising the current work programme of the Committee which was noted.

6. Date of Next Meeting

It was noted that the next meeting due to be held on Thursday 27 October 2022 would need to be rescheduled due to the unavailability of witnesses for the proposed agenda items.

There being no further business the meeting closed at 11.50am

Chairman

Corporate Policy and Scrutiny – Outstanding Matters Arising as at 22 September 2022

Note: once an item has been completed it will show in this report for one subsequent meeting and then will be removed.

| <u>Date</u> | <u>Agenda item</u> | <u>Action</u> | <u>Status</u> |
|--------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| 22 September 2022 | 2022/23 Financial Overview as at the First Quarter and Budget Setting Process | The July Cabinet paper had referenced, as part of the narrative on the Adult Social Care Overspend, the ceasing of some government funding specifically to support hospital discharge. Whilst that had been Covid related funding and time limited, the Cabinet Member agreed to review this further and the anticipated impact of reduced funding and any alternative funding sources available. | TBC |
| | | Further information and breakdown on the vacancies in the Highways Team would be provided | TBC |
| | | Further information and clarification on the highways maintenance and sustainable transport budgets and the reference to a related overspend within the Local Highways Panels budget in relation to savings in the budget for which a permanent solution could be found. | TBC |
| 28 July 2022 | Everyone's Essex Performance Update - Quarter 4 2021- 22 | Chairman to consider format and timing for future pre-meetings and whether to incorporate a more granular discussion to incorporate some of the extra detail required by members. | Under consideration |
| | | Deputy Leader to be invited to attend the next update so that she would be able to provide more information on Levelling Up initiatives. | Completed. |

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| Report title: 2022/23 Financial Overview as at the Half Year stage | |
| Report to: Corporate Policy and Scrutiny Committee | |
| Report author: Cllr Christopher Whitbread, Cabinet Member for Finance, Resources and Corporate Affairs | |
| Date: 24 November 2022 | For: Consideration |
| Enquiries to: Stephanie Mitchener, Director of Finance email stephanie.mitchener@essex.gov.uk or Adrian Osborne, Head of Strategic Finance and Insight email adrian.osborne2@essex.gov.uk | |
| County Divisions affected: All Essex | |

1. Purpose of report

- 1.1 This item is to consider the 2022/23 Half Year Financial report presented to Cabinet on 18th October.

2 Background

- 2.1 The Council presented its Half Year Financial position for 2022/23 to October Cabinet. At this stage of the year there is a forecast over spend of £2.9m (0.3%), against a net revenue budget of £1.1bn. However, the underlying over spend before one-off funding from reserves is closer to £14m.
- 2.2 For the Capital Programme there is an under spend £22.2m (7.7%) on the capital programme against a budget of £287.7m.

3 2022/23 Half Year Report

- 3.1 The Council finds itself in an economic environment of inflation at a 40 year high, with an expectation this will increase further in the short term, a level which will be potentially sustained for an extended period of time. For context, when the budget for 2022/23 was set, inflation predictions were for a peak of 5.5%. Recent interest rate rises, and the expectation they will rise further will impact on capital borrowing in the medium term, as the cost of borrowing increases. Alongside this, we continue to face uncertain levels of demand for many of the services we deliver, in what are difficult circumstances. The recent government announcement to cap energy prices for the public sector for 6 months from October is welcome, and work is underway to assess the impact. All of these factors will require careful monitoring and are likely to result in ongoing volatility of forecasting as we move through year, which makes it difficult to produce an accurate forecast.
- 3.2 There is a full year forecast over spend of £2.9m (0.3% against a net budget of £1.1bn). The overall over spend position is driven by pressures within (i) the Adult Social Care and Health portfolio, where there are significant over

spends in Residential Care, Nursing Care and Reablement driven by demand and cost pressures, market capacity issues and potential non delivery of savings, (ii) Children's Services and Early Years portfolio due to increased placement costs because of increased numbers of children being supported, and (iii) the Finance, Resources and Corporate Affairs RSSS portfolio predominantly due to delays in achieving property rationalisation savings. This is partially offset by Other Operating Costs due to the positive impact of increasing interest rates on interest receivable and the impact of capital slippage on borrowing and interest payable.

- 3.3 Within the forecast position, inflation pressures of £17.4m have been identified, impacting Transport providers and fuel costs, energy costs for street lighting and the ECC estate, and Adult Social Care. As we progress through the year these pressures will likely increase, as we gain better insight on actual and potential inflation impacts through procurement activity and supplier interactions. In the second quarter a decision was taken to use a further £4.5m of the General Risk reserve to support the increasing cost of electricity, bringing total support from reserves for electricity to £9.5m in the current year in addition to the budget originally set. This leaves capacity to fund further pressures as they develop through the remainder of the year, although this only provides one-off support – higher prices will impact our medium term plans.
- 3.4 The impact of Covid is still being felt on demand for our broad range of services, as well as with capacity of providers to deliver our requirements. We still face pressures, and continue to provide support to markets, particularly in Adult Social Care with staffing recruitment and retention. Within this report recommendations are included for £2.7m of drawdowns from the Covid Equalisation Reserve, predominantly to support the sustainability of the care provider market as it faces demand issues, staffing challenges and increased financial pressures, through the Covid Resilience Fund. Further drawdowns will occur throughout the year as further pressures develop, or we see new waves of the pandemic that impact on the financial position.
- 3.5 The Capital Programme has a forecast under spend of £22.2m against a latest budget of £287.7m. After taking account of budget change requests in the Half Year report, there is a residual over spend of £105,000. The budget change adjustments are summarised as follows:
 - 2022/23 Slippage: £33m (£27.1m into 2023/24, £4.7m into 2024/25 and £1.2m 2025/26)
 - Additions of £20.4m
 - Reductions of £14.9m
 - 2022/23 Advanced Works: £5.2m (£13.4m to be advanced from 2026/27, £904,000 from 2023/24, £5.2m into 2022/23, £5.6m into 2024/25 and £3.5m into 2025/26)

4 List of Appendices

Appendix A – 2022/23 Financial Overview as at the Half Year stage (FP/304/02/22)

Forward Plan Reference Number: FP/304/02/22

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|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Report title: 2022/23 Financial Overview as at the Half Year Stage | |
| Report to: Cabinet | |
| Report author: Cllr Christopher Whitbread, Cabinet Member for Finance, Resources and Corporate Affairs | |
| Date: 18 October 2022 | For: Decision |
| Enquiries to: Nicole Wood, Executive Director, Corporate Services Nicole.wood@essex.gov.uk and Adrian Osborne, Head of Strategic Finance and Insight email Adrian.osborne2@essex.gov.uk | |
| County Divisions affected: All Essex | |

1 Everyone's Essex

- 1.1 The Everyone's Essex Annual Plan and Budget was set for 2022/23 at Council in February 2022. The plan set out the Everyone's Essex strategic aims and commitments, alongside a budget to enable delivery of our aims, while also maintaining the financial sustainability of the Council.
- 1.2 The purpose of this report is to set out the current forecast financial position of Essex County Council's (ECC) revenue and capital budgets as at the half year stage of the 2022/23 financial year. The report highlights that, while there is a small forecast over spend of **£2.9m** (0.3%) against a net revenue budget of **£1.1bn**, **the underlying over spend before one off funding from reserves is closer to £14m**. The short to medium term outlook remains incredibly challenging, with demand uncertainty, market volatility and rising inflation and interest rates alongside cost of living impacts.
- 1.3 The £2.9m over spend is a favourable movement since the Quarter 1 report of **£2.2m**. This is driven by changing interest rates and the impact of capital slippage on borrowing and interest payable, partially offset by increasing use and costs of placements in Children's Services. **Further details on movements are set out in section 5.**
- 1.4 The financial year has started in unprecedented circumstances. Inflation is now at 9.9%, with the expectation it will pass 10% by the end of the year, over double the council tax rise applied this year, and the potential for a longer peak than previously anticipated. The forecast currently reflects additional inflation pressures of circa £17.4m, crossing a number of areas. It is likely further inflation pressures will arise as we progress through the year, as well as other unknowns, including any further impacts of the Covid-19 pandemic and ongoing demand for services, as well as rising interest rates. These will be carefully monitored, and are likely to result in ongoing volatility of expenditure as we move through the year, making it difficult to produce an accurate forecast.

- 1.5 Despite these challenges, our focus remains on prioritising our resources to achieve the strategic aims outlined in Everyone's Essex. £1.9m was recently prioritised to Deliver Digital Essex, which will support the deployment of digital connectivity infrastructure and the adoption of digital technology.

2. Recommendations

Approval is sought for the following:

2.1 To draw down funds from reserves as follows:

- i. **£2.7m** from the Covid Equalisation Reserve to the following portfolios due to Covid related expenditure: Adult Social Care and Health portfolio **£1.7m**, Community, Equality, Partnerships and Performance RSSS portfolio **£501,000**, Finance, Resources and Corporate Affairs RSSS portfolio **£211,000**, Highways Maintenance and Sustainable Transport portfolio **£179,000** and Leader RSSS portfolio **£70,000**. Further detail can be found in section 5 (sections 5.1.v, 5.13.ii, 5.15.iii, 5.9.iii and 5.16.ii)
- ii. **£1.8m** from the Transformation Reserve to the following portfolios: Highways Maintenance and Sustainable Transport portfolio; **£850,000** mitigating the Local Highways Panels saving included within the Medium Term Resource Strategy (MTRS) and **£917,000** to reimburse bus service operator losses related to escalating fuel costs as per FP/437/06/22 (section 5.9.iii). **£25,000** to the Community, Equality, Partnerships and Performance RSSS portfolio relating to Experian Licences (section 5.13.ii)
- iii. **£550,000** from the Adult Social Care Risk Reserve to the Adult Social Care and Health portfolio relating to short stay isolation beds for older adults (section 5.1.v)
- iv. **£344,000** from the Children's Transformation Reserve to the Children's Services and Early Years portfolio for the Tendring Multi-Disciplinary Team to continue funding the pilot project in that region. (section 5.2.iii)
- v. **£384,000** from the Adults Transformation Reserve to the Adult Social Care and Health portfolio relating to costs for Business Support posts **£302,000** and Transforming Community Care and Dementia (TCCD) **£82,000** (section 5.1.v)
- vi. **£68,000** from the Community Initiatives Fund Reserve to the Community, Equality, Partnerships and Performance portfolio to fund payments to community groups that have been awarded small grants (section 5.3.iii)

2.2 To appropriate funds to reserves as follows:

- i. **£1.4m** to the Carry Forward Reserve for use in 2023/24 from the following portfolios:

- Other Operating Costs **£600,000** (section 5.12.ii)
 - Devolution, the Arts, Heritage and Culture **£400,000** (section 5.4.ii)
 - Finance, Resources and Corporate Affairs RSSS portfolio **£232,000** (section 5.15.iii)
 - Highways Maintenance and Sustainable Transport **£86,000** (section 5.9.iii)
 - Community, Equality, Partnerships and Performance RSSS **£60,000** (section 5.13.ii)
 - Community, Equality, Partnerships and Performance **£50,000** (section 5.3.iii)
- ii. **£535,000** to the Technology and Digitisation Reserve from the Finance, Resources and Corporate Affairs RSSS portfolio to support future work relating to the Cloud Modernisation Programme (section 5.15.iii)
- iii. **£260,000** to the Reserve for Future Capital Funding from the Finance, Resources and Corporate Affairs portfolio for the lift replacement costs within the Commercial Property portfolio (section 5.8.iii)
- iv. **£118,000** to the Private Finance Initiatives (PFI) Equalisation Reserves from the Education Excellence, Lifelong Learning and Employability portfolio in relation to the Debden PFI (section 5.7.iii)
- v. **£94,000** to the Transformation Reserve from the Finance, Resources and Corporate Affairs RSSS portfolio towards the Workforce Strategy project (section 5.15.iii)

2.3 To approve the following adjustments:

- i. Vire **£47,000** from the Highways Maintenance and Sustainable Transport portfolio to the Leader RSSS portfolio for a Highways Communications officer (sections 5.9.iii and 5.16.ii)
- ii. Vire **£36,000** from the Economic Renewal, Infrastructure and Planning portfolio to the Highways Maintenance and Sustainable Transport portfolio to fund a secondment from Development Management to the Transport Strategy and Engagement Team (sections 5.5.iii and 5.9.iii)
- iii. Amend the capital budget as shown in Appendices C (i) and C (ii) which allows for capital slippage of **£33m**, with £27.1m slipped into 2023/24, £4.7m into 2024/25 and £1.2m into 2025/26. Capital budget additions of **£20.4m**, capital budget reductions of **£14.9m** and advanced works of **£5.2m** (£13.4m to be advanced from 2026/27, £904,000 from 2023/24, £5.2m into 2022/23, £5.6m into 2024/25 and £3.5m into 2025/26) (see section 7.2).

