



# COUNCIL OF THE ISLES OF SCILLY

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Publish date: 14 March 2018

To: Councillors A Davis, R Francis, H Legg, D Marcus, E Rodger, J Smith, S Watt,  
J Williams, E Moulson (Chairman), Lady K M Berkeley, R Dorrien-Smith,  
Mrs F Grottick (Vice-Chairman), A Guy, Mrs A Mumford, M Nelhams and S Sims

Dear Member,

You are requested to attend a meeting in the Council Chamber - Old Wesleyan Chapel, as follows:-

Committee:

**FULL COUNCIL**

Date and Time:

*Thursday, 22 March 2018 at 9.30 am*

The Agenda is set out below. If you have any queries regarding the content please contact the administration department via [committee@scilly.gov.uk](mailto:committee@scilly.gov.uk) or phone 01720 424000.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Theo Leijser', is written over a light blue horizontal line.

THEO LEIJSER  
(Chief Executive)

## A G E N D A

1      Declarations of Interest

Members and Officers should declare relevant interests, stating the agenda item number and the reason for the declaration.

2      Minutes of Previous Meeting (Pages 1 - 12)

To confirm as a correct record the minutes of the meeting of the Council of the Isles of Scilly held on 22 February 2018.

3      Chairman's Announcements

4      Questions under Standing Order 14

5      To Consider reports from Committees, including the receipt of Minutes and/or Draft Minutes for information

6      To Consider Motions in accordance with Standing Order 12

7      Members Updates

8      Urgent Items

Any items considered urgent by the Chairman.

### **PART 1 REPORTS REQUIRING A DECISION**

9      Planning Application P/18/002/FUL Land at Green Bay, Bryher (Pages 13 - 22)

10     Annual Governance Statement 2016/17  
Report of Section 151 Officer

11     Annual Treasury Management Strategy 2018/19 (Pages 23 - 42)  
Report of Section 151 Officer

12     Revenue Monitoring  
Report of Section 151 Officer

13     Airport Fees and Charges (Pages 43 - 52)  
Report of Senior Manager: Infrastructure & Planning

14     Infrastructure Fees and Charges (Pages 53 - 58)  
Report of Senior Officer: Infrastructure

15     Community Fund Application (Pages 59 - 78)  
Report of Assistant: Democratic & Corporate

- 16 Member Allowances (Pages 79 - 112)  
Report of Monitoring Officer
- 17 Appointment of Section 151 Officer (Pages 113 - 116)  
Report of Monitoring Officer
- 18 Review of Management and Operations (Pages 117 - 120)  
Report of Chief Executive
- 19 Integrated Strategic Commissioning (Pages 121 - 152)  
Report of Officer: Policy & Scrutiny
- 20 Homelessness Strategy 2018-23 (Pages 153 - 174)  
Report of Housing Officer
- 21 Environmental Health Enforcement and Compliance Policy 2018 (Pages 175 - 190)  
Report of Senior Officer Environmental Health
- 22 Committee Calendar 2018-19 (Pages 191 - 196)  
Report of Officer: Democratic Services and Member Liaison

## **PART 2 REPORTS FOR INFORMATION ONLY**

- 23 Schedule of Delegated Planning Applications (Pages 199 - 202)  
Report of Officer: Planning and Development Management
- 24 Updates from Lead Members (Pages 203 - 204)

## **PART 3 REPORTS CONTAINING EXEMPT INFORMATION**

None

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## Agenda Item 2

MINUTES OF A MEETING OF THE FULL COUNCIL HELD ON  
THURSDAY, 22 FEBRUARY 2018 AT 9.30 AM

Present: Councillors E Moulson (Chairman).  
A Davis, R Francis, H Legg, D Marcus, J Smith,  
S Watt, J Williams, Lady K M Berkeley,  
Mrs F Grottick (Vice-Chairman), A Guy,  
Mrs A Mumford, M Nelhams and S Sims

Apologies: Councillors E Rodger and R Dorrien-Smith

Staff Present Monitoring Officer, Senior Manager: Strategic  
Development, Section 151 Officer, Officer:  
Democratic Services and Member Liaison,  
Senior Manager: Infrastructure & Planning,  
Senior Manager: Services to Our Community  
and Chief Executive

### **C30/18 Declarations of Interest**

Councillor J Smith reported a non-disclosable interest in items 11 and 12.

Councillor J Williams reported a non-disclosable interest in item 14. He also later reported a non-disclosable interest in item 11 as a family member owned a property listed in the report but on the advice of the Monitoring Officer accepted that because of the nature of the report an interest did not arise.

### **C31/18 Minutes of Previous Meeting**

The Vice-Chairman pointed that there needed to be an amendment to recommendation 3 of C22/18 to make it clear that a 'progress report' had been requested for March Council, and not the completed report.

#### **Resolved:**

That with the above amendment the minutes of the meeting of Council held on 18 January 2018 (Min no's C8/18 – C29/18) be considered a correct record and be signed by the Chairman.

### **C32/18 Chairman's Announcements**

None

### **C33/18 Questions under Standing Order 14**

None

### **C34/18 To Consider reports from Committees, including the receipt of Minutes and/or Draft Minutes for information**

Draft minutes were received for notification from the following committees:

Inshore Fisheries Conservation Authority (11 Jan 2018)

Health and Wellbeing Board (30 Jan 2018)

Scrutiny Committee (1 Feb 2018)

**C35/18 To Consider Motions in accordance with Standing Order 12**  
None

**C36/18 Members Updates**  
Councillor D Marcus praised the planning department for their work in obtaining a reimbursement from the Planning Inspectorate following an award they had previously made in error.

**C37/18 Urgent Items**  
The Chairman noted that there was an urgent item from the Section 151 Officer that would be heard first.

## **PART 1 REPORTS REQUIRING A DECISION**

**C38/18 Revenue Budget Monitoring 2017/18'**  
The Section 151 Officer presented his report entitled 'Revenue Budget Monitoring 2017/18'.

He said that there was a forecast underspend of £209,000 and that budget monitoring would be aided substantially by the implementation of the new finance system going forward.

The Chairman thanked him for his report and felt that significant progress had been made.

The Vice-Chairman agreed, and had a question relating to the billing difficulties experienced by Park House and asked if it was progressing.

The Senior Manager: Services to Our Community replied that the issue was progressing.

The Vice-Chairman asked if there was a risk of losing grant monies unspent relating to children's services.

The Section 151 Officer replied that rolling-forward of eligible grant monies was not guaranteed and was subject to the final outturn position of the Council.

The Vice-Chairman asked if the drop in income from the Porthmellon Enterprise Centre (PEC) was cause for concern.

The Senior Manager: Planning and Infrastructure replied that there had not been a drop in income, but rather that income had been estimated to be higher than had actually been received. He said that actions were being taken to market the PEC more effectively.

The Vice-Chairman asked that more detail be provided around the forecast saving of £49,000 with regard to fortnightly waste collection.

The Senior Manager: Planning and Infrastructure replied that the saving had not been achieved in the manner as forecast, but that the amount of saving promised had been found through other departmental savings, so the department as a whole was on-track to deliver the amount of savings required.

Councillor R Francis said that Senior Managers should carefully consider not filling vacancies where services have been unaffected by those unfilled vacancies over a long period.

The Chairman said that such a measure was already in place.

Councillor H Legg said that saving SD4 in Appendix 3 had also not been achieved and asked for more details.

The Chief Executive replied that SD4 was a physical activity to consolidate the One Stop Shop and could not be achieved due to ICT issues and was put on hold.

Councillor D Marcus felt disappointed that the will of Members to make specific savings had not been delivered in some cases, and that Senior Managers should pay heed to that and not just assume that they can offset savings elsewhere to make-up the shortfall.

The Section 151 Officer acknowledged the issue, and said that going forward such mitigations would be more fully highlighted and explained in reports to Council.

Councillor D Marcus asked for some explanation around the efficiencies achieved to mitigate IP3 and IP4.

The Senior Manager: Planning and Infrastructure said that it was not possible to succinctly and clearly explain the efficiencies within the meeting itself, as there were technical aspects to the efficiencies.

Councillor R Francis said that he felt that more information was needed from the department going forward to help Members feel better informed and to assist in decision-making. He said that it was a huge budget area for the Authority and so scrutiny was essential.

**Resolved:**

That the report be noted.

**C39/18**

**Budget setting**

The Section 151 Officer presented his report entitled 'Council Budget and Council Tax Setting 2018/19'.

He said that the final announcement on the local government settlement had been announced and highlighted that only £8,000 had been received towards the cost of adult social care for the islands.

He pointed out that an error from the previous year in NNDR1 had led to a £100,000 deficit, and that further analysis showed that a further £75,000 was required to correct the historic issue and had now been resolved.

He said that the Authority had two high-risk areas for spend and they were adult social care and waste, as both involved huge expenditure and had high volatility and had major implications for the finances of the Authority.

Councillor J Smith proposed an amendment to recommendation 6, that the savings list in appendix 4 be subject to a full risk assessment by Senior Managers and be brought back to Council in March 2018.

He also wished to add a recommendation 7, that the longer term savings options in appendix 2 be brought forward for investigation and a progress report be brought to Council in March.

The Vice-Chairman said that she hoped that the planned savings could be 'noted' as opposed to 'agreed', so as to leave options open.

The Section 151 Officer replied that it was integral to the budget-setting that the planned savings be incorporated into the budget so as to set a balanced budget.

Councillor D Marcus said it was vital that any such saving be delivered as agreed, provided they are actually deliverable.

The Chairman pointed out that the savings would be carefully managed by the Senior Managers to ensure delivery.

*(Councillor Lady M Berkeley entered the room)*

Councillor S Sims felt that the proposed recommendation 7 was something that he felt would happen organically as a result of the day's proceedings. He added that in terms of Council Tax it was a necessary step to ensure that central government could see that the Authority was doing all it could to help itself.

Councillor R Francis asked why there had been a mistake in the NNDR1 calculations.

The Section 151 Officer replied that it was an error in submissions and that historical errors in balances compounded it.

Councillor H Legg asked what the average cost to a local authority was in terms of a judicial review relating to 8.24 of the report.

The Chairman replied that he knew the average cost to be in the region of £50,000.

Councillor J Williams asked that greater care be taken with traffic management around Moorwell as there was a risk to persons, particularly children, using the route to travel to and from school.

He added that he had been informed that Park House's staff had been nominated for an award, and he wished to pay tribute to that.

The Vice-Chairman asked for more information around the minimum reserve level highlighted in the report, and how it was calculated.

The Section 151 Officer replied that all reserves were calculated as being available to the Authority in arriving at the figure within the report, not just the General Fund Reserve.

Councillor D Marcus said that he maintained his dismay at central government passing-on tax-raising to local authorities, and he also noted that there was a lot of disparity in how only some Senior Managers were being asked to deliver the bulk of savings, and some were not being asked to deliver any savings.

A recorded vote was taken with regard to all the recommendations before Council, and all Councillors present voted in support of the recommendations set out below.

**Resolved:**

1. That the Council Tax requirement for the Council's own purposes be set at £1.643m and that the Council of the Isles of Scilly element of the Council Tax be increased by 2.99%, plus a levy of 3% to be spent solely on Adult Social Care, for the financial year 2018/19  
  
(an overall increase of 5.99%, equivalent to a Band D charge of £1,239.98)
2. That a net General Fund Revenue Budget for 2018/19 of £4.971m be set.
3. That the formal Council Tax resolutions set out in Appendix 1 be approved.
4. That the relevant basic amount of Council Tax for the 2018/19 financial year be determined as being in accordance with the Referendums relating to Council Tax Increases (Principles) England 2018/19.
5. That the Chief Executive and Senior Managers be required to meet the revenue budget expenditure targets for their respective service areas for the delivery of Council Services in 2018/19.
6. That the planned savings for future years be approved to form the basis of planning for the medium term and be subject to a full risk-assessment by Senior Managers to the next meeting of Council in March 2018.
7. That the longer term savings options in 6.2 of the report be brought back to Council within six months with a progress report.

**C40/18      Progress Update and Commencement of Public Consultation on the Draft Local Plan**

The Senior Officer Planning and Development Management presented her report entitled 'Progress Update and Commencement of Public Consultation on the Draft Local Plan'.

The Chairman pointed out to Members that the report was not intended for Members to discuss the Local Plan draft, but to give permission for the consultation draft to be circulated.

Councillor D Marcus said that he encouraged the public to read the document and ask questions, and reminded people that it was an important document that would shape the next 15 years for the islands.

Councillor J Smith said that all Members should be pro-active in seeking to start discourse with their constituents about the Local Plan. He asked what plans there were to engage with the public.

The Senior Officer Planning and Development Management replied that she would call a working group to determine that in the very near future.

**Resolved:**

1. That the consultation draft Isles of Scilly Local Plan for public Consultation be approved as attached to the report and in accordance with our adopted Local Plan timetable.
2. That authority be delegated to the Senior Manager for Infrastructure and Planning to make any necessary revisions as required, in consultation with the Lead Member for Planning, including any amendments to accord with the Sustainability Appraisal or Habitats Regulations Assessment recommendations, subject to the Senior Manager for Infrastructure and Planning referring to Members for decision any substantive amendments he considers should be so referred.

**C41/18      Interim Specific Local Need Policy and revocation of existing supplementary planning document**

The Senior Officer Planning and Development Management presented her report entitled 'Interim Specific Local Need Policy and revocation of existing supplementary planning document'.

Councillor J Williams pointed out there was a minor amendment needed to LC2 on page 189 of the document to say that persons can be employed by the armed forces OR merchant navy.

He also asked about possible costs to persons with Section 106 agreements as a result of this report.

The Senior Officer Planning and Development Management said that people were not being forced to pay to amend their s106 agreements.

Councillor Mrs A Mumford asked what action was being taken with those people who had not yet signed their s106 agreements.

The Senior Officer Planning and Development Management said that there were very few remaining that were actually outstanding.

Councillor J Williams reported a retrospective non-disclosable interest as a family member owned a property listed in the report. On the advice of the Monitoring Officer the Councillor accepted that because of the nature of the report an interest did not arise

**Resolved:**

1. That the commencement of the revocation process of the existing Specific Local Need/Key Worker Qualifying Criteria Supplementary Planning Documents be approved.
2. That the new criteria for establishing the occupancy criteria for affordable homes as set out in draft Policy LC2 of the Draft Local Plan as interim guidance be adopted, including any amendments to the criteria as the draft Local Plan evolves through the consultation process and until such time as the New Local Plan is adopted, with Members being updated on any significant changes to policy.
3. That it be agreed that applications made to occupy affordable homes, based on the interim guidance, being determined by a Senior Manager of the Council in consultation with the Lead Member for Planning, with any appeal considered by the Chief Executive or another Senior Manager, as an alternative to the Chief Executive, in consultation with the Chairman and Vice Chairman of the Council.

**C42/18 Education Outcomes 2016-17**

The Senior officer: Children's Services presented his report entitled 'Education Outcomes 2016-17'.

The Senior Manager: Services to Our Community said that the report comes before Council annually and that the process as set out for all local authorities sat awkwardly for the Isles of Scilly as there was only a single school in the area.

She pointed out that the report was a snapshot of the school from 12 months ago, and that since then the Interim Executive Board had been installed and that it was believed that they were doing an excellent job and that OFSTED had confirmed that.

Councillor J Williams felt that the report was excellent and the true situation was described without hiding from the issues. He said that he had very recently visited the school and he was struck by how positive

and proud the children were of their school. However, he was concerned about the seemingly increasingly regular concerns raised over Key Stage 2 attainment not being as good as the national average.

The Senior Manager: Services to Our Community said that the IEB were taking steps to tackle the issue, but that further discussion and action was not possible from a local authority and Members should be mindful of that.