3. Executive Summary: Revenue

3.1 Appendix A summarises the revenue budgets and forecast outturn for each portfolio. There is a full year forecast over spend of **£2.9m (0.3%** against a net budget of **£1.1bn)**. The overall over spend position is driven by pressures within the Adult Social Care and Health, Children's Services and Early Years and the Finance, Resources and Corporate Affairs RSSS portfolios, partially offset by Other Operating Costs and specifically:

- i. Adult Social Care and Health **£3.9m** where there are significant over spends in Residential Care, Nursing Care and Reablement, driven by demand and cost pressures, market capacity issues and potential non-delivery of savings.
- ii. Finance, Resources and Corporate Affairs RSSS **£2.3m** predominantly due to delays in achieving property rationalisation savings.
- iii. Children's Services and Early Years **£1.3m** due to increased placement costs because of increased numbers of children being supported.
- iv. Offset by Other Operating Costs (OOC) of **£5.2m** due to the positive impact of increasing interest rates on interest receivable and the impact of capital slippage on borrowing and interest payable.

3.2 The Council finds itself in an economic environment of inflation at a 40 year high, with an expectation this will increase further in the short term, a level which will be potentially sustained for an extended period of time. For context, when the budget for 2022/23 was set, inflation predictions were for a peak of 5.5%. Recent interest rate rises, and the expectation they will rise further will impact on capital borrowing in the medium term, as the cost of borrowing increases. Alongside this, we continue to face uncertain levels of demand for many of the services we deliver, in what are difficult circumstances. The recent government announcement to cap energy prices for the public sector for 6-months from October is welcome, and work is underway to assess the impact. All of these factors will require careful monitoring and are likely to result in ongoing volatility of forecasting as we move through year, which makes it difficult to produce an accurate forecast.

3.3 Within the forecast position, inflation pressures of £17.4m have been identified, impacting Transport providers and fuel costs, energy costs for street lighting and the ECC estate, and Adult Social Care. As we progress through the year these pressures will likely increase, as we gain better insight on actual and potential inflation impacts through procurement activity and supplier interactions. In the second quarter a decision was taken to use a further £4.5m of the General Risk reserve to support the increasing cost of electricity, bringing total support from reserves for electricity to £9.5m in the current year in addition to the budget originally set. This leaves capacity to fund further pressures as they develop through the remainder of the year,

although this only provides one-off support – higher prices will impact our medium term plans.

- 3.4 The impact of Covid is still being felt on demand for our broad range of services, as well as with capacity of providers to deliver our requirements. We still face pressures, and continue to provide support to markets, particularly in Adult Social Care with staffing recruitment and retention. Within this report recommendations are included for £2.7m of drawdowns from the Covid Equalisation Reserve, predominantly to support the sustainability of the care provider market as it faces demand issues, staffing challenges and increased financial pressures, through the Covid Resilience Fund. Further drawdowns will occur throughout the year as further pressures develop, or we see new waves of the pandemic that impact on the financial position.
- 3.5 The position reported in section 5 is after proposed adjustments in this report, set out in sections 2.1 to 2.3.

4. Executive Summary: Capital

- 4.1 The original capital programme for 2022/23 as set by Full Council in February 2022 was **£283.6m**. The forecast outturn is **£265.6m**, before adjustments proposed within this report. This represents an under spend of **£22.2m** against latest budget of **£287m**. After taking account of budget change requests in this report, there is a residual over spend of **£105,000** More detail is set out in Section 7.
- 4.2 The **£22.2m** under spend in the 2022/23 Capital Programme position relates to the following requests in this report:
- 2022/23 Slippage: **£33m** (£27.1m into 2023/24, £4.7m into 2024/25 and £1.2m 2025/26)
 - Additions: **£20.4m**
 - Reductions: **£14.9m**
 - 2022/23 Advanced Works: **£5.2m** (£13.4m to be advanced from 2026/27, £904,000 from 2023/24, £5.2m into 2022/23, £5.6m into 2024/25 and £3.5m into 2025/26)
- 4.3 Appendix C (i) summarises current year forecasts and changes to the Capital Programme for 2022/23 since approval of the original programme in the Budget Report to Council in February 2022. Appendix C (ii) contains the detail of the budget adjustments seeking approval.

5. Revenue Position

- 5.1 **Adult Social Care and Health – £3.9m (0.8%) over spend**

- i. Adult Social Care continues to feel the consequences of paused work and backlog on teams, and of reviews and assessments, changing demographics projections and the demand for services. The care market also manages the impact with both resident population and staff recruitment and retention a factor. The service is adversely affected by shortfalls in domiciliary capacity and this is causing people to go into more expensive and less independent care. These elements continue to create a challenge in being able to accurately predict future demand. The Hospital Discharge Pathway funding ceased at the end of 2021/22 and there remain significant risks around the cost and demand for Adult Social Care (particularly in Nursing Care) at the point of Discharge from Hospital.
- ii. The Adult Social Care forecast is based on volume growth being in line with trend assumptions and price uplifts continuing for the remainder of the year in line with trend seen this year. There is uncertainty around the risk of future energy costs and other inflation factors and the impact this will have on Residential and Nursing Care prices. The forecast makes no prediction about further savings delivery over and above that already validated. The service is actively pursuing the delivery of savings not reflected in the forecast, these savings are focussed on efficiencies that do not have a detrimental impact on the service provided. Should these savings come through, they will be used to offset the risks set out above.
- iii. Public Health shows a forecast on-line position. Within this position, there is a balance of £2.8m of Contain Management Outbreak funding (COMF) that has been carried forward from 2021/22, the current guidance being that there will be no further roll forward of these monies beyond this financial year. We are awaiting guidance from UK Health Security Agency (UKHSA) as to the appropriate use of the remaining funds or any clawback that UKHSA may introduce. Of the £2.9m self-isolation grant funding awarded to ECC, £1.5m was unspent as at the end of 2021/22. This grant has been used to support various activities such as Citizens Advice Bureau, food banks and bereavement support, but there is no further scope for expenditure of this grant due to there being no further requirement to self-isolate.
- iv. There are a number of under and over spends across the different types of care provision where the actual current demand for services is either greater or less than the predictions made when setting the budget.
- v. Approval is sought in this report for the following:
 - **£1.7m** from the Covid Equalisation Reserve to support the sustainability of the care provider market, as it faces demand issues, staffing challenges and increased financial pressures, through the Covid Resilience Fund
 - **£550,000** from the Adult Social Care Risk Reserve relating to short stay isolation beds for older adults as recommended within the Chief Officer Action 128-01-08-22 for the contract with Cedars Care Home

- **£384,000** from the Adults Transformation Reserve to fund various projects such as Transforming Community Care and Operational Delivery.

5.2 Children's Services and Early Years:

- **Non DSG - £1.3m (0.9%) over spend**
 - **DSG – £1.2m under spend**
- The Non DSG over spend position reflects the impact of increasing costs of placements, driven by the difficulty in identifying suitable residential placements (sufficiency) and the rising costs of individual packages. Demand is expected to be sustained and so there is a risk that the over spend may increase if stable placements continue to be difficult to source, therefore the position will be kept under review. The movement from Quarter 1 is an increase of **£2.2m**, driven by the increase in semi-independent living (both volume and cost) and the increasing use of unregistered placements (due to lack of sufficiency of residential accommodation).
 - The DSG under spend has arisen due to an increase in Early Years funding from the DfE, which was based on latest available census numbers. This amounted to **£2.7m** which has been partly offset by spending plans of **£1.5m**
 - Approval is sought in this report for the following:
 - Draw down of **£344,000** from the Children's Transformation Reserve for the Tendring Multi-Disciplinary Team, to continue funding the pilot project in that region.

5.3 Community, Equality, Partnerships and Performance - **£647,000 (2.5%) over spend**

- The portfolio reports an over spend of **£647,000** which is mainly attributable to an under recovery of income of **£816,000** in libraries as a result of a reduction in demand for fee paying services, offset by small under spends across the portfolio within staffing.
- This is an adverse movement of **£155,000** since Quarter 1 due to the under recovery of income within the Library service, offset by a vacancy within the Youth Service.
- Approval is sought in this report for the following:
 - Drawdown **£68,000** from the Community Initiatives Reserve for payments to Community groups to undertake various community projects following successful bids
 - Transfer **£50,000** to the Carry Forward Reserve in relation to savings in 2023/24.

5.4 Devolution, Art, Heritage and Culture – on line

- i. This forecast on line adjusted position represents a favourable movement of **£60,000** since Quarter 1 due to the revised forecast security costs within Gypsy and Travellers at the Severalls site.
- ii. Approval is sought in this report for the following:
 - Transfer **£400,000** to the Carry Forward Reserve to support the Country Stewardship scheme. £750,000 was originally carried forward into 2022/23 and now £400,000 of this is needed in 2023/24 to support wood pasture and grasslands restoration.

5.5 **Economic Renewal, Infrastructure and Planning - £229,000 (2.1%) under spend**

- i. The forecast under spend of **£229,000** within this portfolio is mainly due to:
 - **£170,000** forecast under spend within Development Management which is due to higher than budgeted planning income that has been received
 - **£138,000** forecast under spend within Housing Strategy, Development and Investment which relates to the recharged strategic support services to the LLP for using ECC internal support services. This is now understood to be an on-going annual recharge.
 - **£77,000** forecast over spend within Environmental Planning where the forecast income is insufficient to cover the forecast costs for the year.
- ii. This is a favourable movement of **£176,000** since Quarter 1 which is attributable to higher than anticipated planning income that has been received within Development Management.
- iii. Approval is sought in this report for:
 - Vire **£36,000** to the Highways Maintenance and Sustainable Transport portfolio to fund a secondment from Development Management to the Transport Strategy and Engagement Team.

5.6 **Education Excellence, Lifelong Learning and Employability (DSG) - £8.7m under spend**

- i. An in year **£8.7m** under spend is reported which results from the increase in funding for 2022/23.
- ii. This an adverse movement of **£2.5m** since Quarter 1 mainly attributable to **£2.1m** in the Schools Block where a higher than anticipated Growth Fund allocation previously reported as an under spend is now fully committed as spending plans have been finalised

- iii. The High Needs Block (HNB) funding was increased by the Government by **£20.8m** (post recoupment) for 2022/23. The HNB is expected to remain in surplus this financial year and plans to utilise this are being developed.
- iv. However significant pressures exist within the forecast and are as follows:
 - **£2m** over spend for Education Health and Care Plans (EHCPs) where the volume and cost exceeds what was included in the budget
 - **£1.1m** over spend for Individual Pupil Resource Allocations (IPRA) where costs are increasing
 - Independent Schools are forecasting a **£463,000** over spend, an 8.8% increase in expenditure compared to 2021-22. The 2022-23 budget is **£28m**, an increase of 8.9% from 2021-22, following expenditure of **£26m** resulting in a **£1m** over spend last year.
 - **£366,000** increase in the cost of SEN top ups due to the number of school days being under estimated in the budget

5.7 Education Excellence, Lifelong Learning and Employability (Non DSG) - **£358,000 (1.5%) over spend**

- i. The **£358,000** over spend is due to:
 - Non staffing costs forecasting higher than budgeted - £250,000
 - A forecast over spend in staffing - £127,000 mainly due to the SEND posts funded through the Covid Reserve being extended to March 2023 with the additional costs funded through existing resources in the Education Function. It should be noted that across the Education Function the vacancy factor is forecasting to be fully achieved.
- ii. This is an adverse movement of **£343,000** since Quarter 1 is mainly attributable to staffing pressures.
- iii. Approval is sought in this report for:
 - **£118,000** returned to the PFI Equalisation reserves relating to the Debden PFI scheme.

5.8 Finance, Resources and Corporate Affairs - **£274,000 (2.1%) under spend**

- i. The forecast under spend reported is due to vacancy factor already materialising across customer services, together with less assessment activity than expected for Blue Badges
- ii. There has been a small adverse movement of **£12,000**
- iii. Approval is sought in this report for:
 - **£260,000** to the Reserve for Future Capital Funding for the lift replacement costs within the Commercial Property portfolio

5.9 Highways Maintenance and Sustainable Transport - £223,000 (0.2%) under spend

- i. The forecast under spend predominantly relates to in-year staffing vacancies which are under recruitment. There is a favourable movement of **£65,000** since Quarter 1.
- ii. There is a net unadjusted over spend of **£9.4m**, which is largely made up as follows:
 - An over spend of **£917,000** in Passenger Transport, Concessionary Fares reflecting ECC's commitment to reimburse operators for losses due to reduced patronage since Covid-19 as per governance paper FP/437/06/22. This will be drawn down from the Transformation Reserve
 - A net under recovery of income within the Park & Ride service **£179,000** which is to be funded by reserves
 - An over spend of **£2m** in Roads & Footways to support investment in Highways Infrastructure through the creation of a new Pothole fund to be funded by reserves
 - An over spend of **£5.8m** in Street Lighting, Tackling congestion, Bridges, Winter & Depots relating to energy purchased at a price up to 79p per kw/h. There may be an opportunity arising from forward purchases of energy, and the implications of the government announcement on energy support for Local Authorities, which are both currently being evaluated. Due to the continued uncertainty and volatility in the energy market, any further ask to fund pressures from reserves will be requested later in the year.
 - An over spend of **£850,000** within Local Highways Panels in relation to savings in the MTRS, for which a permanent delivery solution is to be found, which is to be covered by the Transformation Reserve for 2022/23 only.

These pressures are offset by staffing under spends across a number of policy lines.

- iii. Approval is sought in this report for the following:
 - **£917,000** from the Transformation Reserve to reimburse bus service operator losses as per FP/437/06/22
 - **£850,000** from the Transformation Reserve mitigating the Local Highways Panels saving included within the MTRS
 - **£179,000** from the Covid Equalisation Reserve due to income losses within Park and Ride
 - **£86,000** to the Carry Forward Reserve to recruit a Dynamic Purchasing officer on a fixed term basis

- Vire **£47,000** to the Leader RSSS portfolio for a Highways Communications officer.
- Vire **£36,000** from the Economic Renewal, Infrastructure and Planning portfolio to fund a secondment from Development Management to the Transport Strategy and Engagement Team

5.10 **Leader - £97,000 (1.8%) under spend**

- The portfolio reports a residual under spend of **£97,000** representing a small favourable movement of **£23,000** since Quarter 1. The under spend and movement are attributable to the Corporate Management and Leadership policy line. This under spend is due to additional (unbudgeted) income being forecast in relation to the Chief Executive's work with Slough. The figure has been refined since Quarter 1, hence there has been a small movement.

5.11 **Waste Reduction and Recycling – on line**

The Waste Reduction and Recycling portfolio is reporting an online position to budget. Within this position, the following should be noted:

- As we de-mobilised the IWHC contract and designed a new internal service to haul waste and manage the recycling centres, we built a cost base that was heavily reliant on assumptions, many of which were reflective of the cost base established by Veolia under their contractual arrangements. There is a risk that these assumptions are out of date and not reflective of the actual service now being delivered, especially in light of the current macroeconomic environment.
- The actual costs being incurred are being monitored closely and any variation to the original financial model that underpinned the budget will be investigated and the impact assessed for materiality.
- Actual tonnage information for the period to date is not yet wholly reflected in the forecast position. This is because there is a time lag in the provision of data related to tonnage disposed of for certain waste streams. This is normal practice and is not reflective of any specific issues.
- The 2022/23 budget is overstated as it includes additional tonnage for the impact of covid which is not crystallising and work is almost complete to validate this with trends now coming through in 2022/23.

5.12 **Other Operating Costs – £5.2m (6.3%) under spend**

- Previously, due to the currently volatile economic conditions, we were unable to take a view on the impact on Other Operating Costs budgets and had therefore reported as on line. As at the Half Year stage, this has

changed. This under spend position and movement since Quarter 1 of £5.2m is due to the changing interest rates compared to budget as well as the impact of capital slippage on borrowing and interest payable.

- ii. Approval is sought in this report for the following:
 - **£600,000** to the Carry Forward Reserve in order to support the one-off ICRA saving in 2023/24.

5.13 Community, Equality, Partnerships and Performance Recharged Strategic Support Services - £47,000 (0.3%) over spend

- i. The forecast over spend of **£47,000** is reported after proposed adjustments. This position and the movement of **£13,000** since Quarter 1 is attributable to unbudgeted staffing costs in Equality and Diversity of **£41,000** and Democratic Services of **£7,000**.
- ii. Approval is sought in this report for the following:
 - **£501,000** from the Covid Equalisation Reserve to support temporary Registrations posts, originally approved via FP/065/05/21 Additional Funding for Registrations Service CMA, now time lapsed
 - **£60,000** to the Carry Forward Reserve in relation to savings in 2023/24
 - **£25,000** from the Transformation Reserve in relation to Experian licences.

5.14 Economic Renewal, Infrastructure and Planning Recharged Strategic Support Services – on line

- i. The portfolio reports an on line position with no change from the position reported at Quarter 1. However, it has been identified that the income budget is unachievable as this was due to be generated via commercial income by selling services to third parties. This is due to the service no longer delivering projects for the Department for Education (DfE), and the impact of Covid on the construction industry. This is being mitigated by in-year staffing vacancies, recharges to capital projects and lower than anticipated activity spend. However, there is a risk of **£200,000** being reported and this will be closely monitored through the year.

5.15 Finance, Resources and Corporate Affairs Recharged Strategic Support Services - £2.3m (2.8%) over spend

- i. The portfolio forecasts an over spend of **£2.3m** representing a favourable movement since the Quarter 1 report of **£247,000**. This is almost wholly in relation to pressures within Facilities Management where CPI contract pressures, utility costs and the saving in relation to property realisation that was already in the MTRS have caused substantial issues.

- ii. These are slightly offset by favourable forecasts in relation to staffing across the remainder of the portfolio.
- iii. Approval is sought in this report for the following:
 - **£535,000** to the Technology and Digitisation Reserve to support future work relating to the Cloud Modernisation Programme
 - **£232,000** to the Carry Forward Reserve in relation to savings in 2023/24
 - **£211,000** from the Covid Equalisation Reserve in relation to Covid pressures on the People and Transformation service centre **£143,000** and towards the Flu vaccine project **£68,000**
 - **£94,000** to the Transformation Reserve towards the Workforce Strategy project

5.16 **Leader Recharged Support Services – on line**

- i. This position is reported as on line.
- ii. Approval is sought in this report for the following:
 - **£70,000** from the Covid Equalisation Reserve relating to the Communications and Marketing team for pandemic related activity.
 - Vire **£47,000** from the Highways Maintenance and Sustainable Transport portfolio for a Highways Communications officer.

6. **Trading Activities**

- 6.1 Trading activities as a whole are reporting an achievement of target against the budgeted surplus of **£304,000**.
- 6.2 Place Services is reporting an achievement of the planned target of **£300,000** which will be appropriated to County Reserves
- 6.3 Music Services is reporting an on line position after the **£4,000** appropriation to County Reserves to repay the remaining Music Pension deficit.
- 6.4 These forecast positions will leave a net residual surplus in reserves of **£1.5m**, of which **£1.3m** relates to Place Services
- 6.5 Appendix B shows the position by each Trading Activity.

7. Capital

7.1 An under spend of **£22.2m** (7.7%) is forecast against the latest capital budget of **£287.7m**. After taking account of budget change requests in this report there is a residual over spend of **£105,000**

7.2 Approval is sought for:

- i. Slippage of **£33m** (£27.1m into 2023/24, £4.7m into 2024/25 and £1.2m 2025/26)
- ii. Budget additions of **£20.4m**
- iii. Budget reductions of **£14.9m**
- iv. Advanced works of **£5.2m** (£13.4m to be advanced from 2026/27, £904,000 from 2023/24, £5.2m into 2022/23, £5.6m into 2024/25 and £3.5m into 2025/26)

7.3 The key points to note are listed below, and the detailed requests are shown at Appendix C(ii).

7.4 Adult Social Care and Health – on line

- i. There is no variance to budget

7.5 Children's Service and Early Years – £20,000 under spend

- i. Approval is sought to re-profile **£31,000** into 2024/25 in relation to the Dry Street Early Years' scheme
- ii. Approval is sought to add **£4,000** into the programme

7.6 Community, Equity, Partnerships and Performance – on line

- i. There is no variance to budget

7.7 Devolution, Art, Heritage and Culture – £1,000 over spend

- i. There is an immaterial variance to budget

7.8 Economic Renewal, Infrastructure and Planning - £12.3m under spend

- i. Essex Housing LLP loans is reporting an under spend of **£6.7m** predominately due to delays on the Essex County Hospital and Purford Green schemes as the projects are having to be re-tendered. As a result approval is sought for **£800,000** to be re-profiled into 2023/24 and a reduction of **£5.9m**.
- ii. An under spend of **£3.5m** is reported across the Highways Infrastructure Fund (HIF) schemes, specifically Chelmsford North East Bypass (**£3m**) and A133-A120 Link Road (**£2.5m**) mainly due to land ownership issues. Across the HIF schemes, approval is sought to re-profile **£5.5m** into

2023/24, reductions of **£1.8m** (with a corresponding addition on the Cambridge Road scheme). Advanced works of **£3.8m** (£3.1m from 2023/24 and £718,000 from 2024/25) is sought in relation to Harlow STC which is ahead of schedule.

- iii. Economic Growth is reporting an under spend of **£2.2m** primarily in relation to the Colchester Grown on Space scheme due to delays caused by archaeological issues. Approval is sought to re-profile **£3.2m** (£2m into 2023/24, £1.1m into 2024/25 and £22,000 into 2025/26). Approval is also sought for additions of **£1.9m** in relation to the successful bid for Colchester Towns Fund grant and reductions **£974,000**.
- iv. In total across the portfolio approval is sought for;
 - i. Slippage of **£17.1m** from 2022/23, £13.3 into 2023/24, £2.6m into 2024/25 and £1.2m into 2025/26
 - ii. Additions of **£8.6m**
 - iii. Reductions of **£8.9m**
 - iv. Advanced works of **£5.2m** into 2022/23, **£5.6m** in to 2024/25 and **£3.5m** into 2025/26 from 2026/27 (£13.4m) and £854,000 from 2023/24

7.9 **Education Excellence, Lifelong Learning and Employability - £9.4m under spend**

- i. An under spend of **£4m** is reported on Special Schools schemes, specifically Fairview PRU (£2.5m), White Bridge (£250,000) and White Hall (£224,000) where the projects are in their early stages and updated cash flow forecasts require budget to be re-profiled into 2023/24 (£3.9m) and 2024/25 (£459,000).
- ii. An under spend of **£2.3m** relates to Harlow Primary Basic Need due to delays with the land transfer for Harlowbury Primary School. Approval is sought to re-profile **£2.3m** from 2022/23, **£1.5m** into 2023/24 and **£782,000** into 2024/25.
- iii. Maldon Secondary Basic Need is reporting an under spend of **£2.2m** due to delays caused by on-going funding negotiations on the Plume School Project. Approval is sought to slip £2.2m into 2023/24.
- iv. An under spend of **£1.1m** relates to Chelmsford Primary Basic Need as the procurement for Beaulieu Primary is now complete and an updated cashflow forecast has been received from the contractor which requires £636,000 to be re-profiled into 2024/25. Planning has been awarded for Trinity Road Primary which has provided greater certainty on the forecast which requires £469,000 to be re-profiled into 2023/24.
- v. Within Schools Capitalised Building Maintenance, the School Condition Allocation grant for 2022/23 is higher than anticipated so approval is sought for an addition of £1.6m to recognise the new funding. This is

offset by a reduction of £1.6m in relation to a decarbonisation project that is in the Core Estate Building Maintenance budget within the Finance, Resources and Corporate Affairs Portfolio.

- vi. In total across the Portfolio, approval is sought for:
 - i. Slippage of **£11m** from 2022/23, £8.9m into 2023/24 and £2.1m into 2024/25
 - ii. Additions of **£4.1m**
 - iii. Reductions of **£2.8m**
 - iv. Advanced Works of **£50,000** from 2023/24

7.10 Finance, Resources and Corporate Affairs – £3.7m over spend

- i. An over spend of £4.1m is forecast in relation to SALIX funded Property Maintenance schemes primarily in relation to the newly awarded Public Sector Decarbonisation schemes (PSDS) funding from Salix, for which approval is sought for an addition of £4.8m, with £1.2m being re-profiled into 2023/24.
- ii. Approval is sought for a reduction of £1.3m against the core estate capitalised building maintenance project, with corresponding additions to various Salix property projects within the Portfolio to provide additional contributions to the schemes.
- iii. In total across the Portfolio, approval is sought for;
 - i. Slippage of **£1.4m** into 2023/24
 - ii. Additions of **£7.6m**
 - iii. Reductions of **£2.3m**

7.11 Highways Maintenance and Sustainable Transport - £4.2m under spend

- i. Approval is sought to re-profile **£2.4m** into 2023/24 in relation to the Local Highways Panels due to resourcing issues meaning that works cannot be delivered in this financial year as intended. Furthermore, **£1.1m** slippage is requested in relation to the Transport Advertising project into 2023/24 as legal services are unable to resource the work needed to launch the procurement until the autumn.
- ii. Approval is sought for a reduction of **£749,000** on cycle asset renewal with a corresponding addition to Cycling Infrastructure (within the Economic Renewal, Infrastructure and Planning portfolio) to cover the cycleway works at Broomfield Hospital and to cover the maintenance works on Bunny's Walk and Kings Hall Meadow.