Councillor D Marcus felt that the report was alarming for Key Stage 1 as well, and that he wanted to be further assured that the IEB were able to improve the current levels.

The Senior Manager: Services to Our Community said that the Authority monitor their action plan, and the IEB's function is to hold the headteacher to account, which they are doing.

Councillor D Marcus noted that the costs for the IEB seemed to be spiralling and were being met from the Council's budget, he sought assurances that it would not get out of control and if such costs could be recovered from the Regional Schools Commissioner.

The Senior Manager: Services to Our Community said that it was not possible to recover the costs, and that the budget had been carefully planned to mitigate the cost of the IEB.

Councillor S Sims felt it was unhelpful to receive a report that was so concerning but was 12 months out of date.

Councillor R Francis said that the report was worrying, even if historic, and that progress was still unclear and anecdotal. He said that a number of families have had their confidence in the school affected and either had left or were thinking of leaving the islands to ensure a good level of schooling for their children.

The Senior Manager: Services to Our Community said that she understood the level of consternation in the room but that Members should be mindful that the Authority had previously been unhelpful to the school in not respecting the proper boundary that should exist between a local authority and a school in an authority area.

Councillor J Williams asked if there was any data available around post-16 attainment.

The Senior officer: Children's Services said there was not as it was not easy to track and collate that data from all further education establishments across the country that children from Scilly go onto attend.

The Chairman said that it was vital that when the academisation process was completed that the Authority build and maintain an open channel with the school.

Councillor H Legg said that this interpretation of the data was the attainment was good but progress was bad. He asked how the

monitoring of Early Years and Foundation Stage (EYFS) was achieved, as it could be that failure to progress had been partly explained by over-interpretation of assessments at EYFS.

The Senior officer: Children's Services replied that one of the statutory duties of a local authority was moderate EYFS, KS1 and KS2 writing, and EYFS writing had been benchmarked as being 'robust', and will be moderated again in 2018. He said that colleagues from other authorities had also looked at the baselines for EYFS on Scilly and were convinced that the baselines were solid and comparable to their own.

Councillor J Smith asked for an update on the timeline to academisation.

The Senior officer: Children's Services replied that it was scheduled for 1 April 2018 though there remained legal queries unresolved around land ownership, but that a project manager had been employed by the Multi Academy Trust which underlines their commitment to the process being completed.

**Resolved:**

That the report describing the role of the Local Authority in exercising its education duty to monitor and challenge schools within its area be noted.

**C43/18      Developing a Housing Delivery Plan**

The Senior Manager Strategic Development presented her report entitled 'Developing a Housing Delivery Plan'.

The Vice-Chairman said it was a good report though asked that a recommendation be made to look at the implications of 'right-to-buy' on the community as a result of the Plan.

The Senior Manager Strategic Development pointed out that there was no need as all models of delivery will be fully reviewed and their implications mapped for Members.

Councillor J Williams felt that there was a growing need for a Lead Member for Housing as it was a large issue in terms of correspondence received from the community.

Councillor D Marcus felt that recommendation 3 should be subject to a time limit.

The Chairman agreed and proposed it be set to 6 months.

Councillor J Smith highlighted a lack of sign-off from proper officers on some reports including this one, which was of concern.

**Resolved:**

1. That the development of a Housing Delivery Plan that explores a range of delivery options, including direct delivery by the Council, partnership working and joint ventures be supported, subject to

the draft Plan being presented to Members for consideration once prepared.

2. That the use of Council owned land to enable affordable housing delivery through a programmed approach to include opportunities for custom build homes be supported in principle.
3. That initial feasibility and viability work on Council owned sites be supported, with a report being brought to Full Council within 6 months on the outcomes of that work.

#### **C44/18      Environmental      Health:      Private      Sector      Housing Enforcement Policy and associated fees and charges**

The Senior Manager / Senior Officer: Environmental Health presented their report entitled 'Environmental Health: Private Sector Housing Enforcement Policy and associated fees and charges'.

The Chairman felt that the report was excellent.

Councillor J Williams asked if there was scope to include the Duchy of Cornwall within the interpretation of 'private sector'.

The Senior Officer: Environmental Health confirmed that they did qualify.

Councillor S Sims welcomed the report, though asked that the first stage of intervention should be for the Authority be helpful and guide people towards compliance, not threaten them with action.

The Senior Officer: Environmental Health said that such an approach would be taken, and in some instances people would have no idea of the concept of being a social landlord, even if they were one.

Councillor J Williams said that he hoped that the Authority had its own properties properly managed and registered before it set about a wider implementation.

#### **Resolved:**

That the Environmental Health: Private Sector Housing Enforcement Policy and associated environmental health fees and civil penalty charges be approved.

#### **C45/18      Social housing account: Rent Setting 2018/19**

The Senior Manager: Strategic Development presented her report entitled 'Social Housing Account - Rent Setting 2018/19'.

She said that the decrease was set in law until 2020 and could not be altered until then.

Members briefly commented on the report.

**Resolved:**

That a decrease of 1% in the annual rents for property held within the Social Housing Portfolio (107 properties) be approved.

**C46/18 General Fund Rent Setting 2018/19**

The Senior Manager: Strategic Development presented her report entitled 'General Fund Rent Setting 2018/19'.

She said that she would

Members briefly commented on the report.

**Resolved:**

1. That the annual rent increase for properties within the General Fund Portfolio of 4% for the financial year 2018/19 in accordance with Council's Policy (latest Consumer Price Index (CPI) (Dec 2017 2.7%) + 1% subject to a minimum of 4%) be approved.
2. That a 4% increase be applied to garage rental fees for the financial year 2018/19.

**C47/18 Test of Assurance and Safeguarding Children's Partnership Quality Assurance Panel - Recommendations**

The Senior Manager - Services to our Community presented her report entitled 'Test of Assurance and Safeguarding Children's Partnership Quality Assurance Panel – Recommendations'.

She said that the recommendations would be implemented into the relevant service delivery plans for departments.

She said that safeguarding was an area of constant improvement and review.

Members briefly commented on the report.

*(Councillor J Smith left the meeting)*

**Resolved:**

1. That the attached quality assurance reports be accepted and implemented to ensure that the Local Authority is delivering its statutory obligations in Children and Adult Services.
2. That the recommendations of both reports and current progress be accepted.

**PART 2 REPORTS FOR INFORMATION ONLY****C48/18 Update from Scrutiny Committee**

The report of the Officer: Policy and Scrutiny entitled 'Scrutiny Committee Update' was received for information only.

**C49/18 Delegated Planning Applications**

The report of the Senior Officer – Planning & Development Management entitled 'Schedule of Delegated Planning Applications' was received for information only.

**C50/18 Lead Member Updates**

The report of the Lead Members were received for information only.

**PART 3 REPORTS CONTAINING EXEMPT INFORMATION****C51/18 Exclusion of the Public**

That under section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 2 of Part 1 of Schedule 12A of that Act (as amended).

(Information which is likely to reveal the identity of an individual)

**C52/18 Report from the Local Government and Social Care Ombudsman: verbal briefing from the Lead Member for Children**

The Chief Executive presented a verbal report on the Local Government and Social Care Ombudsman (LGSCO), with a verbal briefing from the Lead Member for Children.

*(Councillor H Legg left the meeting)*

He said that the LGSCO considered that it was highly unusual for a local authority not to fully implement all recommendations issued by them, and so a further report had been received from them.

He said that he believed the best course of action was the one that involved the least impact on the child, as the best interests of the child were the overriding factor.

The Lead Member for Children confirmed that the interests of the child involved in the case had always been, and continue to be, of paramount importance to the Local Authority.

**Resolved:**

That in the interests of the child, and whilst not agreeing with LGSCO rationale in full, the recommendations from the original LGSCO report be implemented and (i) a settlement made to the child, (ii) authority be delegated to the Section 151 Officer and the Chief Executive in consultation with the Lead Member for Children to take steps to ensure that that settlement funds services to the child, and (iii) the council works with the family to move forward.

The Meeting ended at 12.22 pm

### Council of the Isles of Scilly report

# **P/18/002/FUL Land at Green Bay, Bryher: Application for the proposed material change of use of land only for ancillary boat hire use (Amended Plans)**

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**Date** 22 March 2018

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**Meeting** Full Council

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**Part** 1

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**Authors** Lisa Walton, Senior Officer Planning and Development management

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### **Recommendation**

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- 1.** That members approve the application for a change of use of land for the use specified and subject to the conditions set out in the appendix.
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1. This is an amended application for the change of use of land for ancillary use as boat hire. This was originally for the change of use of land for the siting of a mobile building. The applicant has amended the plans following the concerns raised by officers on the scale of the proposed mobile structure. This now no longer forms part of the application and this report is an assessment of the material change of use of land for the purposes of ancillary boat hire use.
2. The application site is located to the north-eastern side of the track and within the southern area of the Island of Bryher, on the east coast within Green Bay. The proposal relates to a small parcel of land, which is bound to the north by the public access track, which leads to the shoreline. The applicant's business, to which the proposal relates, is sited on the southern and western side of the public highway where the business operations include boat building, storage repairs, maintenance and boat hire. The site is gently sloping with land rising from east to west.
3. Bennett Boatyard is an existing boat storage and repair yard surrounded by agricultural land and a boat storage area to the north. The proposal seeks to separate the boat hire business from the boat buildings/repair/maintenance business, which is currently undertaken in the main yard area.
4. The applicant has provided the following statement regarding the proposal "We would like to offer boat hire from the top of the beach at Green Bay, Bryher. This area is directly in front of our Boatyard and on the bank above the beach where we currently offer boat hire. We are separating the two arms of our business. We would like to offer boat hire from a more prominent position so that we can engage passing trade and be able to see our customers on the water. We are not asking to erect a permanent structure on the site. We would like to position a hut on a trailer that we could move in and out of our current boatyard."
5. Full details submitted with this application can be viewed online here:  
<http://www.scilly.gov.uk/planning-application/planning-application-p18002>.

### **Background and Relevant History**

6. In 2002 an application was submitted (**P5201**) and approved for the current boatyard site, known as Bennett Boatyard. In 2005, an application as submitted (**P5737**) and approved for the land at Green Bay for a timber clad building for B1 (this is a general business use) and B8 (this is a storage and distribution use) uses. In 2010, an application as submitted (**P/10/004/FUL**) and approved for extensions to the existing storage area and staff accommodation. The most recent application relates to **P/15/021** for the 'change of use of agricultural field for use as boat storage' in connection with the business. This application gained approval in May 2015.

## **Consultations and Representations**

7. Full details of the consultation comments received regarding this application can be viewed online here: <http://www.scilly.gov.uk/planning-application/planning-application-p18002>. A site notice has been on display outside the site for a period of 21 days.
8. The Cornwall Archaeological Unit has considered the application and has no specific comments to make relating to the proposal. No public representations have been received in respect of this application.

## **Primary Legislation and Planning Policy**

### **Primary Legislation**

#### **The Planning (Listed Buildings and Conservation Area) Act 1990**

9. The site is within a Conservation Area where there is a requirement to ensure that any development preserves or enhances the character or appearance of the area, as embodied in Section 72 of the Planning (Listed Buildings and Conservation Area) Act 1990.

#### **The Countryside and Rights of Way Act 2000**

10. The Isles of Scilly is also a designated Area of Outstanding Natural Beauty (AONB). The legal framework for such areas is provided by the Countryside and Rights of Way Act 2000. The Act places a statutory duty on the Local Authority to have regard to the purpose of conserving and enhancing the natural beauty of the AONB when exercising or performing any functions affecting land within it.

#### **The Conservation of Habitats and Species Regulations 2010**

##### **(Consolidation of Conservation (Natural Habitats, &c.) Regulations 1994)**

11. It is a legal duty of a Local Planning Authority, when determining a planning application for a development, to assess the impact on European Protected Species ("EPS"), such as bats, great crested newts, dormice or otters. A LPA failing to do so would be in breach of Regulation 3(4) of the 1994 Regulations which requires all public bodies to have regard to the requirements of the Habitats Directive in the exercise of their functions.

### **Planning Policy**

#### **National Planning Policy Framework (NPPF) 2012**

12. At the heart of the NPPF is a presumption in favour of sustainable development. The NPPF does not change the statutory status of the development plan as the starting point for decision making. Proposed development that accords with an up-to-date Local Plan should be approved and proposed development that

conflicts should be refused unless other material considerations indicate otherwise. It is highly desirable that local planning authorities should have an up-to-date plan in place. With respect to general development and the Strategic Policies it is considered that the Local Plan remains up to date and conforms to the requirements of the NPPF.

13. Section 11 relates to conserving and enhancing the natural environment and paragraph 109 states that the planning system should contribute to and enhance the natural and local environment by protecting and enhancing valued landscapes, geological conservation interests and soils; recognising the wider benefits of ecosystem services; minimising impacts upon biodiversity and providing net gains in biodiversity where possible, contributing to the Government's commitment to halt the overall decline in biodiversity; preventing both new and existing development from contributing to or being put at unacceptable risk from, or being adversely affected by unacceptable levels of soil, air, water or noise pollution or land instability.
14. Paragraph 192 identifies the need to front-load the planning system through pre-application engagement. This states that the right information is crucial to good decision-taking, particularly where formal assessments are required (such as Environmental Impact Assessment, Habitat Regulations Assessment and Flood Risk Assessment). To avoid delays the NPPF advocates early discussions with the local planning authority as well as expert bodies as early as possible.

#### **Isles of Scilly Local Plan 2005**

15. Policy 1 relates to environmental protection and seeks to permit development proposal only where they respect and protect the recognised quality of the island's natural, archaeological, historic and built environment. Proposals should (a) conserve or enhance the natural beauty, wildlife and cultural heritage of the Area of Outstanding Natural Beauty and protect the unspoilt character and good appearance of the heritage coast, (d) safeguard the integrity and nature conservation objectives of Special Protection Areas (SPAs), RAMSAR sites and Special Areas of Conservation (SAC); (e) protect a statutorily protected plant or animal species and the wildlife, geographical and geomorphological interest and features of designated Sites of Special Scientific Interest; and locally important biodiversity habitats, species and landscape features.
16. Policy 2 relates to Sustainable Development and seeks to permit development in situations where the development contributes to the sustainability of the islands' environment, economy or local community. Policy 2 requires development to ensure or facilitate the re-use of previously developed land or existing buildings for the economic, social and environmental benefit of the

islands and local communities. This policy also seeks to ensure natural resources are utilised efficiently in the design, construction and future use of land and buildings, including where appropriate, energy conservation and the use of renewable sources of energy generation, minimising the consumption and discharge of water and waste and by securing the recovery and re-use of suitable building materials.

17. Policy 4 of the Local Plan relates to Economic development. This policy essentially seeks to promote employment and economic activity based on the existing economy, including agriculture, and supporting opportunities that lead to modernisation and diversification of the islands economy.
18. The Isles of Scilly Design Guide was adopted as a Supplementary Planning Document in 2007. This document provides important guidance to the design of development of the islands, where planning permission is required, and includes guidance on construction materials. Page 48 of the Design Guide states that traditional materials include: “timber, which had been washed ashore from wrecks, has been used in buildings when available. Modern infill on the islands has developed a vernacular of rough sawn vertical batten (flat wooden strips) and board timber extensions”. Page 85 of the Guide notes that the material choice should be sustainable and renewable like timber or thatch for example, due to the limited sourcing and supply of local building materials available on the islands.

#### **Planning Assessment**

19. The main planning issues are considered to be whether the proposed change of use of the land, which will be used for the siting of the temporary trailer, is acceptable in principle and whether the proposal is acceptable in terms of the design, scale and materials; the impact on amenity and the wider Conservation Area; and the impact on the natural and historic environment.