7.12 Leader – on line

- i. There is no variance to budget

7.13 Controlled Elsewhere – £270,000 over spend

i. Approval is sought to add £167,000 into Devolved Formula Capital

- 7.14 **Appendix C** provides a comparison of approved and forecast outturn capital payments by Portfolio and sets out the variance plan which summarise the proposals for addressing the forecast budget variances.

8. Policy context and Outcomes Framework

This report is an assessment of the financial position of the County Council, which itself is a representation of the corporate plan. The budget and Annual plan were approved in parallel in February 2022.

9. Reserves

- 9.1 A summary of the forecast balances on reserves is provided in **Appendix D**.
- 9.2 Of the recommendations requested in this report the most significant is to appropriate **£2.7m** from the Covid Equalisation Reserve for various pandemic related expenditure or income losses.
- 9.3 Approvals totalling **£1.4m** are sought in this report to appropriate to the Carry Forward Reserve to support the 2023/24 budget and specific risks. The breakdown of what this relates to specifically can be found in section 5.3.iii, 5.4.ii, 5.9.iii, 5.12.ii and 5.13.ii and 5.15.iii.

10. Financial Implications

Finance and Resources Implications (Section 151 Officer)

- 10.1 The report is provided by the Section 151 Officer. There are no further comments.

11. Legal Implications

- 11.1 The Council is responsible for setting the budget each year. Once agreed the executive then have to implement the policy framework and keep within the budget, subject to the limits set by Financial Regulations.

12. Equality and Diversity implications

- 12.1 Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when ECC makes decisions it must have regard to the need to:

- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 12.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 12.3 The equality implications are assessed as part of budget setting process and as part of individual schemes.
- 12.4 There are no equality and diversity or other resource implications associated with this report.

13. List of Appendices

| | |
|-----------------|------------------------------------|
| Appendix A | Revenue Forecast Outturn |
| Appendix B | Trading Activities |
| Appendix C (i) | Capital Forecast Outturn |
| Appendix C (ii) | Capital Variance Plan |
| Appendix D | Balance Sheet - Earmarked Reserves |
| Appendix E | Treasury Management |
| Appendix F | Prudential Indicators |

(Available at www.essex.gov.uk if not circulated with this report)

14. List of Background Papers

Budgetary control reports.

Appendix A

Revenue

| Portfolio | Latest Budget £000 | Half Year Forecast Variance £000 | % of Latest Budget | First Quarter Variance £000 | Movement £000 | Direction of Travel |
|--------------------------------------------------------------------|-----------------------|-------------------------------------------|--------------------------|--------------------------------------|------------------|------------------------|
| Adult Social Care and Health | 480,902 | 3,918 | 0.8% | 3,369 | 549 | ↓ |
| Children's Services and Early Years DSG | (401) | (1,169) | 291.5% | 0 | (1,170) | ↑ |
| Children's Services and Early Years Non DSG | 139,103 | 1,289 | 0.9% | (927) | 2,216 | ↓ |
| Community, Equality, Partnerships and Performance | 25,686 | 647 | 2.5% | 492 | 155 | ↓ |
| Devolution, the Arts, Heritage and Culture | 6,165 | (0) | (0.0%) | 60 | (60) | ↑ |
| Economic Renewal, Infrastructure and Planning | 11,030 | (229) | (2.1%) | (53) | (176) | ↑ |
| Education Excellence, Life Long Learning and Employability DSG | (2,607) | (8,660) | 332.2% | (11,200) | 2,539 | ↓ |
| Education Excellence, Life Long Learning and Employability Non DSG | 24,708 | 358 | 1.5% | 15 | 343 | ↓ |
| Finance, Resources and Corporate Affairs | 12,876 | (274) | (2.1%) | (285) | 12 | ↓ |
| Highways Maintenance and Sustainable Transport | 114,669 | (223) | (0.2%) | (157) | (65) | ↑ |
| Leader | 5,324 | (97) | (1.8%) | (74) | (23) | ↑ |
| Waste Reduction and Recycling | 86,727 | - | 0.0% | - | - | → |
| Other Operating Costs | 82,482 | (5,198) | (6.3%) | 2 | (5,200) | ↑ |
| Community, Equality, Partnerships and Performance RSSS | 18,093 | 47 | 0.3% | 60 | (13) | ↑ |
| Economic Renewal, Infrastructure and Planning RSSS | 1,097 | - | 0.0% | - | - | → |
| Finance, Resources and Corporate Affairs RSSS | 82,166 | 2,325 | 2.8% | 2,572 | (247) | ↑ |
| Leader RSSS | 1,863 | - | 0.0% | - | - | → |
| Total | 1,089,884 | (7,265) | (0.7%) | (6,123) | (1,141) | |
| DSG Offset | (3,008) | (9,829) | 326.8% | (11,199) | 1,370 | |
| Total Excluding DSG | 1,092,892 | 2,564 | 0.2% | 5,076 | (2,511) | |
| Funding | | 301 | | - | 301 | |
| Revised Total | 1,092,892 | 2,865 | 0.3% | 5,076 | (2,210) | |

Traded Services

| | Revenue reserve 1 April 2022 | Income | Budget Expenditure (Surplus) /Deficit | | Income | Forecast Expenditure | Forecast (Surplus) / deficit | Final Outturn position | To County Revenue Account | To Trading Activity reserve | Final Outturn position | Variance Plan Proposals to/(from) reserves | Revenue reserve 31 March 2023 |
|-----------------|---------------------------------------|---------|---------------------------------------------|-------|---------|-------------------------|------------------------------------|------------------------------|------------------------------------|--------------------------------------|------------------------------|--------------------------------------------------------|----------------------------------------|
| Traded Services | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Place Services | (1,252) | (3,515) | 3,215 | (300) | (3,581) | 3,281 | (300) | - | (300) | - | - | - | (1,252) |
| Music Services | (261) | (4,088) | 4,084 | (4) | (4,255) | 4,251 | (4) | - | (4) | - | - | - | (261) |
| Total | (1,513) | (7,603) | 7,299 | (304) | (7,836) | 7,532 | (304) | - | (304) | - | - | - | (1,513) |

Appendix C (i)

Capital

| | Year to date | | | Budget Movement | | Full Year | | |
|-----------------------------------------------------------|---------------|---------------|-----------------|-----------------|--------------------------|----------------|----------------|-----------------|
| | Budget | Actuals | Variance | Original Budget | In year approved changes | Revised Budget | Outturn | Variance |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Adult Social Care and Health | 337 | 10 | (327) | 910 | 254 | 1,164 | 1,164 | - |
| Children's Services and Early Years | 1,809 | 587 | (1,221) | 2,014 | 2,304 | 4,318 | 4,298 | (20) |
| Community, Equality, Partnerships and Performance | 52 | 22 | (30) | 100 | 125 | 225 | 225 | 0 |
| Devolution, the Arts, Heritage and Culture | 115 | 7 | (107) | 121 | 18 | 139 | 141 | 1 |
| Economic Renewal, Infrastructure and Planning | 35,285 | 16,614 | (18,672) | 124,523 | 454 | 124,977 | 112,660 | (12,317) |
| Education Excellence, Lifelong Learning and Employability | 19,181 | 17,869 | (1,312) | 59,832 | (2,666) | 57,166 | 47,809 | (9,357) |
| Finance, Resources and Corporate Affairs | 2,253 | 2,912 | 660 | 5,845 | 1,866 | 7,711 | 11,423 | 3,712 |
| Highways Maintenance and Sustainable Transport | 40,087 | 37,339 | (2,748) | 89,998 | 206 | 90,204 | 86,028 | (4,176) |
| Leader | 648 | (0) | (649) | 280 | 1,556 | 1,836 | 1,836 | - |
| ECC Capital Programme | 99,767 | 75,360 | (24,407) | 283,623 | 4,118 | 287,741 | 265,584 | (22,157) |

Financed by:

| | Budget Movement | | Full Year | | |
|------------------------------------------------|-----------------|--------------------------|----------------|----------------|-----------------|
| | Original Budget | In year approved changes | Revised Budget | Outturn | Variance |
| | £000 | £000 | £000 | £000 | £000 |
| ECC Capital Programme | | | | | |
| Grants | 123,776 | 5,055 | 128,831 | 129,520 | 689 |
| Reserves | 6,000 | - | 6,000 | 6,050 | 50 |
| Developer & Other contributions | 17,484 | (1,360) | 16,124 | 11,164 | (4,960) |
| Capital receipts | 5,000 | - | 5,000 | 5,000 | - |
| Unsupported borrowing | 131,363 | 402 | 131,765 | 113,590 | (18,175) |
| ECC Capital Programme | 283,623 | 4,097 | 287,720 | 265,324 | (22,396) |
| Grants | - | 21 | 21 | 260 | 239 |
| Unsupported borrowing | - | - | - | - | - |
| School Balances | - | 21 | 21 | 260 | 239 |
| Total ECC & Schools Capital Funding | 283,623 | 4,118 | 287,741 | 265,584 | (22,157) |

Appendix C(ii)

Capital Variance Plan

| Portfolio | Approved changes | | | | | Variance Plan (2022/23) | | | | | |
|-----------------------------------------------------------|------------------|----------------|------------------|----------------|------------------|-------------------------|---------------|-----------------|----------------|-------------------|-----------------|
| | Slippage | Additions | Reductions | Advanced Works | Approved changes | Slippage | Additions | Reductions | Advanced Works | Residual Variance | Total Variance |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Adult Social Care and Health | 254 | 4 | - | (4) | 254 | - | - | - | - | - | - |
| Children's Services and Early Years | 221 | 2,160 | (77) | - | 2,304 | (31) | 4 | - | - | 8 | (20) |
| Community, Equality, Partnerships and Performance | 125 | - | - | - | 125 | - | - | - | - | 0 | 0 |
| Devolution, the Arts, Heritage and Culture | 18 | - | - | - | 18 | - | - | - | - | 1 | 1 |
| Economic Renewal, Infrastructure and Planning | 5,616 | 9,482 | (15,377) | 732 | 453 | (17,089) | 8,575 | (8,943) | 5,130 | 10 | (12,317) |
| Education Excellence, Lifelong Learning and Employability | (1,148) | 12,202 | (13,396) | (324) | (2,666) | (11,036) | 4,280 | (2,833) | 50 | 182 | (9,357) |
| Finance, Resources and Corporate Affairs | 1,929 | 193 | (128) | (128) | 1,866 | (1,410) | 7,551 | (2,334) | - | (95) | 3,712 |
| Highways Maintenance and Sustainable Transport | 1,343 | 76,923 | (76,339) | (1,721) | 206 | (3,453) | 27 | (749) | - | (0) | (4,176) |
| Leader | - | 1,621 | (65) | - | 1,556 | - | - | - | - | - | - |
| ECC Capital Programme | 8,358 | 102,585 | (105,382) | (1,445) | 4,116 | (33,019) | 20,435 | (14,859) | 5,180 | 105 | (22,157) |

Variance plan - Future years

| Portfolio | 2023/24 | | 2024/25 | | 2025/26 | | 2026/27 | | 2027/28 | | Total Variance |
|-----------------------------------------------------------|---------------|----------------|--------------|----------------|--------------|----------------|----------|-----------------|----------|----------------|----------------|
| | Slippage | Advanced Works | Slippage | Advanced Works | Slippage | Advanced Works | Slippage | Advanced Works | Slippage | Advanced Works | |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | |
| Children's Services and Early Years | - | - | 31 | - | - | - | - | - | - | - | 31 |
| Economic Renewal, Infrastructure and Planning | 13,274 | (854) | 2,608 | 5,648 | 1,207 | 3,475 | - | (13,401) | - | - | 11,957 |
| Education Excellence, Lifelong Learning and Employability | 8,945 | (50) | 2,091 | - | - | - | - | - | - | - | 10,986 |
| Finance, Resources and Corporate Affairs | 1,410 | - | - | - | - | - | - | - | - | - | 1,410 |
| Highways Maintenance and Sustainable Transport | 3,453 | - | - | - | - | - | - | - | - | - | 3,453 |
| ECC Capital Programme | 27,082 | (904) | 4,730 | 5,648 | 1,207 | 3,475 | - | (13,401) | - | - | 27,837 |

Appendix C(ii) cont'd

| Portfolio & Scheme | Slippage | Additions | Reductions | Advanced Works | 2022/23 Changes |
|------------------------------------------------------------------|-----------------|---------------|-----------------|----------------|-----------------|
| | £000 | £000 | £000 | £000 | Requested |
| EARLY YEARS | (31) | 4 | - | - | (27) |
| Children's Services and Early Years | (31) | 4 | - | - | (27) |
| A133-A120 LINK HIF | (2,500) | - | - | - | (2,500) |
| CHELMSFORD NORTH EASTERN BYPASS | (3,000) | - | - | - | (3,000) |
| HARLOW STC NTH/STH (Ph1:GILSTON TO TC) (HIF) | - | - | (1,785) | 3,778 | 1,993 |
| A120 MILLENNIUM WAY SLIPS | (70) | - | - | - | (70) |
| ACTIVE TRAVEL | - | 177 | - | - | 177 |
| ARMY AND NAVY RAB, CHELMSFORD | - | - | - | 1,340 | 1,340 |
| CAMBRIDGE ROAD JUNCTION | (3,503) | 1,785 | - | - | (1,718) |
| CHELMSFORD GROWTH AREA | - | 574 | - | - | 574 |
| COLCHESTER TOWNS FUND LCWIP4 | (2,678) | 2,883 | - | - | 205 |
| CYCLING INFRASTRUCTURE | (619) | 449 | - | - | (170) |
| ABBERTON RURAL TRAINING | - | - | (28) | - | (28) |
| BDUK ESSEX SUPERFAST PROGRAMME PHASE 4 | - | 778 | (324) | - | 454 |
| COLCHESTER GROW ON SPACE | (2,936) | - | - | - | (2,936) |
| COLCHESTER TOWNS FUND | (214) | 1,929 | (100) | - | 1,615 |
| ESSEX PEDAL POWER (TENDRING) | - | - | (54) | - | (54) |
| LABWORTH CAR PARK, CANVEY | - | - | (2) | - | (2) |
| LAINDON PLACE, BASILDON | - | - | (790) | - | (790) |
| LOUGHTON LIBRARY | (44) | - | - | - | (44) |
| SHENFIELD LIBRARY | (500) | - | - | - | (500) |
| ST PETERS ILOP - INV | (225) | - | - | - | (225) |
| MOULSHAM LODGE | - | - | - | 13 | 13 |
| EH LLP LOAN ECH | (400) | - | (2,689) | - | (3,089) |
| EH LLP LOAN SHERNBROKE | - | - | (389) | - | (389) |
| EH LLP LOAN PURFORD | - | - | (2,782) | - | (2,782) |
| EH LLP LOAN HARGRAVE | (400) | - | - | - | (400) |
| Economic Renewal, Infrastructure and Planning | (17,089) | 8,575 | (8,943) | 5,131 | (12,326) |
| SCHOOLS CAPITALISED BUILDING MAINTENANCE | - | 1,599 | (1,575) | - | 24 |
| BASILDON PRIMARY BASIC NEED | (344) | - | - | - | (344) |
| BASILDON SECONDARY BASIC NEED | (110) | - | - | - | (110) |
| HARLOW PRIMARY BASIC NEED | (2,290) | - | - | - | (2,290) |
| EPPING FOREST PRIMARY BASIC NEED | (420) | - | - | - | (420) |
| EPPING FOREST SECONDARY BASIC NEED | (16) | 16 | (503) | 48 | (455) |
| COLCHESTER PRIMARY BASIC NEED | - | 79 | (10) | - | 69 |
| COLCHESTER SECONDARY BASIC NEED | - | 10 | (14) | - | (4) |
| BRAINTREE PRIMARY BASIC NEED | - | 77 | - | - | 77 |
| MALDON SECONDARY BASIC NEED | (2,221) | - | - | - | (2,221) |
| TENDRING PRIMARY BASIC NEED | (80) | - | - | - | (80) |
| UTTLESFORD PRIMARY BASIC NEED | (20) | 65 | (65) | - | (20) |
| CHELMSFORD PRIMARY BASIC NEED | (1,104) | - | - | - | (1,104) |
| ACL DIGI HUB | - | 789 | - | - | 789 |
| SPECIAL SCHOOLS | (4,382) | 1,005 | (600) | - | (3,977) |
| TEMPORARY ACCOMMODATION | (50) | 474 | (66) | 2 | 360 |
| Education Excellence, Lifelong Learning and Employability | (11,037) | 4,114 | (2,833) | 50 | (9,706) |
| SALIX PSDS3A | (1,200) | 4,798 | - | - | 3,598 |
| CORE ESTATE CARBON REDUCTION FUND | - | 750 | - | - | 750 |
| SALIX GRANT WITHAM ACL | - | 224 | (165) | - | 59 |
| SALIX GRANT GOODMAN HOUSE | - | - | (142) | - | (142) |
| SALIX GRANT ERO | - | 845 | - | - | 845 |
| SALIX GRANT CORE ESTATE SOLAR | - | 11 | - | - | 11 |
| SALIX GRANT CORE ESTATE WINDOW | - | 485 | (750) | - | (265) |
| SALIX GRANT GREAT NOTLEY CP | - | 12 | - | - | 12 |
| CAPITALISED BUILDING MAINTENANCE | - | 165 | (1,276) | - | (1,111) |
| LIFT REPLACEMENTS CLARENDON ROAD | (210) | 260 | - | - | 50 |
| Finance, Resources and Corporate Affairs | (1,410) | 7,550 | (2,333) | - | 3,807 |
| CYCLE ASSET RENEWAL | - | - | (749) | - | (749) |
| LOCAL HIGHWAYS PANELS | (2,400) | - | - | - | (2,400) |
| PT TRANSPORT ADVERTISING | (1,053) | - | - | - | (1,053) |
| SECTION 106 | - | 27 | - | - | 27 |
| RFM VEHICLE PURCHASE | - | - | (1) | - | (1) |
| Highways Maintenance and Sustainable Transport | (3,453) | 27 | (750) | - | (4,176) |
| ECC Capital Programme | (33,019) | 20,270 | (14,859) | 5,180 | (22,428) |
| Devolved Formula Capital | - | 167 | - | - | 167 |
| Total Capital Programme | (33,019) | 20,435 | (14,859) | 5,180 | (22,263) |

| Portfolio & Scheme | 2023/24 | | 2024/25 | | 2025/26 | | 2026/27 | |
|------------------------------------------------------------------|------------------|---------------------------|------------------|---------------------------|------------------|---------------------------|------------------|---------------------------|
| | Slippage £000 | Advanced Works £000 | Slippage £000 | Advanced Works £000 | Slippage £000 | Advanced Works £000 | Slippage £000 | Advanced Works £000 |
| | | | | | | | | |
| EARLY YEARS | - | - | 31 | - | - | - | - | - |
| Children's Services and Early Years | - | - | 31 | - | - | - | - | - |
| A133-A120 LINK HIF | 2,500 | - | - | - | - | - | - | - |
| CHELMSFORD NORTH EASTERN BYPASS | 3,000 | - | - | - | - | - | - | - |
| HARLOW STC NTH/STH (Ph1:GILSTON TO TC) (HIF) | - | (3,060) | - | (718) | - | - | - | - |
| A120 MILLENNIUM WAY SLIPS | - | - | 70 | - | - | - | - | - |
| ACTIVE TRAVEL | - | - | - | - | - | - | - | - |
| ARMY AND NAVY RAB, CHELMSFORD | - | 2,219 | - | 6,366 | - | 3,475 | - | (13,401) |
| CAMBRIDGE ROAD JUNCTION | 3,503 | - | - | - | - | - | - | - |
| CHELMSFORD GROWTH AREA | - | - | - | - | - | - | - | - |
| COLCHESTER TOWNS FUND LCWIP4 | 121 | - | 1,373 | - | 1,185 | - | - | - |
| CYCLING INFRASTRUCTURE | 619 | - | - | - | - | - | - | - |
| ABBERTON RURAL TRAINING | - | - | - | - | - | - | - | - |
| BDUK ESSEX SUPERFAST PROGRAMME PHASE 4 | - | - | - | - | - | - | - | - |
| COLCHESTER GROW ON SPACE | 1,836 | - | 1,100 | - | - | - | - | - |
| COLCHESTER TOWNS FUND | 170 | - | 21 | - | 22 | - | - | - |
| ESSEX PEDAL POWER (TENDRING) | - | - | - | - | - | - | - | - |
| LABWORTH CAR PARK, CANVEY | - | - | - | - | - | - | - | - |
| LAINDON PLACE, BASILDON | - | - | - | - | - | - | - | - |
| LOUGHTON LIBRARY | - | - | 44 | - | - | - | - | - |
| SHENFIELD LIBRARY | 500 | - | - | - | - | - | - | - |
| ST PETERS ILOP - INV | 225 | - | - | - | - | - | - | - |
| MOULSHAM LODGE | - | (13) | - | - | - | - | - | - |
| EH LLP LOAN ECH | 400 | - | - | - | - | - | - | - |
| EH LLP LOAN SHERNBROKE | - | - | - | - | - | - | - | - |
| EH LLP LOAN PURFORD | - | - | - | - | - | - | - | - |
| EH LLP LOAN HARGRAVE | 400 | - | - | - | - | - | - | - |
| Economic Renewal, Infrastructure and Planning | 13,274 | (854) | 2,608 | 5,648 | 1,207 | 3,475 | - | (13,401) |
| SCHOOLS CAPITALISED BUILDING MAINTENANCE | - | - | - | - | - | - | - | - |
| BASILDON PRIMARY BASIC NEED | 150 | - | 194 | - | - | - | - | - |
| BASILDON SECONDARY BASIC NEED | 110 | - | - | - | - | - | - | - |
| HARLOW PRIMARY BASIC NEED | 1,508 | - | 782 | - | - | - | - | - |
| EPPING FOREST PRIMARY BASIC NEED | 420 | - | - | - | - | - | - | - |
| EPPING FOREST SECONDARY BASIC NEED | 16 | (48) | - | - | - | - | - | - |
| COLCHESTER PRIMARY BASIC NEED | - | - | - | - | - | - | - | - |
| COLCHESTER SECONDARY BASIC NEED | - | - | - | - | - | - | - | - |
| BRAINTREE PRIMARY BASIC NEED | - | - | - | - | - | - | - | - |
| MALDON SECONDARY BASIC NEED | 2,221 | - | - | - | - | - | - | - |
| TENDRING PRIMARY BASIC NEED | 80 | - | - | - | - | - | - | - |
| UTTLESFORD PRIMARY BASIC NEED | - | - | 20 | - | - | - | - | - |
| CHELMSFORD PRIMARY BASIC NEED | 468 | - | 636 | - | - | - | - | - |
| ACL DIGI HUB | - | - | - | - | - | - | - | - |
| SPECIAL SCHOOLS | 3,923 | - | 459 | - | - | - | - | - |
| TEMPORARY ACCOMMODATION | 50 | (2) | - | - | - | - | - | - |
| Education Excellence, Lifelong Learning and Employability | 8,946 | (50) | 2,091 | - | - | - | - | - |
| SALIX PSDS3A | 1,200 | - | - | - | - | - | - | - |
| CORE ESTATE CARBON REDUCTION FUND | - | - | - | - | - | - | - | - |
| SALIX GRANT WITHAM ACL | - | - | - | - | - | - | - | - |
| SALIX GRANT GOODMAN HOUSE | - | - | - | - | - | - | - | - |
| SALIX GRANT ERO | - | - | - | - | - | - | - | - |
| SALIX GRANT CORE ESTATE SOLAR | - | - | - | - | - | - | - | - |
| SALIX GRANT CORE ESTATE WINDOW | - | - | - | - | - | - | - | - |
| SALIX GRANT GREAT NOTLEY CP | - | - | - | - | - | - | - | - |
| CAPITALISED BUILDING MAINTENANCE | - | - | - | - | - | - | - | - |
| LIFT REPLACEMENTS CLARENDON ROAD | 210 | - | - | - | - | - | - | - |
| Finance, Resources and Corporate Affairs | 1,410 | - | - | - | - | - | - | - |
| CYCLE ASSET RENEWAL | - | - | - | - | - | - | - | - |
| LOCAL HIGHWAYS PANELS | 2,400 | - | - | - | - | - | - | - |
| PT TRANSPORT ADVERTISING | 1,053 | - | - | - | - | - | - | - |
| SECTION 106 | - | - | - | - | - | - | - | - |
| RFM VEHICLE PURCHASE | - | - | - | - | - | - | - | - |
| Highways Maintenance and Sustainable Transport | 3,453 | - | - | - | - | - | - | - |
| ECC Capital Programme | 27,083 | (904) | 4,730 | 5,648 | 1,207 | 3,475 | - | (13,401) |
| Devolved Formula Capital | - | - | - | - | - | - | - | - |
| Total Capital Programme | 27,083 | (904) | 4,730 | 5,648 | 1,207 | 3,475 | - | (13,401) |