#### **Principle of Development**

20. The proposal relates to an existing business operating on Bryher. The applicant has stated that the proposed siting of a trailer with a mounted office hut for the boat hire business is necessary in the proposed position to facilitate the potential for more passing trade engagement in a more prominent position. The location is also necessary for a safety reason of being able to view customers on the water who are using the boat hire facilities. As the business is predominantly weather dependent and does not take place all year round, the applicant is requesting permission for the change of use of the land for the siting of a temporary, moveable trailer to reduce the impact than having a permanent building in this rural position.

21. In relation to Policy 1 of the Local Plan, it is considered that the land, which is the subject of this application, is well associated to the existing business and adjacent land uses of the area and the change of use utilises a small piece of bare land, which would not impact upon the environmental designations of the Island. The proposed temporary nature of the works will maintain the quality of the island's environment as there are no permanent structures associated with the proposed change of use of the land, providing the appearance of the trailer is sympathetic to this location.
22. In relation to Policy 4, the proposed change of use will promote employment and economic activity by providing the opportunity for an existing business to optimise its potential to support its local community. It will allow the existing business a more prominent location, which gives the potential of increasing business footfall therefore contributing to island life and communities. The proposed change of use of the land in relation to an existing business is considered to be acceptable in principle subject to the other material planning considerations as outlined below, including the precise details and detailing of the trailer, and the imposition of appropriate conditions.

#### **Design, Scale and Materials**

23. The application has been amended and now does not include any details of any proposed temporary structures or trailers. It is clear from the application that a mobile structure, to be moved daily, will be used on this land for the purposes of the boat hire business. No details of this have been provided on the basis that temporary structures are generally not considered to be development requiring planning permission. In order to ensure that no structures are left out on site for prolonged periods, where they could be deemed a permanent structure, a post-determination condition is recommended to require the submission of details of the temporary structure, to be submitted, should operations of the business require the structure to be left out on this site for longer than daily periods.
24. Officers are satisfied that a structure that is moved daily would be a mobile structure that would not require planning permission. The recommended condition 3, below, would kick-in should the temporary building be needed to be left on site for prolonged periods including weekly, monthly or seasonally. However, as the applicants have made it clear that it is their intention to move the structure daily, it is not considered necessary to provide the details of the structure at this stage. The compliance with condition 3, and the submission of details would also need to include the opening hours and regular movement schedule of the temporary structure. This would not permit the temporary structure to become permanent as this would require a separate grant of planning permission.

#### **Impact upon the Conservation Area and AONB**

25. As no physical alterations to the landscape are proposed, the main impact of the proposal will arise as a result of the temporary trailer being sited on the land during operational hours. Policy 1 relates to environmental protection and seeks to permit development proposals only where they respect and protect the recognised quality of the island's natural, archaeological, historic and built environment. Proposals should conserve or enhance the natural beauty, wildlife and cultural heritage of the Area of Outstanding Natural Beauty and protect the unspoilt character and good appearance of the heritage coast, preserve or enhance the character or appearance of the Conservation Area.
26. The existing site is in a prominent position, currently laid to grass with no definitive site boundaries or screening from the public access and footpaths in the immediate area. Adjacent to the south-eastern side of the site are clumps of shrubbery. The site is therefore very exposed and any change on this piece of land would have an impact on the character and appearance of the Conservation Area and Area of Outstanding Natural Beauty. The character of this piece of land at present is, therefore, one of an undeveloped appearance. The absence of development forms part of the character of this part of the AONB and Conservation Area. As previously noted, hut type moveable trailers tend to be of a small scale, which aid their assimilation into the landscape. Taking this into account, a post determination condition is proposed to make sure that any temporary trailers placed on the land will be at a scale and appearance that will not cause an adverse impact on the Conservation Area nor give rise to harm to the scenic beauty of the landscape including the AONB and the Heritage Coast Designations.

#### **Impact upon the Natural and Historic Environment**

27. The proposed site does not contain any designated heritage assets. Cornwall Archaeological Group has considered the application and has no specific comments relating to the proposal. There are no listed building or scheduled monuments, which could have settings affected by the proposal. As there are no known archaeological constraints at this site, it is considered that the proposal will be acceptable in terms of the historic environment of Bryher.
28. The site is outside of any natural environment designations. The nearest Site of Special Scientific Interest (SSSI) 'The Rushy Bay and Heathy Hill' lies over 200 metres to the south west of the application site. The site is primarily in favourable condition. The proposal is not considered to affect the SSSI designation.

#### **Impact upon amenity and highway safety**

29. There are no immediate residential properties within the vicinity of the application site. The nearest built form is located on the south-western side of the highway and forms the business site for the applicant's business known as

“Bennett Boatyard”. The proposed change of use will not give rise to significant issues of amenity for adjacent land uses. The nature of the proposed use is such that it will not give rise to any loss of privacy.

30. The temporary nature of the trailer gives rise to an increase in traffic movements within the immediate area at the beginning and end of the working day however as the site is located immediately opposite the boatyard, the proposal is not considered to give rise to any adverse impacts on highway safety or traffic movement levels.

#### **Other Considerations**

31. The ministerial Statement ‘Planning for Growth’ and the National Planning Policy Framework have been taken into account in assessing this scheme.

#### **Conclusion**

32. It is acknowledged that the application proposes economic development in a rural area by way of changing use of a small parcel of land to provide a more prominent business location. This is a general consideration that needs to be weighed in the balance of all other planning considerations. Based on the scheme currently presented, the application is recommend for approval, subject to conditions that will seek details on the form and appearance of the trailer.

#### **Financial implications**

33. None

#### **Legal implications**

34. The legal implications relate only to the statutory duty of the Council as the Local Planning Authority where there is a requirement to determine planning applications within statutory timescales. In this case the application should have been determined by 15<sup>th</sup> March 2018. After this date the applicants can appeal to the Planning Inspectorate against non-determination of this application.
35. Members will note that the determination of this application will now take place after the 8 week determination date of the 15<sup>th</sup> March. This is as a result of Officers not being in a position to bring a report to Members at the February 2018 Full Council, due to negotiations taking place to amend this application. As you will note from paragraph 1 above, the application has now been amended but the Council protocols require this application to be determined by Full Council due to the applicant’s relationship to Members of this Council. As

the recommendation is to now approve this application, it is considered that the risk of appeal challenge is low.

## Other implications

36. Due to the application being located in a sensitive environment, as denoted by the AONB, the application has been screened for environmental impacts through an Environmental Impact Assessment, Screening Opinion. This screening concluded that the development proposed does not constitute EIA development requiring an Environmental Statement.
37. The planning application engages certain human rights under the Human Rights Act 2008 (HRA). The HRA prohibits unlawful interference by public bodies with conventions rights. The term 'engage' simply means that human rights may be affected or relevant. This application has the legitimate aim of diversifying an existing business. The rights potentially engaged by this application, including the right to a fair trial and the right to respect for private and family life, are not considered to be unlawfully interfered with by this proposal.

## Appendices

Appendix – Proposed conditions

## Approval

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<b>Senior Manager</b>	Craig Dryden, Senior Manager Infrastructure and Planning	09/03/2018
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### Financial

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<b>Legal</b>	Matt Stokes, Monitoring Officer	12 March 2018
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## **Appendix – P/18/002/FUL Land at Green Bay, Bryher**

### **Proposed Conditions**

1. The development hereby permitted shall be begun before the expiration of three years from the date of this permission.  
Reason: In accordance with the requirements of Section 18 of the Planning (Listed Buildings and Conservation Areas) Act 1990 (as amended).
2. The development hereby permitted, shall be carried out in accordance with the approved details only including:
  - Amended Location Plan date stamped by the Local Planning Authority on 23 February 2018
  - Amended Block Plan date stamped by the Local Planning Authority on 23 February 2018. These are signed and stamped as APPROVED.Reason: For the avoidance of doubt and to make sure the development accords with the approved plans.
3. The use hereby permitted is for ancillary boat hire use associated with Bennett Boat Yard. Any mobile structure placed on this land for the purposes of Boat Hire shall be moved from the site daily and shall not be left overnight, unless the full detail including the duration of siting of the temporary trailer (as detailed by the number of hours per day, for how many days of the week, for which months of the calendar year), scale drawings (including elevations, roof plan, floor plan and materials), details of materials and colour finishes are submitted to and approved in writing by the Local Planning Authority. The temporary building shall be in accordance with the approved details only including the agreed operational movements.  
Reason: In the interests of the amenities of the area and to make sure that the proposal does not adversely impact the character and appearance of the Conservation Area, the Heritage Coastline and the Area of Outstanding Natural Beauty in accordance with Policies 1 and 2 of the Isles of Scilly Adopted Local Plan (2005).
4. Notwithstanding the provisions of the Town & Country Planning (General Permitted Development) Order 2015 and the Town & Country Planning Use Classes Order 1987 as amended (or any order revoking and re-enacting those Orders with or without modification), the land the subject of this permission shall not be used other than for the commercial purpose of hiring boats without the prior grant of planning permission from the Local Planning Authority.  
Reason: To ensure that the use remains compatible with surrounding land uses in the area.

## Council of the Isles of Scilly report

# Annual Treasury Management Strategy 2018/19

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**Date** 22<sup>nd</sup> March 2018

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**Meeting** Full Council

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**Part** 1

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**Authors** Andy Brown S151

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## Recommendations

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**1.** The Annual Treasury Management Strategy 2018/19, as set out in Appendix 1, is approved.

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**2.** The Prudential Indicators and Treasury Indicators 2018/19 – 2020/21 as detailed in section 2 and 3.2 of Appendix 1 be approved.

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**3.** The Annual Investment Strategy 2018/19 as detailed in section 4 of Appendix 1 be approved.

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**4.** The Minimum Revenue Provision Policy 2018/19 as detailed in section 2.3 of Appendix 1 be approved.

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## **1. Summary/Introduction**

- 1.1** In accordance with statutory guidance and the Council's Financial Procedure rules, this report presents the Treasury Management Strategy Statement for 2018/19 which includes the Annual Investment Strategy, Prudential Indicators and Minimum Revenue Provision (MRP) policy. All are detailed in Appendix 1 of this report.
- 1.2** The Chartered Institute of Public Finance and Accountancy (CIPFA) defines treasury management as "the management of the organisation's investments and cash flows, its banking, money market and capital market transactions and the effective control of the risks associated with those activities to obtain optimum performance consistent with those risks".
- 1.3** The Council's treasury management process requires decisions involving the cash flows of around 20 million pounds. The execution, sophistication and timing of these decisions can make a significant difference to the Council's revenue budget each year. The revenue impact of the treasury management function forms part of the overall budgetary process in the Council and is carried out by the Finance Service.
- 1.4** The Annual Treasury Management Strategy sets out how the Council intends to manage these issues and their associated risks over the course of 2018/19. The Prudential Indicators demonstrate that the Council's capital investment plans are affordable, prudent and sustainable. The Minimum Revenue Provision (MRP) policy sets out the Council's policy in setting aside revenue amounts for provision in respect of capital expenditure financed by borrowing.
- 1.5** The CIPFA Code of Practice on Treasury Management 2011 (The Code) recommends that local authorities should, as a minimum, report annually to Council on the Treasury Management Strategy before the start of the financial year, report the position mid-year and prepare an annual report following the year end. The Annual Treasury Management Strategy, as set out at Appendix 1 to this report, is therefore produced in order to comply with this recommendation.
- 1.6** Guidance issued by the Secretary of State in 2010 requires the production of an Annual Investment Strategy to be approved by the Council setting out policies for managing investments and this is also detailed in Appendix 1.
- 1.7** Furthermore, the Council is required to have regard to CIPFA's Prudential Code for Capital Finance 2011 which underpins the system of capital finance to ensure that the Council's capital investment plans are affordable, prudent and sustainable. The prudential indicators required by this Code are also designed to support and record local decision-making in a manner that is publicly accountable.

- 1.8** The Local Authorities Capital Finance and Accounting Regulations 2008 require the approval of a MRP Policy in advance of each financial year within which the Council should determine a prudent mechanism for making a provision for the repayment of borrowing incurred to support capital expenditure. More precisely, this charge forms part of the revenue budget for the cost of capital expenditure financed through borrowing.
- 1.9** The Council is required to operate a balanced budget. This can be broadly put as the total cash raised during the year will meet total cash expenditure. Part of the Treasury Management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in counterparties or instruments commensurate with the Council's risk appetite, providing adequate liquidity before considering investment return.
- 2. Annual Treasury Management Strategy 2018/19**
- 2.1** Appendix 1 details the current Annual Treasury Management Strategy 2018/19, the Annual Investment Strategy 2018/19, the Prudential Indicators 2018/19 to 2020/21 and the MRP Policy 2019/20.
- 2.2** The key principles of the Annual Treasury Management Strategy are:
- Annual Investment Strategy – Setting out the priority and criteria for where, who, how long and how much the Council can invest its surplus cash.
  - Borrowing Strategy – Setting out how the borrowing required to finance the Capital Programme now and in the future will be undertaken.
  - Operational Boundary and Authorised Limit – Limits set for the total external debt permitted by the Council for daily operation and a maximum level of borrowing.
  - Capital Financing Requirement – the Councils underlying borrowing need
- 2.3** The Council's Borrowing Strategy effectively sets out that the Council is under borrowed, which means that the capital borrowing need has not yet been fully funded by long term debt; instead the Council's own cash reserves have been used to delay this requirement.
- 2.4** The Councils cash reserves however have now been run down to minimal levels in recent years, and this is clearly demonstrated by the Capital Financing Requirement which shows, in section 3.1 of Appendix 1, where the Council is under borrowed to the tune of £5.2m and will continue to be considerably under borrowed for the future if no long term borrowing is undertaken.
- 2.5** This position probably reflects the reality that where the Council had previously resolved to borrow to fund a capital project, that internal cash was then used to finance the transaction, however this only delays the need to borrow.

- 2.6** In recent years this strategy makes prudent sense and the proposed Borrowing Strategy is to continue with this approach; with current market conditions long term borrowing interest rates are forecast to remain at around 3.0% with the Council's average investment return less than 1%. Therefore there is over 2.0% cost of carry for any borrowing undertaken in e.g. for every £1 million borrowed the cost of carry to the Council is around £20k.
- 2.7** Therefore the Strategy is viewed as the most prudent approach due to the current economic conditions; however the Section 151 Officer will be monitoring the cash flow position and interest rate levels and, with a £5m under borrowed position, may decide to act to secure cheap long term borrowing.
- 2.8** Temporary borrowing to smooth the Councils cash flow position will be transacted upon throughout the financial year, therefore the Council needs to set limits to the maximum level of debt. These are set out in Appendix 1.
- 2.9** If the operational boundary is breached it needs to be reported to Council with an explanation of how this arose. The authorised limit is a statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although to date this power has never been exercised.

### **3. Current Treasury Position**

- 3.1** The Councils current treasury position is secure and within statutory indicators and the approved strategy. At the start of the financial year the Council had £74K of long term debt, and surplus cash held at the bank of £2.19m.
- 3.2** As previously reported it was forecast that current levels of surplus cash would run out before the end of the financial year, therefore temporary borrowing would be required to ensure the council manages its cash flow position and meets its commitments.
- 3.3** This is in line with accepted practice and temporary borrowing by Councils to manage cash flow peaks and troughs is common practice and regarded as effective treasury management. If the operational boundary indicator had been set at the same level as being proposed in appendix 1, the borrowing would have been undertaken by the Section 151 Officer under delegated powers and reported to members in the outturn report. As it was these limits had to be amended before borrowing could be permitted.
- 3.4** A temporary loan of £2m, which was secured from Middlesbrough Council in the previous financial year, matured on the 18 April 2017. The interest rate was fixed at 0.32% and the temporary loan will incur interest of £1,052.
- 3.5** It is envisaged that as cash inflows return in April, through the receipt of Government Grant, Council Tax and Business Rates, that this money will be repaid and a surplus cash position will return.