Reserves

| | 2022/23 movements | | | | Adjustments proposed in quarterly report included within this position £000 |
|------------------------------------------------------|---------------------------------|------------------------------------------------|----------------------------|-----------------------------------|--------------------------------------------------------------------------------|
| | Balance at 1 April 2022 £000 | (Contributions)/ Withdrawals agreed £000 | Future commitments £000 | Estimated Closing balance £000 | |
| Long Term Contractual Commitment | | | | | |
| PFI Reserves | | | | | |
| A130 PFI | (28,181) | 10,308 | - | (17,873) | |
| Building Schools for the Future PFI | (1,237) | - | (949) | (2,186) | |
| Debden School PFI | (1,743) | - | 173 | (1,570) | (118) |
| Clacton Secondary Schools' PFI | (960) | - | 312 | (647) | |
| Waste Reserve | (114,870) | 6,209 | 3,728 | (104,933) | |
| Grant Equalisation Reserve | (36,839) | - | 2,628 | (34,211) | |
| Trading Activities (not available for use) | (1,514) | 304 | (408) | (1,618) | |
| Partnerships and Third Party (not available for use) | (2,376) | - | - | (2,376) | |
| Schools (not available for use) | (49,212) | - | - | (49,212) | |
| General Balance | (68,096) | - | - | (68,096) | |
| Reserves earmarked for future use | | | | | |
| Adults Digital Programme | (275) | - | 247 | (28) | |
| Adults Risk | (14,221) | - | 3,487 | (10,734) | 550 |
| Adults Transformation | (12,718) | - | 6,086 | (6,632) | 384 |
| Ambition Fund | (6,523) | (8,800) | 10,506 | (4,817) | |
| Bursary for Trainee Carers | (338) | - | 338 | - | |
| Capital Receipts Pump Priming | (4,034) | (6,000) | 2,500 | (7,534) | |
| Carbon Reduction | (982) | 114 | 192 | (676) | |
| Carry Forward | (24,742) | - | 23,314 | (1,428) | (1,428) |
| Childrens Risk | - | (2,500) | 625 | (1,875) | |
| Childrens Transformation | (7,188) | - | 2,174 | (5,013) | 344 |
| Collection Fund Risk | (7,587) | (9,497) | - | (17,084) | |
| Commercial Investment in Essex Places | (15,658) | 170 | 686 | (14,802) | |
| Community Initiatives Fund | (376) | (350) | 350 | (376) | 68 |
| Covid Equalisation Reserve | (42,393) | 1,831 | 24,951 | (15,612) | 2,674 |
| EES Pension Risk | (4,000) | - | - | (4,000) | |
| Emergency | (17,564) | (9,094) | 12,637 | (14,021) | |
| Emergency Planning | (300) | - | - | (300) | |
| Equalities Fund Reserve | (261) | - | - | (261) | |
| Essex Climate Change Commission | (4,331) | - | 2,533 | (1,798) | |
| Essex Crime and Police | (73) | - | - | (73) | |
| Everyones Essex | (47,273) | (1,000) | 17,102 | (31,171) | |
| Future Capital Funding | (14,437) | (14,674) | 16,223 | (12,888) | (260) |
| General Risk | (13,858) | - | 6,946 | (6,912) | - |
| Health and Safety | (4,657) | - | 103 | (4,554) | |
| Insurance | (6,260) | - | - | (6,260) | |
| Newton | (149) | - | - | (149) | |
| Property Fund | (1,303) | - | 260 | (1,043) | |
| Quadrennial Elections | (999) | (500) | 22 | (1,477) | |
| Renewal Fund | (2,523) | - | 273 | (2,250) | |
| Social Distancing & Hygiene | (900) | - | - | (900) | |
| Technology and Digitisation | (11,640) | (10,000) | 9,747 | (11,894) | (535) |
| Transformation | (48,506) | (11,823) | 12,500 | (47,829) | 1,698 |

TREASURY MANAGEMENT SUMMARY - 2022/23

| | Actual Balance 1 April £000 | Movements | | | Balance at 31 March £000 | Interest payable / (earned) to date £000 |
|---------------------------------------|------------------------------------------|--------------------|--------------------|-----------------------------|------------------------------------|------------------------------------------------------|
| | | Raised £000 | Repaid £000 | Net movement £000 | | |
| Borrowing | | | | | | |
| Long Term | 592,859 | - | (11,231) | (11,231) | 581,628 | 20,094 |
| Temporary | 7,156 | 5,631 | - | 5,631 | 12,787 | 50 |
| Total External Borrowing (A) | 600,015 | 5,631 | (11,231) | (5,600) | 594,415 | 20,144 |
| Investments | | | | | | |
| Long Term | 10,000 | - | - | - | 10,000 | (210) |
| Temporary | 562,523 | 1,102 | (336,500) | (335,398) | 227,125 | (2,273) |
| Total External Investments (B) | 572,523 | 1,102 | (336,500) | (335,398) | 237,125 | (2,483) |
| Net indebtedness (A-B) | 27,492 | 4,529 | 325,269 | 329,798 | 357,290 | 17,661 |

| | |
|----------------------------------------------------------------|---------|
| Borrowing | |
| Average long term borrowing over period to date (£000) | 575,901 |
| Opening pool rate at 1 April 2022 | 3.42% |
| Weighted average rate of interest on new loans secured to date | N/A |
| Average pool rate for year | 3.44% |

| | |
|-------------------------------------------------------|---------|
| Investments | |
| Average daily cash balance over period to date (£000) | 602,891 |
| Average interest earned over period | 1.02% |
| Benchmark rate - average 1 month SONIA rate | 0.75% |

Appendix F

Prudential Indicators - Summary

| | | Approved Indicator | Provisional Outturn |
|----------------------------------------------------------------------------------------------------------------------------------|----|------------------------------------------------------------|---------------------|
| Affordability | | | |
| Incremental impact on Council Tax of 2022/23 and earlier years' 'starts' | £ | £107.37 | £105.38 |
| Ratio of financing costs to net revenue streams | % | 8.6% | 8.8% |
| Prudence | | | |
| Net borrowing and Capital Financing Requirement | | Net borrowing is below the medium term forecast of the CFR | |
| Capital Expenditure | | | |
| Capital expenditure | £m | 284 | 266 |
| Capital Financing Requirement (excluding credit arrangements) | £m | 1,134 | 1,099 |
| External Debt | | | |
| Authorised limit (borrowing only) | £m | 1,060 | N/A |
| Operational boundary (borrowing only) | £m | 890 | N/A |
| Actual external borrowing (maximum level of debt during year) | £m | N/A | 600 |
| Treasury Management | | | |
| Interest rate exposures | | | |
| Upper limit for exposure to fixed rates | | | |
| Net exposure | £m | 1,060 | 553 |
| Debt | | 100.0% | 99.3% |
| Investments | | 100.0% | 69.7% |
| Upper limit for exposure to variable rates | | | |
| Net exposure | £m | 318 | 230 |
| Debt | | 30.0% | 2.2% |
| Investments | | 100.0% | 87.3% |
| Maturity structure of borrowing (upper limit) | | | |
| Under 12 months | % | 40.0% | 1.9% |
| 12 months and within 24 months | % | 40.0% | 2.0% |
| 24 months and within 5 years | % | 40.0% | 9.5% |
| 5 years and within 10 years | % | 40.0% | 16.7% |
| 10 years and within 25 years | % | 75.0% | 26.8% |
| 25 years and within 40 years | % | 40.0% | 30.1% |
| 40 years and within 50 years | % | 20.0% | 0.0% |
| 50 years and above | % | 20.0% | 13.0% |
| Total sums invested for more than 364 days | | | |
| Authorised limit | £m | 30 | N/A |
| Actual sums invested (maximum position during year) | £m | N/A | 10 |
| Summary | | | |
| All Treasury Management activities have been undertaken in accordance with approved policies and procedures. | | | |
| External debt is within prudent and sustainable limits. | | | |
| Credit arrangements have been undertaken within approved indicators | | | |
| Maturity Structure of borrowing: maturity dates for market loans are based on the next review date, not the final maturity date. | | | |

| | |
|-------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Report title: Levelling Up - Update | |
| Report to: Corporate Policy and Scrutiny Committee | |
| Report author: Graham Hughes, Senior Democratic Services Officer | |
| Date: 24 November 2022 | For: Discussion and identifying any follow-up scrutiny actions |
| Enquiries to: Graham Hughes, Senior Democratic Services Officer at graham.hughes@essex.gov.uk. | |
| County Divisions affected: Not applicable | |

1. Introduction

This report has been requested by the Chairman (see Background below).

2. Action required

- 2.1 The Committee is asked to consider this report and any issues arising.

3. Background

- 3.1 The Committee received an update on Everyone's Essex on 28 July 2022. During the discussion, it was agreed that future quarterly performance updates would benefit from more information on Levelling Up initiatives including facilitating equal access and opportunity, and the distribution of funding and spending. It was noted at the time that any decisions to prioritise or target certain areas would be supported by evidence.
- 3.2 For the update on 24 November 2022, Councillor Louise McKinlay, Deputy Leader and Cabinet Member for Community, Equality, Partnership and Performance, is unable to attend at the same time as the Leader when he updates on Everyone's Essex. Therefore, this particular update on Levelling Up is a separate (later) agenda item but, in future, it may be combined with the broader Everyone's Essex update.

4. Update and Next Steps

Update attached - see Appendix to this report.

5. Appendix

Power Point presentation titled: Levelling Up - Update. Author: Councillor Louise McKinlay, Deputy Leader and Cabinet Member for Community, Equality, Partnership and Performance

Levelling Up: Update

Cllr Louise McKinlay, Deputy Leader & Cabinet Member for
Community, Equality, Partnership and Performance

LEVELLING UP ESSEX: YEAR ONE

...IT'S EVERYONE'S ESSEX

BROAD AND STRONG ENGAGEMENT



PLACE LAUNCHES AND DELIVERY



NEW WAYS OF WORKING



BROAD & STRONG ENGAGEMENT

...”IF YOU WANT TO GO FAST, GO ALONE. IF YOU WANT TO GO FAR, GO TOGETHER” – AFRICAN PROVERB



**EMBEDDING
LEVELLING UP AS A
CORE
ORGANISATIONAL
PRIORITY FOR ECC**

**Regular
comms**

**Multi-
disciplinary
co-ordination**

**Cross
cabinet
engagement**

**Levelling Up
‘Subject
Leads’**



**WORKING IN
PARTNERSHIP IS
CRITICAL TO
SUSTAINABLE
PROGRESS**

**Local
partners**

Businesses

**Strategic
Partners**

**HE
Institutions**

MP’s

**Community
and voluntary
sector**

PLACE LAUNCHES & DELIVERY

...SPEARHEADING ACTION; DEMONSTRATING COMMITMENT; CREATING BUY IN

8 LEVELLING UP PLACE LAUNCHES



- **COUNTWIDE LAUNCH**
- **PLACE LAUNCHES**
(Harlow; Basildon;
Braintree; Clacton;
Harwich; Canvey
Island; Colchester)

LEVELLING UP PROJECTS LAUNCHED



- **23 PROJECTS LAUNCHED**
- **TARGETING DRIVERS OF
LEVELLING UP** (skills;
education; employment;
community; literacy)

Page 44 of 66

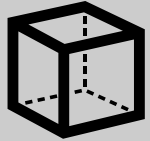
LU INVESTMENT FUND ESTABLISHED



- **£11M ONE OFF SEED
FUNDING**
- **£5.01m COMMITTED TO
LU PROJECTS**
- **£950K TRANSFORMATION
INVESTMENT**

NEW WAYS OF WORKING

TO ACHIEVE LEVELLING UP OUTCOMES, IT IS NECESSARY TO IMPLEMENT AND EMBED NEW APPROACHES AND WAYS OF WORKING.