- 3.6** Although there is delegated authority to the Section 151 Officer to undertake borrowing, owing to the focus and transparency on the Councils financial position, long term borrowing approvals were obtained from Council during the financial year and it is anticipated this will be taken up before the year end as outlined in those reports.

### **Financial implications**

4. The entire report deals with financial information and implications are detailed throughout.

### **Legal implications**

5. There are no adverse legal implications identified as arising directly from this report. The Council, through its Treasury Management Policy, must ensure it complies fully with the requirements set out in the Local Government Act 2003 and in the guidance / code of practice issued by the Department of Communities and Local Government (DCLG) and CIPFA.
6. Failure to comply with these financial responsibilities may leave the Council open to significant risk of challenge from the initial failure to comply and from actions that are subsequently taken in the absence of appropriate controls, including its fundamental fiduciary duty to the taxpayer.

### **Other implications**

7. None.

## **Appendix A: Annual Treasury Management Strategy 2018/19**

### **Approval**

<b>Senior Manager</b>	<b>[Name and job title of Senior Manager]</b>	<b>[DATE]</b>
<b>Financial</b>	Andy Brown, Section 151 Officer	12 March 2018
<b>Legal</b>	Matt Stokes, Monitoring Officer	13 March 2018

## **Appendix A – Annual Treasury Management Strategy 2018/19**

### **Council of the Isles of Scilly 2018/19**

#### **Annual Treasury Management Strategy**

- **Annual Investment Strategy**
- **Prudential Indicators and**
- **Minimum Revenue Provision Policy Statement**

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### **1 INTRODUCTION**

#### **1.1 Background**

The Council of the Isles of Scilly is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in counterparties or instruments commensurate with the Council's risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

The Chartered Institute of Public Finance and Accountancy (CIPFA) define treasury management as:

"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

#### **1.2 Reporting requirements and Scrutiny**

In the context of treasury management, the Council of the Isles of Scilly is required to receive and approve, as a minimum, two main reports each year, which incorporate a variety of policies, estimates and actuals.

The report on the Annual Management Treasury Strategy, covering the Prudential and Treasury indicators is the first and most important report and covers:

- Capital plans, including prudential indicators
- Minimum revenue provision (MRP) policy – how residual capital expenditure is charged to revenue over time
- Treasury Management Strategy – how the investments and borrowings are to be organised, including Treasury indicators; and
- Investment Strategy – how the parameters on how investments are to be managed.

An annual treasury outturn report provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the treasury strategy.

### 1.3 Scope of Treasury Management Strategy for 2018/19

The Strategy for 2018/19 will cover the following areas:

Capital Activity:

- Capital plans, in line with the approved programme
- Capital prudential indicators including the Capital Financing Requirement (CFR)
- Minimum Revenue Provision (MRP) policy

Treasury Management Activity:

- Current and forecast treasury position
- Treasury indicators which limit the treasury risk and activities of the Council
- Prospects for interest rates
- Borrowing strategy
- Policy on borrowing in advance of need
- Debt rescheduling
- Annual Investment Strategy and

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

### 1.4 Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management, this will be built into future training for new members following Council elections in May 2017.

## 2 THE CAPITAL PRUDENTIAL INDICATORS 2018/19 – 2020/21

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

### 2.1 Capital expenditure

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle:

Capital Expenditure £'000	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
General Fund	3,256.0	3,489.9	5,408.8	2,839.6	889.6

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

8/20

<b>Capital Expenditure £'000</b>	<b>2015/16 Actual</b>	<b>2016/17 Estimate</b>	<b>2017/18 Estimate</b>	<b>2018/19 Estimate</b>	<b>2019/20 Estimate</b>
General Fund	3,256.0	3,489.9	5,408.8	2,839.6	889.6
<i>Financed By:</i>					
Grants	2,467.0	2,825.9	4,958.8	2,389.6	669.6
Reserves	614.0	609.0	200.0	200.0	-
Capital Receipts	80.0				
Revenue Contribution	95.0	55.0	140.0	140.0	90.0
External Contributions			80.0	80.0	100.0
Prudential Borrowing			30.0	30.0	30.0
	<b>3,256.0</b>	<b>3,489.9</b>	<b>5,408.8</b>	<b>2,839.6</b>	<b>889.6</b>

## 2.2 The Capital Financing Requirement

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

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life.

<b>Capital Financing Requirement (CFR) £'000</b>	<b>2015/16 Actual</b>	<b>2016/17 Estimate</b>	<b>2017/18 Estimate</b>	<b>2018/19 Estimate</b>	<b>2019/20 Estimate</b>
Opening CFR	5,464.0	5,340.0	5,235.0	5,160.0	5,085.0
<i>Movement</i>	-124.0	-105.0	-75.0	-75.0	-75.0
Closing CFR	5,340.0	5,235.0	5,160.0	5,085.0	5,010.0
<i>Movement in CFR represented by:</i>					
Minimum Revenue Provision	-219.0	-105.0	-105.0	-105.0	-105.0
Borrowing for the Year	95.0	-	30.0	30.0	30.0
	<b>-124.0</b>	<b>-105.0</b>	<b>-75.0</b>	<b>-75.0</b>	<b>-75.0</b>

## 2.3 Minimum Revenue Provision (MRP) Policy 2018/19

As part of the MRP regulations the Council is required to approve a policy for calculating a prudent level of MRP on borrowing undertaken for the 2018/2019 capital programme and prudential borrowing undertaken in previous years. It is proposed that the Council of the Isles of Scilly adopts the following MRP policy:

- i. For capital expenditure financed by supported borrowing by the Government through the Revenue Support Grant system, MRP will be made on a straight line basis over a period of 50 years (i.e. 2%) based on the Opening Adjusted Capital Financing Requirement as at 1<sup>st</sup> April 2016.

This effectively means that, for capital expenditure financed by borrowing prior to April 2007, MRP is made based on a straight line (equal instalment) method

over a 50 year period (2%).

- ii. For borrowing under the prudential system, for which no Government support is given, MRP provision will be made over the estimated life of the asset for which the borrowing is undertaken. This will be done on a straight line basis in-line with the asset life determined for depreciation purposes and the MRP provision will commence in the financial year following the one in which the asset becomes operational.

This effectively means that, for capital expenditure financed by borrowing after 1 April 2007, MRP is made on the basis of equal annual instalments over the life of relevant assets: the 'straight line' method.

MRP will not be made on the value of Long Term Debtors outstanding, as these will be repaid by third parties and therefore it is not deemed necessary to make an additional revenue charge in relation to these amounts. However, if the third party is not making annual repayments of principal, then MRP payments will be made over the life.

For future changes in accounting regulations to International Financial Reporting Standards (IFRS) it is likely that the Council will have to change the current classification of some of its leases. This will mean that we have to bring new finance leases onto the balance sheet and account for the principal element of any lease payments in order to reduce the lease liability. MRP payments made in respect of these finance leases will be equal to the principle element of the lease payments.

## **2.4 Affordability prudential indicators**

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances.

## **2.5 Ratio of financing costs to net revenue stream**

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
General Fund Capital Financing	2.4%	2.4%	2.5%	2.5%	2.5%

The estimates of financing costs include current commitments and the proposals for the capital financing budget in the relevant budget setting report.

## **2.6 Incremental impact of capital investment decisions on Council Tax**

This indicator identifies the revenue costs associated with proposed changes to the three year capital programme recommended in the budget report compared to the Council's existing approved commitments and current plans.

The assumptions are based solely on the capital financing budget and the planned future increases required to meet the Council's capital investment plans. It should be noted that the indicator purely looks at that budget line in isolation and does not take into consideration the overall budget setting for the Council.

	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Annual Council Tax Band D	-£79.36	£0.00	£2.51	£0.79	£0.79

### 3 BORROWING

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

#### 3.1 Current and Forecast Portfolio position

The Council's treasury portfolio position at 31 March 2016, with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

External Debt £'000	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Opening Debt	122.0	74.0	26.0	95.0	125.0
<i>Expected change</i>	-48.0	-48.0	69.0	30.0	30.0
Closing Debt	74.0	26.0	95.0	125.0	155.0
Capital Financing Requirement	5,340.0	5,235.0	5,160.0	5,085.0	5,010.0
Under / (Over) borrowing	<b>5,266.0</b>	<b>5,209.0</b>	<b>5,065.0</b>	<b>4,960.0</b>	<b>4,855.0</b>

Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2018/19 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

The Section 151 Officer reports that the Council is forecast to comply with this prudential indicator in the current year 2017/18 and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in the budget report.

### **3.2 Treasury Indicators: limits to borrowing activity**

The Operational Boundary is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt.

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

This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although to date this power has never been exercised.

<b>Treasury Limits on Borrowing £'000</b>	<b>2016/17 Estimate</b>	<b>2017/18 Estimate</b>	<b>2018/19 Estimate</b>	<b>2019/20 Estimate</b>
Operational Boundary	3,500.0	3,500.0	3,750.0	4,000.0
Authorised Limit	3,750.0	3,750.0	4,000.0	4,250.0

### **3.3 Prospects for interest rates**

The table below provides the latest forecasts obtained from public Treasury documents. The PWLB rate forecasts are based on the Certainty Rate (minus 20 bps) which has been accessible to most authorities since 1st November 2012.

	Bank Rate %	PWLB Borrowing Rate % (including certainty rate adjustment)			
		5 year	10 year	25 year	50 year
<b>Dec-16</b>	0.25	1.60	2.30	2.90	2.70
<b>Mar-17</b>	0.25	1.60	2.30	2.90	2.70
<b>Jun-17</b>	0.25	1.60	2.30	2.90	2.70
<b>Sep-17</b>	0.25	1.60	2.30	2.90	2.70
<b>Dec-17</b>	0.25	1.60	2.30	3.00	2.80
<b>Mar-18</b>	0.25	1.70	2.30	3.00	2.80
<b>Jun-18</b>	0.25	1.70	2.40	3.00	2.80
<b>Sep-18</b>	0.25	1.70	2.40	3.10	2.90
<b>Dec-18</b>	0.25	1.80	2.40	3.10	2.90
<b>Mar-19</b>	0.25	1.80	2.50	3.20	3.00
<b>Jun-19</b>	0.50	1.90	2.50	3.20	3.00
<b>Sep-19</b>	0.50	1.90	2.60	3.30	3.10
<b>Dec-19</b>	0.75	2.00	2.60	3.30	3.10
<b>Mar-20</b>	0.75	2.00	2.70	3.40	3.20

PWLB rates and bond yields are extremely unpredictable at present. We have been experiencing exceptional levels of volatility in financial markets causing significant swings in PWLB rates which are highly correlated to geo-political and sovereign debt crisis developments.

Economic forecasting remains difficult with so many external influences weighing on the UK. Bank Rate forecasts, (and also MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Forecasts for average earnings beyond the three year time horizon will be heavily dependent on economic and political developments. Major volatility in bond yields is likely to endure as investor fears and confidence ebb and flow between favouring more risky assets i.e. equities, or the safe haven of bonds.

The overall longer run trend is for gilt yields and PWLB rates to rise, albeit gently. An eventual world economic recovery may also see investors switching from the safe haven of bonds to equities.

We continue to anticipate that the Federal Rate is likely to go up more quickly and more strongly than Bank Rate in the UK and recent events have not changed that view, though the timing of such increases may well have been deferred somewhat during 2016. While there is normally a high degree of correlation between the two yields, a growing decoupling of yields between the two is expected i.e. for US yields to go up faster than UK yields.

The overall balance of risks to economic recovery in the UK remains to the downside, particularly with the current uncertainty over the final terms of Brexit.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- Geopolitical risks in Europe, the Middle East and Asia, which could lead to increasing safe haven flows.

- UK economic growth and increases in inflation are weaker than we currently anticipate.
- Weak growth or recession in the UK's main trading partners - the EU and US.
- A resurgence of the Eurozone sovereign debt crisis.
- Weak capitalisation of some European banks.
- Monetary policy action failing to stimulate sustainable growth and combat the threat of deflation in western economies, especially the Eurozone and Japan.

The potential for upside risks to current forecasts for UK gilt yields and PWLB rates, especially for longer term PWLB rates include:

- The pace and timing of increases in the Federal funds rate causing a fundamental reassessment by investors of the relative risks of holding bonds as opposed to equities and leading to a major flight from bonds to equities.
- UK inflation returning to significantly higher levels than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.

### **3.4 Borrowing strategy**

The Council of the Isles of Scilly is currently forecast to be significantly under-borrowed at the end of the year and on the whole will seek to maintain that position.

This means that the capital borrowing need i.e. the Capital Financing Requirement, has not been fully funded with long term loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. Although this strategy is prudent as investment returns are low and counterparty risk is relatively high and will continue for financial year 2018/19, the Council has run its cash reserves down to minimal levels and will need to consider the possibility of long term borrowing in 2018/19 to reflect historically that it should have borrowed to fund capital expenditure.

However, against this background, and the risks within the economic forecast, caution will be adopted with the 2018/19 treasury operations. The Section 151 Officer will monitor interest rates in financial markets and adopt a pragmatic and flexible approach to changing circumstances.

Temporary borrowing will continue to be undertaken during 2018/19 in order to smooth cash flows and actively manage the Council's Treasury position. Total borrowing levels will remain within the strategy's defined operational boundary.

### **3.5 Policy on borrowing in advance of need**

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

As detailed in the Borrowing strategy, this needs to be carefully reviewed to avoid incurring higher borrowing costs in the future, when the Council may not be able to

avoid new borrowing to finance new capital expenditure and/or to refinance maturing debt or called in debt.

### 3.6 Treasury Management limits on activity

There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments;
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The Council is asked to approve the following treasury indicators and limits:

£'000	2017/18	2018/19	2019/20
Interest Rate Exposure	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	3,000	3,000	3,000
Limits on variable interest rates based on net debt	1,000	1,000	1,000

Maturity structure of fixed interest rate borrowing 2017/18		
	Lower	Upper
Under 12 months	0%	40%
12 months to 10 years	0%	40%
10 years to 50 years	0%	100%

Maturity structure of variable interest rate borrowing		
	Lower	Upper
All period ranges	0%	30%

Indicators for debt only and investments only as well as fixed and variable debt maturity profile have been included as local indicators.

## 4 ANNUAL INVESTMENT STRATEGY

### 4.1 Investment Policy

The Council has regard to the Department of Communities and Local Government (DCLG) guidance 2010 as cited under section 15(1) (a) of the Local Government Act 2003 and the CIPFA Code of Practice on Treasury Management in Public Services.

The Secretary of State recommends that each local authority produce and publish an Annual Investment Strategy, approved by the Council and revised in year as required. This sets out the Council's policies for managing investments and for giving priority to the security and liquidity of those investments. This investment strategy states which instruments the Council may use for investment purposes, making a distinction between specified and non-specified investments. This strategy also determines limits in respect of their overall levels.

The prime objective of the Council's investment strategy is to ensure prudent investment of surplus funds. The Council's investment priorities are as follows, in order of priority:

- Security of capital,
- Liquidity of investments,
- Secure optimum performance (yield)

Specified investments are those that meet the following criteria:

- The investment is denominated in Sterling and all payments or repayments are payable only in Sterling
- The investment is not a long term investment i.e. due to be repaid within 12 months of the date in which it was made
- The investment is made with a body which has been awarded a high credit rating, or is made with one of the following:
  - a. The United Kingdom Government;
  - b. A Local Authority in England and Wales, or a similar body in Scotland or Northern Ireland;
  - c. A Town / Parish or Community Council.
- The making of the investment is not defined as capital expenditure by virtue of regulation 25(1)(d) of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 [SI 3146 as amended]

Non-specified investments are defined as those not meeting the above criteria.

The following categories of investments may be used under the definition of specified investments:

- Short term cash deposits & call accounts
- Debt Management Account Deposit Facility deposits
- Forward deals (provided the maturity date is < 1 year from when the investment was made)
- Certificates of Deposit (with maturity dates < 1 year)
- UK Government Gilts & Treasury Bills
- Money Market Funds
- UK Government & Multinational Development Bank bonds .

The Council considers a high credit rating for money market funds to be those with a long term Fitch Rating of AAA, or the equivalent highest rating from Standard and

Poors or Moodys. The Council will have regard to all 3 rating agencies and considers a high credit rating for other investments to be as follows:

Organisation	Criteria	Maximum Amount	Maximum Period
Deposit with Banks and Building Societies	AA- and F1+ or above	£10m	3-5 years
	AA- and F1	£5m	2 years
	A+ and F1+	£2.5m	2 years
	A and F1	£1.0m	1 year
UK Local Authority Bonds		£5.0m	30 years
UK Local Authority Deposits		£10.0m	3-5 years
Nationalised and Part Nationalised Banks		£5.0m	1 year
Money Market Funds (MMF)	AAAm long-term rating, backed up with lowest volatility rating MR1+	£5.0m	Not applicable as callable
Bonds issued by Multilateral Development Banks (MDBs)	AAA or those institutions guaranteed by the UK Government	£2.5m	50 years

Fitch defines these ratings as follows:

- F1: Highest (short-term) credit quality; Indicates the strong capacity for timely payment of financial commitments
- A: High credit quality; 'A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to change in circumstances or economic conditions than is the case for higher ratings.

Obligations rated 'A' are considered upper-medium grade and are subjected to low credit risk.

Caution will be exercised in determining the creditworthiness of investment counterparties, even if they meet the minimum criteria above.

In the event that any institutions are at the minimum criteria and are on negative rating watch, monies will not be placed with that organisation until such time that the negative outlook is revised.

Geographical limits and diversification will be considered to ensure an appropriate spread of risk. Sovereign ratings will be taken account of when placing funds with institutions outside of the UK.

In addition, the Council will monitor Credit Default Swap Spreads which will also contribute to forming a view of the creditworthiness of investment counterparties.

Market intelligence will also be considered before entering into any investments with proposed counterparties meeting the minimum criteria.

In respect of non-specified investments, the Council sets an overall limit on the level of these investments as 75% of the total investment portfolio. The following instruments will be used by the Council and the following limits will apply to each category of non-specified investments:

<b>Category of Non-Specified Investment</b>	<b>Upper Limit</b>
Sterling denominated Foreign Government Securities	25%
Sterling medium term Deposits or Certificates of Deposit	90%
Floating rate Certificates of Deposit	25%
Highly rated Corporate Bonds, including Corporate Bond Fund	10%
Sterling Reserve Funds	20%
Index-linked structured deposits	20%
Collateralised deposits	20%
Foreign currency denominated investments	10%
Deposits with non-rated Building Societies	10%

The Secretary of State recommends that the Investment Strategy sets out the maximum period over which investments will be made. As a result of the nature of some of the existing investments the existing portfolio contains instruments with maturity dates up to 30 years. The Council feels that, provided investments made in excess of 5 years are made in instruments capable of being sold if necessary, that it would be appropriate to continue to make longer term investments in line with approved treasury management practices.

Regulation 25(1) (d) of The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 states that some categories of investment are defined as Capital Expenditure. This relates to the acquisition of share or loan capital in any body corporate. The impact of investing in instruments of this nature are such that unlike other investment instruments, either capital or revenue resources would have to be applied to this expenditure, and once the investment was sold or matured, the income would be a capital receipt.

## **5 GLOSSARY OF TERMS**

- **Annuity** – method of repaying a loan where the payment amount remains uniform throughout the life of loan, therefore the split varies such that the proportion of the payment relating to the principal increases as the amount of interest decreases.
- **CIPFA** – the Chartered Institute of Public Finance and Accountancy, is the professional body for accountants working in Local Government and other public sector organisations, also the standard setting organisation for Local Government Finance.
- **Counterparty** – an institution (e.g. a bank) with whom a borrowing or investment transaction is made.

18/20

- **Credit Rating** – is an opinion on the credit-worthiness of an institution, based on judgements about the future status of that institution. It is based on any information available regarding the institution: published results, Shareholders' reports, reports from trading partners, and also an analysis of the environment in which the institution operates (e.g. its home economy, and its market sector). The main rating agencies are Fitch, Standard and Poor's and Moody's. They analyse credit worthiness under four headings:

**Short Term Rating** – the perceived ability of the organisation to meet its obligations in the short term, this will be based on measures of liquidity.

**Long Term Rating** – the ability of the organisation to repay its debts in the long term, based on opinions regarding future stability, e.g. its exposure to 'risky' markets.

**Individual/Financial Strength Rating** – a view of the likelihood, in the case of a financial institution failing, that its obligations would be met, in whole or part, by its shareholders, central bank or national government.

**Legal Support Rating** - a view of the likelihood, in the case of a financial institution failing, that its obligations would be met, in whole or part, by its shareholders, central bank, or national government.

The rating agencies constantly monitor information received regarding financial institutions, and will amend the credit ratings assigned as necessary.

- **DMADF and the DMO** – The DMADF is the 'Debt Management Account Deposit Facility'; this is highly secure fixed term deposit account with the Debt Management Office (DMO), part of Her Majesty's Treasury.
- **EIP** – Equal Instalments of Principal, a type of loan where each payment includes an equal amount in respect of loan principal is eroded, and so the total amount reduces with each instalment.
- **Gilts** – the name given to bonds issued by the UK Government. Gilts are issued bearing interest at a specified rate, however they are then traded on the markets like shares and their value rises or falls accordingly. The Yield on a gilt is the interest paid divided by the Market Value of that gilt, e.g. a 30 year gilt is issued in 1994 at £1, bearing interest of 8%. In 1999 the market value of the gilt is £1.45. The yield on that gilt is calculated as  $8\%/1.45 = 5.5\%$ .
- **LIBID** – The London Interbank Bid Rate, the rate which banks would have to bid to borrow funds from other banks for a given period. The official rate is published by the Bank of England at 11am each day based on trades up to that time. The average 7 day rate is the benchmark the Council uses for its own investment performance.
- **Liquidity** – Relates to the amount of readily available, or short term, investment money which can be used for either day to day or unforeseen expenses. For example Call Accounts allow instant daily access to invested funds.

- **Maturity** - Type of loan where only payments of interest are made during the life of the loan, with the total amount of principal falling due at the end of the loan period.
- **Minimum Revenue Provision (MRP)** – A statutory amount charged to the Council's revenue account for the provision to repay the loan principal on debt undertaken to finance the Capital Programme. For the Council this is done on a straight line basis in-line with the asset life and commences the financial year after the asset is operational.
- **Policy and Strategy Documents** – Documents required by the CIPFA Code of Practice on Treasury Management in Local Authorities. These set out the framework for treasury management operations during the year.
- **Public Works Loans Board (PWLB)** – a central government agency providing long and short term loans to Local Authorities. Rates are set daily at a margin over the Gilt yield (see Gilts above). Loans may be taken at fixed or variable rates and as an Annuity, Maturity, or EIP loans (see separate definitions) over periods of up to fifty years. Financing is also available from the money markets, however because of its nature the PWLB is generally able to offer better terms.
- **Yield** – The amount in cash (in percentage terms) that returns to the owners of an investment e.g. interest earned from a deposit.

## Council of the Isles of Scilly report

# Airport Commercial Fees and Charges for 2018/19

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**Date** 22 March 2018

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**Meeting** Full Council

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**Part** 1

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**Authors** Craig Dryden, Senior Manager: Infrastructure & Planning and Airport Accountable Manager

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## Recommendations

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- 1.** That Members approve the revised Investment and Replacement Plan for the Airport set out in the Appendix.

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  - 2.** That Members approve an increase to commercial fees and charges (Passenger Load Supplement and fees relating to landing and freight) for the Airport for 2018/19 by 6%.

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  - 3.** That Members agree to apply an incentive scheme whereby a discount of 3% is triggered once 98,000 passenger journeys have been recorded at St Mary's Airport following the implementation of the increased fees and charges, which will apply only to commercial fees and charges for flights made after the 98,000 target has been met and for the remainder of the 2018/19 year.

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  - 4.** That Members delegate the determination of all other fees and charges at the Airport to the Senior Manager: Infrastructure & Planning and Airport Accountable Manager in consultation with the Chairman of Council and the Section 151 Officer.
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1. This report recommends the commercial fees and charges for the Airport for 2018/19. For the purposes of this report, the term 'commercial' relates to the Passenger Load Supplement (PLS) and fees relating to landing and freight.
2. The recommended increase in commercial fees and charges is based on the current financial situation of the Airport, including the funding requirements set out in the Investment and Replacement Plan attached to this report at Appendix 1. The recommended increase in commercial fees and charges also has regard to previous discussions with the sole commercial airline operator at the Airport, the Isles of Scilly Steamship Group, including a meeting held on the 21<sup>st</sup> February 2018.
3. In accordance with the Airport's terms and conditions, 30 days' notice and advertisement is required for any variations in commercial fees and charges prior to them taking effect. As such, any decision to vary commercial fees and charges will be implemented on the 23<sup>rd</sup> April 2018 at the earliest.

#### **Airport Financial Context**

4. The Airport operates as a trading account. All operational and running costs (including the reinvestment required to replace essential assets and infrastructure) must be funded through the income generated from the Airport rather than using the Council's revenue or tax base.
5. Around 92% of the income generated from the Airport comes directly from commercial flights, most notably in the form of PLS and landing fees. Income is therefore heavily reliant on the number of passengers that arrive at and depart from the Airport. Based on current fees and charges, every 1000 passengers broadly generates around £12,000 of income.
6. The financial challenges for the Airport have intensified in recent years following a decline in passengers, whilst operational costs have steadily increased to meet the operational and safety requirements of the Civil Aviation Authority (CAA) and to meet European Aviation Authority legislation. Passenger numbers at the Airport peaked in 2002 at 148,346 (with an additional 44,558 passengers flying to Tresco), with a low of 86,603 in 2013/14. Since 2013/14, passenger numbers have steadily increased with 92,997 in 2014/15, 95,441 in 2015/16 and 96,007 in 2016/17. Unfortunately, passenger numbers arriving and departing for 2017/18 have taken a dip and by the end of this financial year are expected to reach around 92,000.

#### **Setting Fees and Charges for the Airport**

7. The Council has responsibility to set commercial fees and charges (PLS and fees relating to landing and freight) for the Airport in the best interests of the Airport's long term economic and financial viability. This requirement is intended to ensure that the Airport generates sufficient income to cover the annual

operational costs with sufficient funding set aside in its reserves for longer-term reinvestment to ensure it remains safe and receptive to changes resulting from CAA (for example increased security) or operational requirements. An Investment and Asset Replacement Plan has been prepared that sets out the investments required to replace or upgrade the main assets at the Airport over a 20 year period and is attached to the report at the Appendix. Originally approved in June 2016, the Asset Replacement Plan is subject to review and therefore has been updated.

8. To encourage passenger growth by controlling commercial fees and charges and in recognition that most of the investment at the Airport will be required towards the end of the 20 year period (i.e. the resurfacing of the runways in 2026), until 2020 the annual financial target to reinvest back into reserves is lower than the average amount required over the entire timescale of the plan. However, the Airport has struggled to generate the required surplus income to build up its reserves to the extent that Airport has a financial deficit of £17,000.
9. For the last financial year 2016/17, income was slightly lower than expected (**actual** - £1,389,127; **estimated** - £1,400,000), whilst costs were slightly higher than anticipated (**actual** - £1,351,786; **estimated** - £1,136,300). As such, the Airport only generated a surplus of £37,341 to reinvest back into its reserves.
10. In addition to commercial fees and charges, the Airport generates additional income of more than £200K from a range of sources, including General Aviation (i.e. private planes and helicopters), the Service Level Agreement with the Local Authority Fire & Rescue Service, parking for the private passenger vehicles and rents from the café and hangars. Given the operational nature of these activities and to provide some flexibility in sourcing potential income streams, it is recommended that the determination of all non-commercial aviation fees and charges at the Airport are delegated to the Senior Manager: Infrastructure & Planning and Airport Accountable Manager, in consultation with the Chairman of Council and the Section 151 Officer, to the extent that they have not otherwise been set.

#### **The Anticipated Financial Position of the Airport 2017/18**

11. In setting commercial fees and charges for 2017/18, an assumption was made that passenger numbers would continue to rise and based on the most recent trends anticipated to reach 100,000. Unfortunately passenger numbers have fallen during 2017/18 and likely to reach only 92,000. This decline is partly attributable to operational and capacity issues experienced by both the Airport and Skybus during this period. Obviously, a drop in passenger numbers has had a corresponding impact on income. In addition, costs at the Airport have increased this year due in part to the unexpected replacement and repair of

equipment and the costs of training a new Air Traffic Controller as part of the *grow our own* initiative.

12. Having regard to the issues indicated above, the financial position of the Airport at year end (2017/18) is anticipated to be as follows:

Income (assuming 92,000 passengers) - **£1,484,000**

Expenditure - **£1,450,000.**

13. We therefore anticipate that the Airport will only make a modest surplus of approximately £34,000 to be reinvested back into reserves. This situation means that reserves will show a surplus of £17,000.

#### **The Future Financial Position of the Airport**

14. The anticipated revenue expenditure at the Airport for 2018/19 is £1,350,000. This figure is slightly lower than for 2017/18 reflecting some of the unexpected expenditure made during this period.
15. Based on the anticipated revenue costs and in accordance with the revised Investment and Asset Replacement Plan, the Airport will need to generate income of at least £1,650,000 to ensure that a minimum amount of £300,000 is reinvested back into reserves.
16. In estimating the likely income for 2018/19 and following discussions with the Steamship Group, an optimistic view is that passenger numbers will reach around 98,000. This anticipated increase for the next financial year reflects a modest growth in the market based on recent trends (with the exception of this year), coupled with increased capacity and resilience to operations at both the Airport and the current sole operator Skybus and some improved reliability of flights in adverse weather conditions as a result of the partial implementation of EGNOS. Based on recent trends, it is anticipated that the amount of freight will total around 250 tonnes.
17. Estimated income from non-commercial aviation and non-aviation activities is anticipated to be around £215,000 based on this year's income and taking into account the proposed fee increases for 2018/19.

#### **Options and Proposals**

18. That commercial fees and charges for the Airport in the form of PLS and fees relating to landing and freight for 2018/19 are increased by 6% based on the options set out in tables 1 and 2 and for the reasons set out in this report.
19. Based on the current financial position and the requirements set out in the revised Investment and Replacement Plan, the Airport will need to generate

income amounting to at least £1,650,000 to cover both the anticipated revenue costs for the year and allow for a minimum of £300,000 to be reinvested into the reserves. As indicated in the options set out below and working from an optimistic planning figure of 98,000 passengers and 250 tonnes of freight, a 6% rise in PLS, landing fees and freight will achieve the required levels of income. It is therefore recommended that commercial charges are increased by 6% for 2018/19. This increase is predicted to provide a slight surplus over the £300K required for reserves but will balance out as the new fees and charges will not be applied from the very beginning of the financial year as explained in the introduction due to the requirement to give the commercial operator 30 days' notice.

20. Following discussions with the Steamship Group at the meeting of the 21<sup>st</sup> February 2018 and to incentivise the growth in passenger numbers, it is recommended that the fees and charges are discounted if and when the number of passengers arriving at and departing from the Airport reaches 98,000. If this number is reached, it is recommended that fees and charges in relation to the PLS and landing are discounted by 3% for the remainder of 2018/19.
21. In estimating landing fees, account has been taken of a more detailed analysis following previous discussions with the Steamship Group. This analysis has taken into account the average load factors based on the average number of passengers for both the Twin Otter and Islander aircraft. Following this analysis, it is assumed that each passenger generates approximately £3.75 per journey based on current charges.