MULTI-DIMENSIONAL – ALL POLICY AREAS CONTRIBUTE

**ESSEX WHITE PAPER
HEAD OF LU CO-ORDINATION
LU SUBJECT LEADS
DELIVERY FRAMEWORK**



CAPACITY ALIGNMENT AND COLLABORATION WITH PARTNERS

**PLACE PARTNERSHIPS
ALIGNMENT WITH THE COST OF LIVING
STRATEGY
ESSEX PARTNERSHIP BOARD**



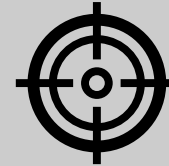
DISCOVER AND AMPLIFY GOOD PRACTICE

**NIGHTINGALE BURSARY
ACTIVE ESSEX
COMMUNITY HUBS**



EMPOWERING COMMUNITIES

**RURAL BRAINTREE COMMUNITY ENGAGEMENT
COMMUNITY CHALLENGE FUND
COMMUNITY SUPERMARKETS
LU LOCALITY FUNDS**



TARGETED DELIVERY AT ROOT CAUSES

**ESSEX YEAR OF READING
PHYSICAL HEALTH – ACTIVE ESSEX
EARLY YEARS BEST START – CANVEY ISLAND
EDUCATION – TENDRING
RAISING ASPIRATION – HARLOW FUTURES**

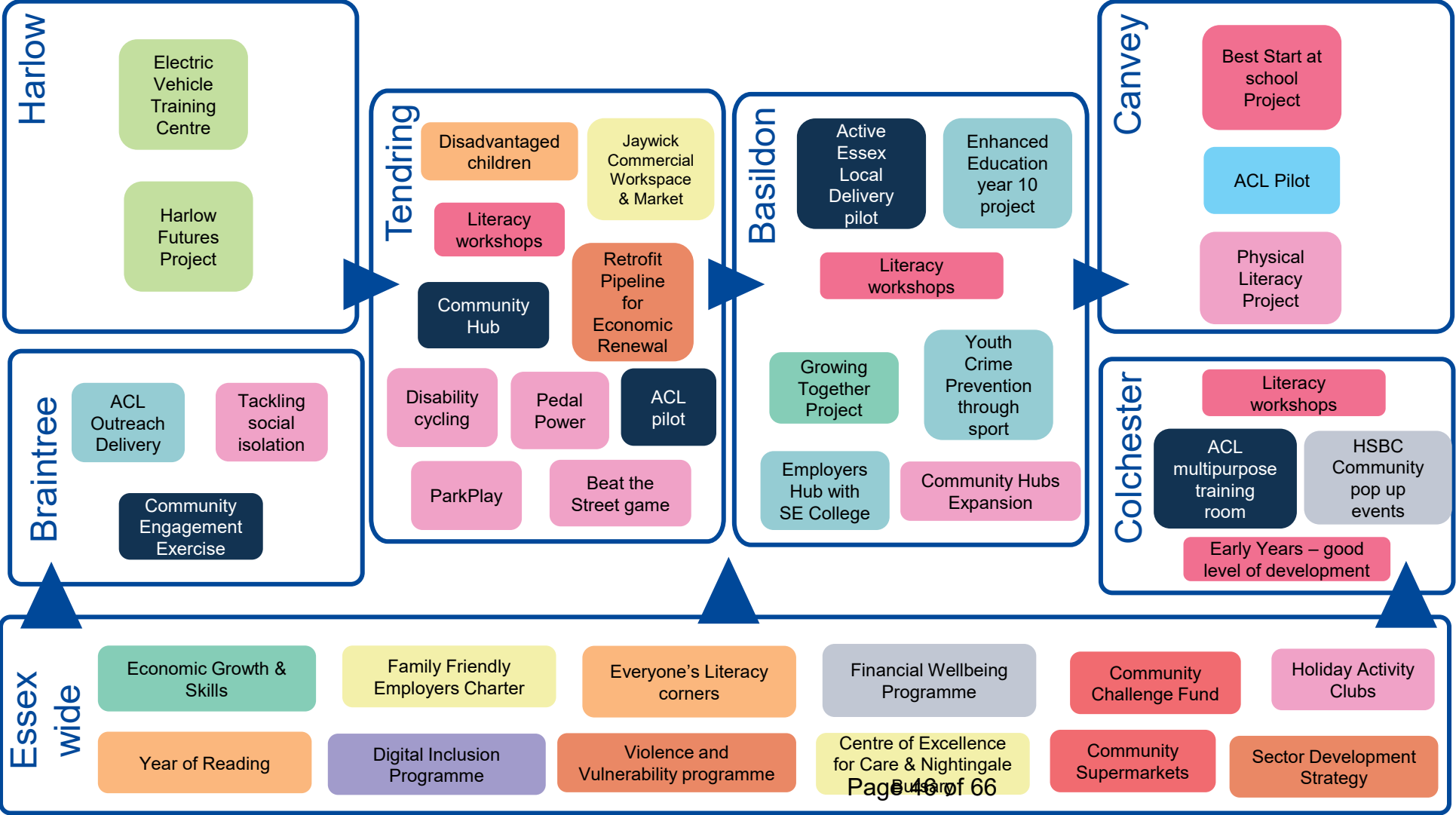


TEST & LEARN WITH ROBUST EVALUATION

**ACL PILOT – CANVEY ISLAND
EVALUATION CAPACITY & APPROACH
ADECCO IMPACT REVIEW WORK**

Levelling Up Announcements

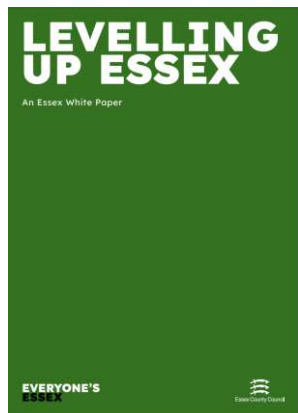
Programmes launched to date



LEVELLING UP ESSEX: WHERE NEXT?

...YEAR TWO AND BEYOND

ONE YEAR ON



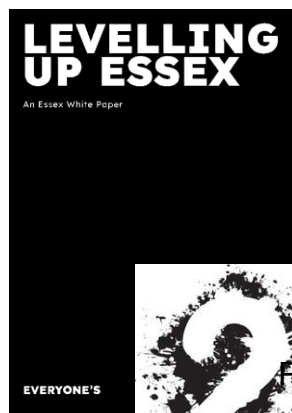
DELIVERY – LU PLACES



EVALUATION



LU YEAR TWO



Page 47 of 66

LU COHORT DELIVERY

TRANCHE 1 –
Q1 2023

WORKING FAMILIES

16-25 NOT IN EMPLOYMENT
EDUCATION OR TRAINING FOR
12+ MONTHS

TRANCHE 2 –
Q2 2023

CHILDREN ON FREE SCHOOL MEALS

PEOPLE WITH LEARNING
DISABILITIES (LD), MENTAL
HEALTH NEEDS (MH) OR
SPECIAL EDUCATIONAL NEEDS
OR DISABILITIES (SEND)

Levelling Up Locality Fund Update

Cllr Louise McKinlay, Deputy Leader & Cabinet Member for
Community, Equality, Partnership and Performance

Local Levelling Up Fund

Background

Following a decision made in March 2022, the Council established a **£375,000** fund called the Local Levelling Up Fund.

This fund operates as twelve separate funds, each covering the area of a district council. The fund for each district will be **£5,000** for each County Councillor in that district.

The fund must be spent on improving outcomes for one of the **priority cohorts**.

Current Position

So far, two CMAs have been approved by Councillor McKinlay.

As a result, nine proposals totalling **£72,960** have been approved. There are another seven proposals which have been made but not yet approved as officers are gathering further information.

The final deadline for proposals is **27 January 2023**, after which a third and final CMA will be published.

In Sept 2022 it was agreed that the Local Levelling Up fund could also be used for Cost of Living initiatives.

Local Levelling Up Fund – Approved Proposals

So far, nine proposals totalling £72,960 have been approved. A summary of these is as follows:

| Recipient | Amount | Purpose |
|-------------------------------------------------------|---------|-------------------------------------------------------------|
| Independence Clubs | £22,500 | Installation of a training kitchen for students with SEND. |
| Chat 1st | £9,360 | Support and coaching for people with mental health needs. |
| The Parish of New Town & The Hythe | £3,500 | Start up costs for a Youth Club. |
| Great Tey Primary School | £1,500 | Outdoor learning equipment to support SEND students. |
| Barnardo's (Essex Child and Family Wellbeing Service) | £5,000 | School readiness sessions for children. |
| Squirrels Pre School | £1,100 | Outdoor learning equipment to support SEND students. |
| GO4 Enterprises | £1,500 | A fridge and food storage space to safely store food. |
| SEND in the Dengie | £3,500 | Monthly music therapy sessions for children with SEND. |
| Trustlinks | £25,000 | Support sessions for young people with mental health needs. |

Cost of Living: ECC Response

Cllr Louise McKinlay, Deputy Leader & Cabinet Member for
Community, Equality, Partnership and Performance

THE DATA

A significant number of Essex Households will face challenges as financial pressures increase

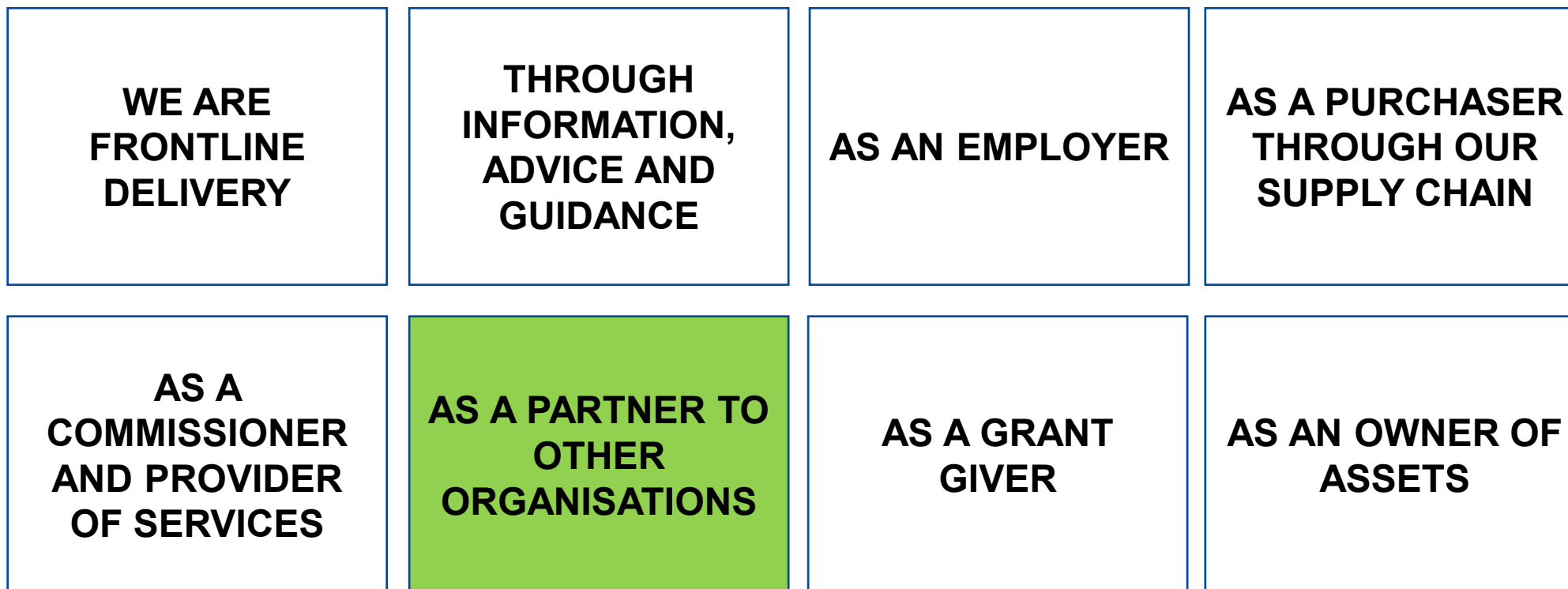
As of 2021 approximately 220,000 households already considered as on lower income (less than £30,000 per annum):

28% of households having a discretionary income of less than £125.00 per month – high concentration in Harlow and Tendring

40,000 additional households becoming classified as ‘fuel poor’

Working Families on low incomes; single parents (especially women); and single women aged over 65 are particularly at risk of COL pressures

OUR ROLE



07 November: Hosted a Cost of Living Summit with Essex Partners – to establish a shared understanding with ECC partners and stakeholders of the potential long- term impacts of COL and consider the behaviours and actions that will be most effective. Page 53 of 66

Cost of Living Survey: Executive Summary

The survey received a total of **883 responses**.