**Table 1 – Scenarios for setting commercial fees & charges**

	<b>Current</b>	<b>0%</b>	<b>+3%</b>	<b>+5%</b>	<b>+6%</b>	<b>+10%</b>
<b>Passenger Load Supplement</b>	£9.22	£9.22	£9.50	£9.68	£9.77	£10.14
<b>Actual rise (per passenger)</b>	-	£0	£0.28	£0.46	£0.55	£0.92
<b>Landing Fee (per tonne)</b>	£14.45	£14.45	£14.88	£15.17	£15.32	£15.90
<b>Actual rise (per tonne)</b>	-	£0	£0.43	£0.72	£0.87	£1.45
<b>Freight Fee (per tonne)</b>	£200	£200	£206	£210	£212	£220

<b>Actual rise (per tonne)</b>	-	£0	£6	£10	£12	£20
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**Table 2 – Contribution to reserves based on scenarios for setting commercial fees & charges (based on 98,000 passengers and 250 tonnes of freight).**

<b>Scenarios for percentage increases in fees and charges</b>					
	<b>0%</b>	<b>+3%</b>	<b>+5%</b>	<b>+6%</b>	<b>+10%</b>
<b>Income PLS</b>	£903,560	£966,280	£984,900	£993,720	£1,031,940
<b>Income Landing Fee</b>	£367,500	£378,525	£385,875	£389,550	£404,250
<b>Income freight</b>	£50,000	£51,500	£52,500	£53,000	£55,000
<b>Total variable income</b>	£1,321,060	£1,396,305	£1,423,275	£1,436,270	£1,491,190
<b>Fixed income</b>	£215,000	£215,000	£215,000	£215,000	£215,000
<b>Total Income</b>	£1,536,060	£1,611,305	£1,638,275	£1,651,270	£1,706,190
<b>Total expenditure</b>	£1,350,000	£1,350,000	£1,350,000	£1,350,000	£1,350,000
<b>Contribution to reserves</b>	£186,060	£261,305	£288,275	£301,270	£356,190

## **Financial implications**

22. The Airport should be financially self-supporting and therefore required to generate sufficient income to cover both its daily operating as well as lifetime costs, with sufficient reserves set aside to ensure funds are available to invest in its future development and improvement. The long term viability of the Airport will be dependent on maximising income by ensuring that fees and charges are set at an appropriate level, coupled with a sustained increase in the amount of commercial flights and passengers, which is beyond the control of the Council. In parallel, the Council will continue to control operational costs, although it is difficult to reduce such costs without compromising operational safety and compliance with CAA requirements and European Aviation Authority legislation.

6/7

23. If fees and charges are not raised sufficiently to cover its operational costs, the Airport will not achieve the income levels required to safeguard its continued viability both in the short and longer term. Undermining the commercial viability by making inappropriate decisions in relation to, for example, the setting of fees and charges, draws into question its long term future and ability to operate effectively and safely in compliance with CAA requirements and European Aviation Authority legislation.

### **Legal implications**

24. The Airport must comply with the requirements of the CAA and European Aviation Authority legislation. A failure to generate sufficient reserves could result in the Airport failing to deliver on its development plans and result in it falling short of the CAA and European requirements.

### **Other implications**

25. A long-term economically and financially viable Airport is vital for the economic and social wellbeing of the islands.

### **Appendices**

Appendix: The Airport Investment and Replacement Plan

### **Approval**

<b>Senior Manager</b>	Theo Leijser, Chief Executive	8 March 2018
<b>Financial</b>	[Andy Brown, Section 151 Officer]  Only required if the report has financial implications.	[DATE]
<b>Legal</b>	Matt Stokes, Monitoring Officer	8 March 2018

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APPENDIX A - AIRPORT CAPITAL ASSET REGISTER AND 20 YEAR INVESTMENT AND REPLACEMENT STRATEGY

APPENDIX B

ASSET	NO.	ESTIMATED COST	LIFE	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36
				2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
AIRSIDE																							
Runways	2	£3,900,000	20																			£3,900,000	
Peri track	1		20																				
Approach road	1		20																				
Apron Passenger Barriers	1	£5,000	7	£5,000							£5,000							£5,000					
VCR Controls & Status Panel	1	£50,000	10									£50,000										£50,000	
AGL	8	£150,000	10									£150,000										£150,000	
PAPIS	4	£100,000	10						£100,00										£100,000				
CCTV Equipment	1	£10,000	10			£5,000											£6,000						
Automatic Barriers	2	£12,000	10			£12,000											£12,000						
Traffic Light System	2	£3,000	10			£3,000											£4,000						
Airside Ops/Tech Vehicle	1	£9,000	15		£9,000															£10,000			
FIRE																							
Fire One	1	£250,000	15			£250,000																	
Fire Two (Second Hand)	1	£100,000	15													£100,000							
Fire Three	1	£20,000	15											£20,000									
Perren Unit	1	£15,000	15												£15,000								
Utility Vehicle	1	£9,000	15											£9,000									
Fire Training Rig	1	£20,000	15						£20,000					£5,000									
Emergency Water Supply	2	£10,000	20							£5,000											£10,000		
Fire Kit	1	£8,000	7			£8,000							£8,000							£8,000			
BA and Cylinders	4	£4,000	10					£4,000										£4,000					
ATC																							
VHF Transmitters	2	£6,000	10						£6,000											£6,000			
VHF Receivers	2	£6,000	10						£6,000											£10,000			
Voice Recording Equipment	2	£20,000	10		14,000										£20,000								
Voice Comms Switch	1	£75,000	10								£75,000												
NDB	1	£33,000	10						£33,000											£33,000			
VDF	1	£70,000	10		£53,000										£70,000								
UHF Transceivers	1	£8,000	10								£8,000												
Standby VHF Radio	3	£4,000	10								£4,000												
VCR Solar Glare Blinds	1	£10,000	10						£10,000											£10,000			
PLANT																							
Tractor	1	£15,000	15				£15,000													£15,000			
Gang Mowers/Flail	1	£4,000	15				£4,000													£4,000			
Tugs	5	£50,000	10		£10,000	£10,000	£10,000	£10,000	£10,000					£10,000	£10,000	£10,000	£10,000	£10,000					
Trailers	9	£9,000	10														£9,000						
Standby Generator	2	£45,000	10								£45,000												
CCRs	12	£180,000	10								£180,000												
BUILDINGS																							
Passenger Terminal	1	£1,300,000	20				£15,000					£500,000					£15,000					£500,000	
Fire Station	1	£350,000	20				£5,000					£350,000					£5,000						
Generator Shed	1	£50,000	20				£2,000										£2,000						
Hangar	1	£30,000	20				£2,000										£2,000						
Fuel Store	1	£10,000	20				£1,000										£1,000						
Annual Total Cost of Investment				£5,000	£86,000	£288,000	£54,000	£14,000	£85,000	£5,000	£317,000	£1,050,000	£8,000	£44,000	£115,000	£132,000	£44,000	£19,000	£178,000	£28,000	£0	£4,600,000	£0
Annual Cumulative Cost				£5,000	£91,000	£379,000	£433,000	£447,000	£532,000	£537,000	£854,000	£1,904,000	£1,912,000	£1,956,000	£2,071,000	£2,203,000	£2,247,000	£2,266,000	£2,444,000	£2,472,000	£2,472,000	£7,072,000	£7,072,000
Contribution				£37,341	£34,000	£300,000	£300,000	£300,000	£350,000	£350,000	£350,000	£400,000	£400,000	£400,000	£450,000	£450,000	£450,000	£500,000	£500,000	£500,000	£500,000	£500,000	£500,000
Annual Cumulative Contribution				£37,341	£71,341	£371,341	£671,341	£971,341	£1,321,341	£1,671,341	£2,021,341	£2,421,341	£2,821,341	£3,221,341	£3,671,341	£4,121,341	£4,571,341	£5,071,341	£5,571,341	£6,071,341	£6,571,341	£7,071,341	£7,571,341
Net Balance				-£17,000	-£69,000	-£57,000	£189,000	£475,000	£740,000	£1,085,000	£1,118,000	£468,000	£860,000	£1,216,000	£1,551,000	£1,869,000	£2,275,000	£2,756,000	£3,078,000	£3,550,000	£4,050,000	-£50,000	£450,000

All prices as at 2013/14 estimated future costs do not take account of inflation

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## Council of the Isles of Scilly report

# Infrastructure Fees & Charges 18/19

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<b>Date</b>	22 <sup>nd</sup> March 2018
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<b>Meeting</b>	Full Council
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<b>Part</b>	1
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<b>Authors</b>	Helen Pearce, Senior Officer: Infrastructure
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## Recommendations

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- |           |                                                                                                                                      |
|-----------|--------------------------------------------------------------------------------------------------------------------------------------|
| <b>1.</b> | That members approve the proposed Fees & Charges for Infrastructure Services as set out in the report for the financial year 2018/19 |
|-----------|--------------------------------------------------------------------------------------------------------------------------------------|
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1. On an annual basis, the Council of the Isles of Scilly reviews and updates fees and charges to ensure that revenue income is adequate.
2. Fees and charges are set at a level that supports service delivery and to achieve the strategic priorities set by Members in the Corporate Plan.
3. This report presents the proposed 2018/19 Fees & Charges for Infrastructure Services including Waste & Recycling Services, Water & Sewerage Services and other Services that fall within the business Unit.
4. Commercial Waste is a service that the Local Authority is required to provide if requested and therefore is not funded generally through approved budgets. Therefore, to ensure that residential/municipal waste budgets are not subsidising businesses and the private sector, commercial waste charges are set to meet actual costs.
5. Although Members are asked to approve commercial waste and recycling fees and charges through this report, Members are reminded that the amendment of those fees and charges has also been delegated to the Senior Manager in liaison with the Chair of Council. This allows fees and charges to be changed as necessary so that the Council can recover costs resulting from collection, transfer and processing of commercial waste or recycling. These fees and charges are amended as and when costs to the Council increase or decrease.
6. Water & Sewerage services are treated as trading accounts and are not subsidised. Therefore, fees and charges are set at a level whereby the service either 'breaks even' or Members agree to allocate 'reserves' from those budget areas / trading accounts to ensure that the service can be delivered.
7. Proposed fees and charges are presented with the current charge, proposed charge, the actual variation, and indication of the percentage increase or decrease this represents.
8. Fees and Charges have been separated into the following sections:
  - Cemetery and Public Spaces
  - Waste & Recycling
  - Water & Sewerage

9. Cemetery & Public Spaces

	Current 17 18 ex VAT	VAT rate	PROPOSED 18 19 £	£ +/-	% +/-
<b>CEMETERY</b>					
<b>Internment Fees</b>					
Baby	£ 101.19	0%	£ 105.00	£ 3.81	3.6%
Child	£ 202.78	0%	£ 210.00	£ 7.22	3.4%
Over 12 (weekday)	£ 310.96	0%	£ 320.00	£ 9.04	2.8%
Over 12 (Saturday)	£ 370.70	0%	£ 380.00	£ 9.30	2.4%
Cremated remains	£ 53.07	0%	£ 55.00	£ 1.93	3.5%
<b>Exclusive Burial Rights</b>					
Grave	£ 101.69	0%	£ 105.00	£ 3.31	3.2%
Cremated remains	£ 87.46	0%	£ 90.00	£ 2.54	2.8%
Walled Grave	£ 101.69	0%	£ 105.00	£ 3.31	3.2%
<b>Monuments</b>					
Monument	£ 54.28	0%	£ 56.00	£ 1.72	3.1%
Inscription	£ 7.88	0%	£ 8.50	£ 0.62	7.3%
<b>Miscellaneous</b>					
Officiating Officer A	£ 21.78	0%	£ 22.50	£ 0.72	3.2%
Officiating Officer B	£ 16.68	0%	£ 17.25	£ 0.57	3.3%
Officiating Officer C	£ 40.67	0%	£ 42.00	£ 1.33	3.2%
Certificate of Burial	£ 2.10	0%	£ 2.50	£ 0.40	16.0%
Searching the Registers	£ 7.11	0%	£ 7.50	£ 0.39	5.2%
Scattering of Cremated Ashes	£ 13.01	0%	£ 13.50	£ 0.49	3.6%
Removal of Debris	£ 30.41	0%	£ 31.50	£ 1.09	3.5%
<b>PUBLIC SPACES</b>					
Deck Chair Concession - Annual Fee	£ 326.92	20%	£ 340.00	£ 13.08	3.8%
Rechabite Slip Boat Park	£ 48.22	20%	£ 50.00	£ 1.78	3.6%
Holgates Green - Per Day	£ 100.00	20%	£ 110.00	£ 10.00	9.1%
Holgates: Per Day Charity & Community Group	£ 50.00	20%	£ 55.00	£ 5.00	9.1%
Holgates Green - 1/2 day	£ 50.00	20%	£ 55.00	£ 5.00	9.1%
Holgates Green: 1/2 day Charity & Comm Group	£ 25.00	20%	£ 27.50	£ 2.50	9.1%
The Park - Per Day	£ 70.00	20%	£ 80.00	£ 10.00	12.5%
The Park -per day Charity & Commuity Group	£ 35.00	20%	£ 40.00	£ 5.00	12.5%
The Park - Per 1/2 day	£ 35.00	20%	£ 40.00	£ 5.00	12.5%
The Park - per 1/2 day Charity & comm Group	£ 17.50	20%	£ 20.00	£ 2.50	12.5%

## 10. Waste & Recycling Services

	Current 17 18 ex VAT	VAT rate	PROPOSED 18 19 £	£ +/-	% +/-
<b>WASTE &amp; RECYCLING</b>					
Sale of hardcore per Tonne Bag	£ 30.00	20%	£ 15.00	-£ 15.00	-100.0%
<b>Trade Waste Residual Collection/Disposal</b>					
Residual - Per Standard Sack	£ 3.80	0%	£ 4.20	£ 0.40	9.5%
Residual - Per Small Sack	£ 1.90	0%	£ 2.10	£ 0.20	9.5%
<b>Trade Waste Mixed Dry REcycling Collection</b>					
MDR - Per Standard Sack	NEW		£ 3.70	NEW	NEW
MDR - Per Small Sack	NEW		£ 1.85	NEW	NEW
<b>Vehicle Permits</b>					
1 month	£ 16.50	0%	£ 18.00	£ 1.50	8.3%
8 month	£ 110.00	0%	£ 120.00	£ 10.00	8.3%
12 month	£ 154.00	0%	£ 165.00	£ 11.00	6.7%
<b>Extraordinary residential waste - per (up to) 15kg sack</b>					
Asbestos	£ 11.11	0%	£ 11.50	£ 0.39	3.4%
Plasterboard products	£ 16.67	0%	£ 17.50	£ 0.84	4.8%
Tyres - motor vehicle only, per piece	£ 3.52	0%	£ 4.00	£ 0.48	12.0%
Soil and rubble	£ 16.67	0%	£ 17.50	£ 0.84	4.8%
<b>Commercial waste - per tonne unless stated (subject to minimum £5 charge)</b>					
Mixed Municipal/Residual/Black bag Waste	£ 420.00	0%	£ 440.00	£ 20.00	4.5%
Mixed Dry Recycling	£ 370.00	0%	NEW	NEW	NEW
Farm or garden plant waste	£ 105.00	0%	£ 185.00	£ 80.00	43.2%
Farm plastic waste	£ 420.00	0%	£ 440.00	£ 20.00	4.5%
Waste wood including pallets	£ 420.00	0%	£ 440.00	£ 20.00	4.5%
Clean Flat Glass	£ 150.00	0%	£ 160.00	£ 10.00	6.3%
Clean plastic (rigid)	£ 420.00	0%	£ 440.00	£ 20.00	4.5%
Mixed metals (clean)	£ 110.00	0%	£ 120.00	£ 10.00	8.3%
Mixed skip waste e.g. house clearance	£ 420.00	0%	£ 440.00	£ 20.00	4.5%
End of life tyres - per piece	£ 6.30	0%	£ 7.00	£ 0.70	10.0%
End of life fridge / freezer - per Item	£ 21.00	0%	£ 23.00	£ 2.00	8.7%
Large Electrical Items	£ 21.00		£ 23.00	£ 2.00	8.7%
Small Electrical Items	£ 5.25	0%	£ 6.00	£ 0.75	12.5%
Fuel Oil and Diesel	£ 157.50	0%	£ 170.00	£ 12.50	7.4%
Paint - per tin (at cost)	£ 25.00		£ 25.00	£ -	0.0%
Bulky waste e.g. mattress	£ 420.00	0%	£ 440.00	£ 20.00	4.5%
Packaging (Ecluding Mixed Dry Recycling)	£ 420.00	0%	£ 440.00	£ 20.00	4.5%
Asbestos	£ 735.00	0%	£ 750.00	£ 15.00	2.0%
Car Batteries - per piece	£ 3.15	0%	£ 3.50	£ 0.35	10.0%
Cooking Oil - per litre	FREE	0%	FREE	FREE	FREE

## 11. Water & Sewerage Services

	Current 17 18 ex VAT	VAT rate	PROPOSED 18 19 £	£ +/-	% +/-
<b>WATER &amp; SEWERAGE</b>					
<b>Domestic (Unmetered) Supply</b>					
Water	£ 339.68	0%	£ 350.00	£ 10.33	3.0%
Water (Single Occupancy)	£ 303.24	0%	£ 313.00	£ 9.76	3.1%
Sewerage	£ 193.20	0%	£ 200.00	£ 6.80	3.4%
<b>Commercial (Metered) Supply</b>					
Standing Charge (Annual)	£ 56.74	0%	£ 60.00	£ 3.26	5.4%
Water (per 1000 gallons)	£ 13.21	0%	£ 13.65	£ 0.44	3.2%
Sewerage (per 1000 gallons)	£ 9.11	0%	£ 9.40	£ 0.29	3.0%
Water (per 1000 litres)	£ 2.92	0%	£ 3.01	£ 0.09	3.0%
Sewerage (per 1000 litres)	£ 2.01	0%	£ 2.07	£ 0.06	3.1%
Water, Industrial customer (per 1000gls)	£ 13.21	20%	£ 13.62	£ 0.41	3.0%
Water, Industrial customer (per 1000lts)	£ 2.92	20%	£ 3.01	£ 0.09	3.0%
Sewage Sludge Discharge Per Load	£ 11.24	0%	£ 11.60	£ 0.37	3.1%
Private Lock-Up Garage & Stores	£ 110.25	0%	£ 114.00	£ 3.75	3.3%
<b>Connection</b>					
Water, Domestic and commercial non-metered	£ 546.42	0%	£ 565.00	£ 18.58	3.3%
Water, Commercial metered	£ 861.42	0%	£ 865.00	£ 3.58	0.4%
Sewerage	£ 651.00	0%	£ 671.00	£ 20.00	3.0%

### Financial implications

12. Revenue income underpins the budgets for each service area. It is vital for the public and private economic and social well-being of the islands that infrastructure services are sustainable.

### Legal implications

13. The Council must ensure it achieves environmental compliance in order to meet national legislation and European Directives. It is also important that the Council ensures that it is appropriately recovering costs for the services it provides, where it is appropriate to recover.

### Approval

<b>Senior Manager</b>	Craig Dryden Senior Manager Infrastructure & Planning	09/03/2018
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<b>Financial</b>	[Andy Brown, Section 151 Officer]	[DATE]
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<b>Legal</b>	Matt Stokes, Monitoring Officer	13 March 2018
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## Council of the Isles of Scilly report

# Community Fund applications

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**Date** 22 March 2018

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**Meeting** Full Council

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**Part** 1

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**Author** Joseph Payne  
Assistant: Democratic Services & Corporate Development

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## Recommendations

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- 1.** That members approve the Community Fund application from the St Mary's Christmas Lights Fund for £700 a year for each year of this Council's term, subject to the provision of a set of accounts or financial statement which are determined by the Section 151 Officer, in consultation with the Chairman of Council, to be acceptable and not to give rise to any reason not to award the funding.
  - 2.** That members approve the Community Fund application from the St Mary's Theatre Club.
-

1. The Council of the Isles of Scilly is permitted to give financial assistance to any organisation or individual where it considers this will be likely to promote or improve the economic, social or environmental wellbeing of the islands.
2. In relation to this, the Council sets aside an annual budget of £3,500 for a Community Fund.

### **St Mary's Christmas Lights Fund**

3. A Community Fund application from the Co-ordinator of the St Mary's Christmas Lights Fund was considered at the meeting of Full Council on 14 December 2017. It was resolved to defer the application until the next meeting.
4. At the request of the Co-ordinator, the application was deferred again at the meeting of Full Council on 18 January 2018.
5. The Co-ordinator has now asked that the application be reconsidered in its original form.
6. The application is for a grant of £700 per year for the next four years (ie 2017-18 to 2020-21).
7. The Council has made an annual contribution to this community-led initiative for many years. The matter was last considered at a meeting of the Policy & Resources Committee on 22 October 2013 when it was resolved to make an annual contribution of £500 for the life of that Council.
8. Following the election of a new Council in May 2017, it is necessary to consider this matter again.
9. The request is for an increased grant of £700 per year, to allow for inflation and for their taking on responsibility for the Christmas Eve sleigh.
10. Further details are set out in the application at Appendix A to this report. The application was originally submitted before the adoption of the revised Community Fund Policy so it appears on the old style of application form. Even so, it is appropriate for the Council to consider the application without requiring it to be presented on the new application form. If funding is awarded officers will ensure that the recipient is clear as to the conditions upon which the grant is given.
11. From the minute books, it appears that:
  - the Council started making an annual contribution for the Christmas lights in

1993. As stated in the application, the size of the initial grant was £350.

- the size of the grant has remained unchanged at £500 per year since at least 2005. It would seem, therefore, that the application is incorrect in suggesting that the size of the grant only reached its current level in 2013.

12. According to the Bank of England inflation calculator:

- goods and services costing £350 in 1993 would cost £654.29 at 2016 prices
- goods and services costing £500 in 2005 would cost £685.13 at 2016 prices

13. For reasons that are unclear, the Fund received only three of its four annual contributions during the life of the last Council. In light of this, Members may wish to consider making an additional one-off contribution of £500. As will be seen below, however, there are budgetary implications to consider.

14. Due to an administrative oversight, the Christmas Lights Fund were not reminded of the need to provide a set of accounts or financial statement in time for a document to be prepared for the current meeting. As this is the last meeting of the current financial year, members may wish to make any approval of this application conditional on the provision of a set of accounts or financial statement which are determined by the Section 151 Officer, in consultation with the Chairman of Council, to be acceptable and not to give rise to any reason not to award the funding.

### **St Mary's Theatre Club**

15. A new application has been received from the Secretary of the St Mary's Theatre Club requesting a grant of £340 to support the One Act Play Festival 2018.

16. The Festival is scheduled for 13 May 2018.

17. The application, the Rules of the Club, Theatre Club accounts for 2016-17, an income and expenditure estimate for the 2018 Festival and a programme for the 2017 event may be found at Appendix B.

### **Financial implications**

18. The current financial position of the Community Fund for 2017-18 is detailed in the table below.

	Expenditure	Balance
Budget 2017-18		£3,500
Isles of Scilly Folk Club	£500	£3,000
Drama Express	£1,000	£2,000
Transition Scilly	£606	£1,394

19. If Members approve a £700 annual contribution to the Christmas Lights Fund and a £340 contribution to the Theatre Club, this would leave a balance of £354 in the Community Fund for 2017-18.
20. In those circumstances, there would be insufficient funds available in the Community Fund for 2017-18 to make a one-off contribution of £500 to the Christmas Lights Fund. Members may therefore consider it inappropriate to make any additional payment.

### **Legal implications**

21. The Council is able to make the grants applied for and has robust governance arrangements in place to ensure funding is used for the purpose for which it is provided, and the ability to recover funds in the unlikely event they are not applied to the approved purpose.
22. There is no obligation on the Council to approve any application it receives and the provision of funding in previous years does not set a precedent that must be followed.

### **Other implications**

23. None.

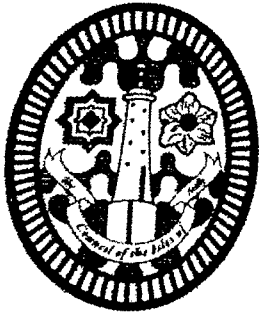
### **Appendices**

- Appendix A: St Mary's Christmas Lights Fund application form, 12 Dec 2017
- Appendix B: St Mary's Theatre Club application form, 15 Feb 2018
- Rules of the Theatre Club
- Theatre Club accounts, 2016-17
- Income and expenditure estimate for One Act Play Festival 2018
- Programme for One Act Play Festival 2017

## Approval

<b>Senior Manager</b>	[Name and job title of Senior Manager]	[DATE]
<b>Financial</b>	[Andy Brown, Section 151 Officer] Only required if the report has financial implications.	[DATE]
<b>Legal</b>	Matt Stokes, Monitoring Officer	13 March 2018

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# COUNCIL OF THE ISLES OF SCILLY

Town Hall, St Mary's, Isles of Scilly, TR21 0LW

01720 424000

enquiries@scilly.gov.uk

## Application for Community Fund

Please complete the form as clearly as possible and return it to the Administration Officer at the above address. If we can be of further help, please contact us as above.

Name of organisation: (eg Club, Group or organising Group for an Event) or Individual

ST MARY'S CHRISTMAS LIGHTS FUND

Name of Contact for this application: ROWENA DAVEY

Position held within organisation (eg Chairman, Treasurer, Secretary) CO-ORDINATOR

### Contact Details

Address:

E-mail:

Telephone:

What does your organisation or group do? Please describe the service, activity it/you provides (or plans to provide) and its aims and objectives:

DECORATE ST MARY'S WITH CHRISTMAS LIGHTS DURING THE FESTIVE PERIOD. IN ADDITION, AS OF 2017-18 THE FUND IS TAKING ON RESPONSIBILITY FOR THE CHRISTMAS EVE SLEIGH.

Does the Organisation or Group have a Junior Section? Yes / No

If Yes provide details:

N/A

Describe the activity that this grant will be used for. Try to be specific about what you, your Organisation or Group will do and how it will do it:

THERE ARE SEVERAL RECURRING OVERHEADS THAT HAVE TO BE MET EACH YEAR, INCLUDING REPLACEMENT LIGHTS, CONNECTORS, CABLING AND INSURANCE.

Is it for an event (eg a community event or festival) **Yes / No \***

If yes, complete section A below do not complete Section B but go on to Section C

Is it for an item of capital expenditure or project **Yes / No\***

If yes, do not complete Section A, go to Section B, then Section C.

**A: Grant Funding for an Event:**

Please provide a detailed description of the event for which you are seeking funding. *Detailed projected costings **must** be supplied with this application.*

What is the total cost of the event?

For which element of the event is your organisation seeking funding?

Who will benefit from this activity?

**B: Grant Funding for capital purchase/project**

*This application must relate to a specific item of capital expenditure or project; it must not be for a regular item of maintenance or such other revenue item eg ongoing expenses and staffing costs. Please provide a detailed description of the capital purchase or project for which you are seeking funding. Detailed projected costings or quotations **must** be supplied with this application.*

What is the total cost of the capital purchase?

Who will benefit from this activity?

**C: General:**

Amount for which you, your organisation or group is seeking grant aid?

£700 ANNUAL CONTRIBUTION FOR THE NEXT FOUR YEARS (ie from 2017-18 TO 2020-21)

How much do you, your organisation or group expect to raise by its own efforts and how?

WE WOULD EXPECT TO RAISE AROUND £1500-£2000 PER YEAR BY OUR OWN EFFORTS.

How will the rest of the cost be financed? CHARITABLE EVENTS AND COLLECTIONS.

HELP IS ALSO PROVIDED BY A NUMBER OF LOCAL BUSINESSES.

What other organisation may use the organisation or group's facilities?

What other organisations will benefit from this event, project or scheme?

THE WHOLE COMMUNITY

What facilities have been provided or improved as a result of the organisation or group's own efforts?

Have you, your organisation or group previously applied for a grant from this Authority? ☒ YES / ☐ NO  
If YES, please give brief details and the date of any grant received:

THE COUNCIL HAS SUPPORTED THIS COMMUNITY-LED INITIATIVE SINCE 1992. THE ORIGINAL GRANT WAS £350 PER YEAR. THE SIZE OF THE GRANT HAS BEEN INCREASED ON SEVERAL OCCASIONS, REACHING \*

Have you, your organisation or group made any grant application to any other Authority or grant making body for grant aid for this event, project or scheme? YES / ☒ NO

If YES please provide the name of the Authority/funding organisation:

\* THE CURRENT LEVEL OF £500 PER YEAR IN 2013. WE ARE NOW REQUESTING AN INCREASED AMOUNT OF £700 PER YEAR, TO ALLOW FOR INFLATION AND THE TAKING ON OF THE CHRISTMAS EVE SLEIGH.

Dates of application:

Result of Application/s if known, amount of grant/s received: £

How long has the organisation or group been in existence? Please enclose a copy of the rules or constitution. If none available, please explain the management structure:

MANAGEMENT DECISIONS ARE MADE BY THE SIGNATORIES TO THE BANK ACCOUNT.

Is the organisation a registered charity? YES / ☒ NO  
If YES please provide the Charity Registration Number:

Is there a normal Membership fee? YES / ☒ NO

If YES please state:

JUNIOR:

Adult:


Does the organisation or group have a licensed bar? YES / ☒ NO  
Or does it intend to have a licensed bar? YES / ☒ NO

Is there any other information which you consider to be relevant to your application? YES / ☒ NO  
If YES please give details on a separate sheet.

**To be signed by the applicant or an authorised person within the group or organisation eg Committee Member/Trustee**

I have read and noted the Council of the Isles of Scilly's criteria relating to this application and agree to abide by the conditions listed if a grant is to be awarded by the Council.

I agree to provide a report, including photographs, to the Council indicating how any grant awarded has been spent, **within two months of completion.**

Signed...  .....

Name (please print)..... ROLIENA DAVEY .....

Position (if any)..... CO-ORDINATOR .....

Date..... 12 DECEMBER 2017 .....

Annex 1. APPLICATION TO COMMUNITY FUND

The application form is available on request in electronic format. Please return the completed form to:

Assistant: Democratic Services & Corporate Development  
Council of the Isles of Scilly  
Town Hall  
St Mary's  
Isles of Scilly, TR21 0LW

**Contact details**

Name of applicant: Jenny Byers

Address:

Email:

Phone:

**Organisation details (if applicable)**

Name of organisation: ST. MARY'S THEATRE CLUB

Applicant's position within organisation: Secretary

**What does your organisation do?**

We are a community group, constituted in 1968 with aims shown in the attached constitution. In addition, over many years, we have provided front of house services, equipment, costumes, props and some technical support to visiting companies as well as the school, and community groups using the Town Hall and other venues.

**What are the main sources of income for your organisation? If you charge a membership fee, please provide further details.**

*A set of accounts, or a financial statement, must be supplied for the last financial year.*

Currently we have no membership fee, the club is open to all-comers. Our main source of income has been from our summer play; this has subsidized the community pantomime, and the One Act Play Festival in recent years, and other events in support of the community. Since 2012 this has not been possible as we have had to limit the size of our productions due to the lack of a viable stage in the Town Hall. This has also had a knock-on effect with our recruitment. Our charitable donations are also on hold temporarily.