1

Respondents suggested that more practical/immediate types of help and support were **most important**. This includes items to help stay warm this winter, home energy saving packs, and emergency food packages.

2

Of the types of support that respondents said they **would use**, the top responses were a home energy saving pack, items to help stay warm, and tried and tested top tips for making your money go further.

3

Suggestions for help and support from residents included help to make homes more energy efficient, reduced council tax/council tax breaks, and community initiatives (such as via libraries, cafes and churches to offer meals, food banks, activities, warm spaces, and welfare check schemes).

4

37% expressed interest in taking part in further engagement.

COST OF LIVING SUPPORT FOR HOUSEHOLDS AND COMMUNITIES

SEPTEMBER 2022

**EVERYONE'S
ESSEX**


Essex County Council

THREE PILLARS

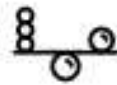
OUR APPROACH TO TACKLING THE COST OF LIVING CHALLENGE IS BASED ON THREE PILLARS

The cost of living challenge raises urgent issues that need to be addressed in the short-term, but also intensifies some of the challenges we were all already confronting – that is why we need a response that also delivers greater resilience for the medium and long-term. Our approach is based on three pillars.



1. RESPONSE

We know that people are struggling right now. We are providing a short-term crisis response that can be delivered quickly and that will help people with the most pressing needs. This paper is an articulation of this pillar.



2. RESILIENCE

By and large we want to make sure that as far as possible our residents and communities are resilient and able to support themselves to withstand future pressures. This pillar will be delivered through the choices we make as part of our budget and service provision to support the independence that is necessary for people to flourish rather than to create dependency.

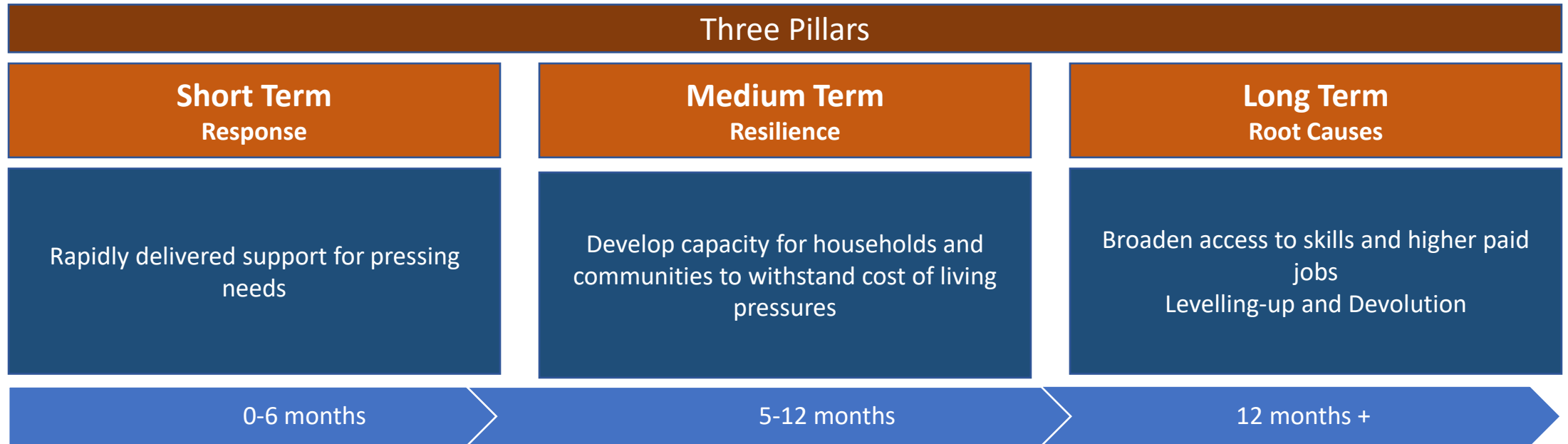


3. ROOT CAUSES

We recognise that over the long-term, economic prosperity is the key to enabling people to live fulfilling lives. Essex is not an island and we cannot avoid the impacts of wider economic forces on our communities but we can focus on supporting our businesses to grow, drive economic growth and target our attention through our levelling up work on those places and people that need most support. This pillar is delivered through our long-term political priorities, set out in Everyone's Essex.

ECC Approach to Response to cost of living

We are adopting a “Local First” system wide collaborative approach to Cost of Living based on three pillars.



Community needs are expected to last at least 1 to 2 years with periods of acute household crisis. Impacts on businesses, public services and charities/community organisations also expected.

ECC Approach to Response to cost of living

We are adopting a “Local First” system wide collaborative approach to Cost of Living aligned to six thematic areas.

Six Point Plan

Essential Living

Support with essential living items both through community activity and the Essential Living Fund working collaboratively

Keep Warm

Working with community organisations, providing targeted advice/support to those most at risk from living in a cold home

Eating Well

Supporting healthy and free meals for children from families on low incomes during school holidays and providing advice and education on cooking healthy meals

Money Management

Developing money management tools and advice to support families to make their budgets go further.

Information Advice and Guidance

Investing in additional capacity and resources to provide information to enable people to make informed decisions that can help to reduce their bills

Wellbeing

Working with communities, organisations and partners to improve the wellbeing and health of local people to build resilience and self-reliance.

1. Support with Provision of Essentials

- £18.8m of support from HSF e.g. fuel vouchers, food vouchers, ELF to support those on low incomes
- Funding Community organisations

2. Keeping Warm

- £17m in Sustainable Warmth Programme – targeted at home owners with household incomes below £30,000
- New £100,000 Community Winter Warmth and Welcome Programme
- Library warm welcomes launch

3. Eating Well

- Extension of Essex ActivATE Holiday Activity and Food Programme – have supported 30,000 children and young people, 400,000 free spaces and over 500,000 free meals
- More targeted food education e.g. slow cooker clubs
- Two new Community supermarkets – Jaywick and Basildon

4. Money Management

- New tools e.g. Essex Multiply – new £7.9m initiative that will over 14000 residents access to free maths and finance training
- HSBC Financial literacy
- COL calculator

5. Information, Advice and Guidance

- Pulling together and signposting to COL resources
- Using digital communities effectively
- Investing in partner networks e.g. Citizens Advice Network

6. Wellbeing

- Invested £6m in the Essex Wellbeing Service to support residents, including help with day to day needs
- Working with partners – Nov COL summit



COST OF LIVING SUPPORT FOR HOUSEHOLDS AND COMMUNITIES

SEPTEMBER 2022

Resources

[Helping you with the cost of living - Essex County Council](#) – details/links to support available

[Essex is United Digital Community](#) – a digital space to discuss/create movements around societal issues. Cost of living conversations/content/support/tips can be found here

[Cost of Living Support for Households and Communities Strategy](#)

Any Questions?

Work Programme

Reference Number: CPSC/24/22

| | |
|-------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Report title: Work Programme | |
| Report to: Corporate Policy and Scrutiny Committee | |
| Report author: Graham Hughes, Senior Democratic Services Officer | |
| Date: 24 November 2022 | For: Discussion and identifying any follow-up scrutiny actions |
| Enquiries to: Graham Hughes, Senior Democratic Services Officer at graham.hughes@essex.gov.uk. | |
| County Divisions affected: Not applicable | |

1. Introduction

- 1.1 The work programme is a standard agenda item. The work programme for the Committee continues to be developed and the current position is outlined below.

2. Action required

- 2.1 The Committee is asked to consider this report and issues under consideration in the Appendix and any further development or amendments.

3. Background

3.1 Developing a work programme

Issues identified during induction sessions in summer 2021 and subsequent formal meetings continue to be incorporated into the work programme by the Chairman and Vice Chairmen.

- 3.2 This work has reflected the adoption of the *Everyone's Essex – Our Plan for Levelling Up the County: 2021-2025* strategy at Council on 12 October 2021.

4. Everyone's Essex

The Committee should take account of the *Everyone's Essex – Our Plan for Levelling Up the County: 2021-2025* strategy when considering the work programme and future items.

Particular attention should be paid to the strategic ambitions (and associated commitments and performance measures) most relevant to the work of the Committee. Reflecting the corporate focus of the committee, this could be more looking at the How We Will Deliver section and include scrutiny of effectiveness and efficiency, value for money, and the managing and prioritising of resources, so that investment can be made in the priorities set out in the strategy. It could

Work Programme

also include scrutinising the People Plan in the strategy which aims to ensure that the County Council has the capability to meet the demands ahead.

5. Update and Next Steps

See Appendix.

6. Appendix

- Current Work Programme.

Corporate Policy and Scrutiny - Work Programme – 24 November 2022

| Provisional Date | Topic Title | Lead Contact | Purpose and Target Outcomes | Relevance to Scrutiny Theme * | Cross-Committee Work Identified |
|-------------------------|--------------------------------------------------|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|----------------------------------------|
| 24 November 2022 | Everyone's Essex Strategy | Leader/ Director, Policy and the Head of Performance & Business Intelligence | To consider latest update to monitor progress | Scrutiny of the Everyone's Essex Strategy | Invite other Chairmen/ Vice Chairmen |
| 24 November 2022 | Financial Update | Cabinet Member Finance, Resources and Corporate Affairs/ Director Finance | To consider the half-yearly financial performance, recent events and ongoing preparation of 2023/24 budget | Ability to deliver Everyone's Essex Strategy | Not applicable |
| 24 November 2022 | Levelling Up | Deputy Leader & Community, Equality, Partnerships and Performance | To consider an update on Levelling Up actions incorporating impact of cost of living and update on the LU Locality Fund | Ability to deliver Everyone's Essex Strategy | Not applicable |
| 8 December 2022 | Capital and Treasury Management Strategy | Cabinet Member Finance, Resources and Corporate Affairs/ Director Finance/Chief Accountant | To consider draft ahead of being presented to Cabinet in January 2023 | Ability to deliver Everyone's Essex Strategy | Not applicable |
| 8 December 2022 | Ways of Working – accommodation/ estate strategy | Cabinet Member Finance, Resources and Corporate Affairs/ Executive Director, People and Transformation | To consider the review underway, proposed approach and progress. | Ability to deliver Everyone's Essex Strategy | Invite other Chairmen/ Vice Chairmen |

| Provisional Date | Topic Title | Lead Contact | Purpose and Target Outcomes | Relevance to Scrutiny Theme * | Cross-Committee Work Identified |
|-------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|----------------------------------------------|----------------------------------------|
| 26 January 2023 | Budget 2023/24 | Cabinet Member Finance, Resources and Corporate Affairs/ Director Finance | To consider draft budget which is to be presented to Full Council in February 2023 for adoption | Ability to deliver Everyone's Essex Strategy | Not applicable |
| Quarterly – dates in 2023 TBC | Everyone's Essex Strategy | Leader/Deputy Leader/ Director, Policy and the Head of Performance and Business Intelligence | To consider latest update to monitor progress | Scrutiny of the Everyone's Essex Strategy | Invite other Chairmen/ Vice Chairmen |
| Quarterly – dates in 2023 TBC | Financial Update | Cabinet Member Finance, Resources and Corporate Affairs/ Director Finance | To consider the latest financial performance report and impact of recent events | Ability to deliver Everyone's Essex Strategy | Not applicable |
| TBC | Commercial (non-property) investments | Cabinet Member Finance, Resources and Corporate Affairs/ Director Finance | To understand investments made and review current approach and performance | Ability to deliver Everyone's Essex Strategy | Not applicable |
| TBC | Essex Archive Services | Cabinet Member Devolution, Art, Heritage and Culture | Influence future approach on the delivery of services including use of digitalisation. | Ability to deliver Everyone's Essex Strategy | Not applicable |

Joint scrutiny with Place Services and Economic Growth Policy and Scrutiny Committee (PSEG)

Corporate Economic Renewal Fund/Strategy – follow up (arrangements TBC)

**Further issues not scoped or currently being scheduled
(themes and issues highlighted during induction discussions with Cabinet Members)**

Essex Housing - ECC's strategies and plans, including environmental considerations. Could be led by another scrutiny committee.

Essex Outdoors - Increasing usage and making it more commercial. Could be led by another scrutiny committee.

Faith covenant - Role of ECC and the wider Equalities agenda

Procurement - Percentage of procurement with Essex businesses, social value contracts, autonomy of service areas