**You need to enclose a copy of your organisation's rules or constitution with this application. If none is available, please explain how your organisation makes decisions. If membership is restricted, please explain the qualifying criteria.**

Constitution/rules attached

**Project details**

*Detailed cost estimates and/or quotations would help to support your application.*

How much are you applying for from the Community Fund? £340

**If successful, what will the grant be used for?**

Toward the cost of our One Act Play Festival, now in its 7th year, and taking place on Sunday 13th May 2018 during the shoulder period. The Festival seeks to find new play-writers amongst local residents and forms part of Art Scilly Week. All the plays are adjudicated by Paul Dodgson (enclosed is a programme; there is no one on the island with the experience to perform this role), and spin off events with Paul, are planned at Life Long Learning and the Library. (The latter expanding on a long-standing relationship with the Memory Cafe).

**Who will benefit from the grant?**

The Theatre Club and writers of the plays directly benefit; the winner receives the Shirley Smith Trophy in memory of a past Treasurer and early founder, now deceased. The local community and visitors to the islands, a few of whom arrange their holidays around the performances, will be treated to a smorgasbord of culture over the weekend as part of Art Scilly Week. (Indirectly, other Theatre Clubs who have asked to perform the winning plays at their venues after seeing them here).

What is the likely total cost of the project? £642.00  
Income & expenditure estimate attached.

**How do you expect to raise the rest of the money?**

From door income and sharing the cost of the fares with LLL. Paul's accommodation is given in kind. The programmes are produced in house. Our regular funds cover any shortfall. As this is a community event we have never looked to make money out of it, but would like to try and break even. This year we have changed to an evening Festival and hope to attract a larger audience. We will piggy back on Art Scilly Week's publicity and other 'free' sources.

If your project involves working with or providing services to children or vulnerable adults, what safeguarding arrangements do you have in place? n/a

**Is there any other information which you consider relevant to your application?**

Our accounts look buoyant, but the problems with the Town Hall stage present us with a double challenge: on the one hand we are starting to incur significant capital expenditure to put it in order (e.g. the stage survey alone cost over £800 and that is just the start); on the other hand, the lack of a stage at present has seriously compromised our income stream. We have regular outgoings on insurance and storage of property. For the last few years our income has dropped about £3,000 a year; we have had little opportunity to make that up.

If a grant is awarded, I agree to abide by the conditions laid down in the Community Fund Policy.

Signed.....

JENNY BYERS

Name.....

Date.....

15.02.2018



# ST. MARY'S THEATRE CLUB

## AIMS AND OBJECTIVES OF THE CLUB

1. To promote and encourage the amateur theatre in the Isles of Scilly, by the production of plays, musicals, play readings etc.

2. To perform at least two productions a year.

3. To hold monthly social evenings, i.e. play readings etc.

4. To hold the art and craft of the 'Theatre.'

5. To use proceeds from productions to improve equipment and to consider support to selected charities.

## RULES OF THE CLUB

### OFFICERS AND COMMITTEE MEMBERS

1. Elected Officers on Committee shall be Chair, Vice-Chair, Secretary, Treasurer, Health & Safety Officer, Retiring Chair, Publicity Manager, House Manager, Hut Managers, Monthly Meeting Organiser, Social Secretary, Youth Representative.

2. Elected Officers may form sub-committees for their particular departments with themselves as Chair.

3. The Vice-Chair automatically becomes Chair the following year and the retiring Chair serves on the Committee for a further year. All other Committee members retire each year, but may stand for re-election if they so desire. The Committee has the right to co-opt a member to the Committee at any time for a specific position.

4. Should a Committee member leave the Committee during the year, the Committee has the right to co-opt a member to the Committee until the next Annual General Meeting, (hereafter referred to as AGM).

5. The AGM shall be held after the winter commitment each year. A half-yearly meeting shall be held in the autumn of each year.

### CLUB MEMBERSHIP

The rate of subscription for the forthcoming year shall be fixed at the AGM. Subscriptions should be paid immediately after the AGM, and membership becomes void if subscriptions are not paid by the half-yearly meeting. Only paid up members may take part in Club productions. If a person is chosen for a production, and is not already a member, they must pay immediately. From 2nd December 2010 there are 5 tiers of membership:

### FULL MEMBERSHIP

This is regular club membership for anyone over 18 and under 80 years of age. Subscription is as set at the AGM. All back stage crew, performers, and Committee members require full membership. For Club productions there will be a £1.00 discount per member on tickets only on presentation of an up to date membership card on the door\*.

### YOUTH MEMBERSHIP

This is regular club membership for anyone under 18 years of age. Subscription is as set at the AGM. All performers and back stage crew require full membership.

### FRIENDS' MEMBERSHIP

This is for supporters of the group who are not directly involved with productions or performance but would like to keep in touch. The current Friends' fee is £5.00, due to be reviewed in 2012. Subscription will thereafter be set at the AGM. For Club productions there will be a £1.00 discount per Friend on tickets, on presentation of an up to date membership card.\*.

### LIFE MEMBERSHIP

This is regular Club membership for people aged 80 or over, and to honour members who are nominated at the AGM (from 2015). There is no subscription payable. There is no ticket charge for Club productions on presentation of a membership card.

### TEMPORARY MEMBERSHIP

This is formalising a system which has operated in the past under the auspices of Front of House Manager: Stage Managers and Producers.

This is not so much 'membership' as a means to cover people by our insurance who temporarily work on set, work Front of House, or have been called in for their expertise.

The Managers and Producer will be expected to provide the Treasurer with a list of people working in the areas mentioned above; our insurance will only cover them for mutually agreed working times. There is no subscription payable. There are no further benefits.

## PRODUCTIONS

Names of producers for the summer productions must be submitted by the 1st January, and for pantomime by the 1st September.

The chosen Producer for any production should submit one or more scripts for consideration by the Committee. If these are not suitable, the Producer or the Committee should suggest others until agreement is reached.

The chosen Producer has the option of appointing a Casting Committee. The Casting Committee should be a panel of five people the Producer, two Committee members and two members chosen by the Producer. No member of the panel may audition for a part whilst sitting on the panel.

Acting members wishing to take part in a particular production must attend an audition, or advise the Producer that he or she wishes to be considered but are unable to attend auditions.

The Producer has the right to replace any acting member who fails to attend three consecutive rehearsals without a valid reason, or who is constantly late for rehearsals.

## QUORUM

A quorum of five members of the Committee has the right to amend the existing rules; any such amendments to be confirmed at the next Open meeting.

The quorum for other decisions taken in Committee to be four, with the Chair of that meeting holding the casting vote.

## PRODUCER is responsible for:-

attending all Committee meetings during the course of a production.

obtaining copies of the chosen script via the Treasurer.

arranging dates for auditions.

selecting two non-committee members of the Club to sit on the auditioning panel.

the casting vote on the selection of cast if appropriate.

arranging the dates of productions after liaison with the Committee, and for advising the Treasurer of all dates involving the production as soon as possible.

booking the heating to be put on when the hall is booked where appropriate.

designing the set or delegating this.

selecting the Director, including for Music & Dance, Stage Manager & Assistant, Wardrobe & Make-up, Prompt, Props, and Set Designer.

arranging an early meeting of all backstage staff.

the organisation of the production up to and including the final dress rehearsal.

liaising with the Stage Manager to ensure that the set is correctly dressed at the final dress rehearsal.

completing the entry form for CDA Festival and returning same to the Treasurer as soon as possible if adjudication is desired.

giving correct programme details to the Publicity Manager as soon as possible.

arranging a review of the production, with copies for the Committee, Scillonian Magazine and The Cornishman, 'Silly Now and Then', Radio Scilly and CDA.

arranging a video of the production, in liaison with the Treasurer.

arranging publicity photos.

attending the CDA Theatre Festival if possible.

## A DIRECTOR or STAGE DIRECTOR can be:

The person who is most likely to be the primary visionary, making decisions on the artistic concept and interpretation of the text and realizing the staging of the production.

The person who orchestrates the mounting of a theatre production (play, pantomime, opera, musical or a devised piece of work) by unifying various endeavours and aspects of production. (i.e. by collaboration with the creative team of individuals, such as technicians, wardrobe, stage managers, and set designers, ) and ensuring the quality and completeness of the production and leading that team into realising their artistic vision for it.

It is likely that the Director will be chosen by the Producer, as the Producer is ultimately responsible for overseeing all aspects of the theatre production.

That having been said, if there is a producer and Director involved they must be able to co-operate and work for the benefit of the Club. St. Mary's Theatre Club Committee will have the final say on the selection of a play and producer.

## STAGE MANAGER is responsible for:

the selection of backstage staff for building and painting the set and for ensuring that the set is dressed and completed.

for liaising closely with the Producer, advising if a set to the latter's requirements cannot be provided, and on any problems on general requirements.

the overall control of the assistant Stage Manager, prompt, props, and décor during performances, and for liaison with the Sound and Lighting Manager.

discipline amongst cast and backstage members.

ensuring that the cast are on stage on cue.

for the striking of sets after performances, and for the disposal of props etc. into storage.

knowing the play well.

attending rehearsals when requested by the Producer

all safety precautions, and for liaising with the Health & Safety Officer.

liaising with the Lighting Manager regarding controlling the curtains.

return and storage of all stage items to the Hut or to people who have donated items, after the production ends.

# DUTIES OF OFFICERS AND COMMITTEE MEMBERS: THE CHAIR



Page

**Elected at the AGM for one year, having acted as Vice-Chair in the previous year.**

- The Chair's role has two separate parts:
- Planning and running meetings, being sure everything is covered and decisions are made when required. Keeping order, helping the group to deal with differences of opinion and conflicts, being sure everyone who wants to has a chance to speak;
  - Ensuring the organisation as a whole sets and sticks to its policies and priorities serving as spokesperson for the group, making essential or emergency decisions between committee meetings, (usually known as Chair's action), helping colleagues deal with difficult situations.

In the absence of the Chair at a meeting the Vice-Chair will lead the meeting.

A retiring Chair serves on the Committee for a further year so there is some continuity.

## THE TREASURER

### 1. ANNUAL GENERAL MEETING

Prepare a balance of accounts up to end of financial year 31st March.

Print enough copies for members attending AGM (35).

Explain details of income and expenditure to meeting.

Ensure there is enough time after end of financial year to have accounts audited to present to AGM.

### 2. GENERAL

Collect Membership subscriptions when due after 1st April – send reminders if necessary. Keep list of current members.

*As of March 2011, members who are involved on stage, backstage, technical etc, with the summer production and who are unable to see the production during its run, will be given a complimentary voucher by the Treasurer when they pay their annual sub, to enable a partner or friend to attend one performance free of charge.*

Bank any monies received (Lloyds TSB)

Check and bank monies from House Manager.

Check bank statements when received.

Pay all accounts when received.

Keep account books up to date – separate sections to cover items in general, Summer production and Pantomime. E.g.

### 3. MASONIC SOCIAL CLUB MEMBERSHIP

Pay social club membership if applicable, and ensure the Lodge Secretary receives an annual list of Theatre Club paid up members. (This is necessary to comply with licensing laws.)

Arrange bookings for the Masonic Club Room at Home Hardware when required, and advise on key collection.

### 4. CDA CUESHEETS

Distribute copies of each 'CueSheet' to all members of the Committee when received from Cornwall.

Supply forms to Producers for the visit of an Adjudicator when required, and send with a cheque to CDA when details are filled in.

### 5. WELFARE

Arrange for any cards, flowers and gifts etc. to members on special occasions.

### 6. CHAIRMAN'S NOTICE BOARD (In Masonic Hall)

Ensure that new Chairman's name is added each year to the Chairman's Notice Board.

## THE SECRETARY

### 1. ANNUAL GENERAL & HALF YEARLY MEETINGS

Take a list of members in attendance.

Ensure Chair signs last year's minutes after they are approved, and keep these safe in their own folder. Take minutes of current meeting and type up and distribute by post or by email to the attendees at the AGM and other paid up members.

For each of these meetings prepare a draft agenda for the Chair's approval; obtain 35 copies of agenda and spare copies of minutes, in the event that attendees' own copies have been misplaced, for distribution to the current Committee and anyone who attends the AGM.

### 2. COMMITTEE MEETINGS

Ensure that the Chair signs the last minutes, and keep these safe in their own folder.

Take minutes, type up and distribute by post or by email to the Committee and all paid up members, plus copy for file.

Take notes of any letters, phone calls etc. required and ensure that these are done, given copies of all letters typed and relevant information to the Chair.

Prepare an agenda for each meeting from minutes of the last meeting, plus any items to be brought forward (e.g. Town Hall décor), and anything extra the Chair wishes to have included.

Obtain sufficient copies of the agenda for Committee members, plus official file copy.

Ensure that the current Producer receives copies of the agenda and minutes whilst production is in progress. (Although the minutes should be sent to them as members anyway.)

### 3. AIMS AND OBJECTIVES

Ensure that these are regularly updated after any resolution made at an AGM, SGM or the half-yearly meeting. Make copies available to new members.

### 4. HALF YEARLY NEWSLETTERS

Ensure that a newsletter is sent to the Friends of St. Mary's Theatre Club every 6 months.

## **DUTIES OF OFFICERS & COMMITTEE MEMBERS:**

### **HEALTH & SAFETY OFFICER is responsible for:-**

1. ensuring that an Accident Book is kept.
2. ensuring that First Aid Kits are up to date and readily available.
3. ensuring that all electrical equipment receives an annual P.A.T. test and all other equipment an annual safety check.
4. liaison with current Producer and Stage Manager regarding safety precautions both on stage and back stage.

### **HOUSE MANAGER is responsible for:-**

1. ticket sales and programme distribution for all performances.\*\* Cash float to be arranged with Treasurer.
2. ensuring that stewards and attendants are available. \*
3. for availability of seating plans for advance bookings and arranging a rota of helpers.
4. supplying details of seating arrangements to the Town Hall Caretaker and ensuring that all the set-out seats agree with the numbered tickets.
5. payment of all ticket monies to the Treasurer.

①  
②

\* In view of fire regulations at the Town Hall, helpers will be restricted to no more than four (to include the House Manager, 2 helpers and the designated First Aid person). Exit doors must be unobstructed for unhindered evacuation. Wheelchairs must be located at the front of the hall, next to the side aisle, no more than four for any performance. In the event of a fire wheelchairs are to be taken out last.

\*\* Advance booking shall be permitted for pantomime for members of the cast. Off-islanders to have two weeks advance notice of performance dates and the chance to book seats for the first Sunday afternoon performance, or a performance designated by the Committee. Other Groups such as Park House, Hanover, Mundesley, Women's Institute, Memory Café and Charities such as Rotary or Ladies Circle, may be offered block bookings at the discretion of the Committee.

No other advanced bookings are permitted.

**No complimentary tickets are to be given out without the Committee's approval.**

### **PUBLICITY MANAGER is responsible for:-**

1. arranging the printing of tickets and programmes, also printing, circulating and displaying posters for all performances and functions, and ensuring these are ready in good time.
2. obtaining programme details from the Producer and submitting the details to the Committee for approval.
3. press/radio/local publicity and photography or delegating these items with Committee approval.
4. report for Scillonian magazine twice a year or delegating this item with Committee approval.
5. ensuring CDA (Cornwall Drama Association to whom we are affiliated), are advised of production dates for inclusion in the CDA 'CueSheet'.

### **MONTHLY MEETING ORGANISER**

1. to arrange monthly play readings or other events, after consultation with the Committee as to venue and date, and to liaise with the Publicity Manager and Social Secretary.
2. to ensure scripts are ordered and to keep a record of those members taking part in play readings.
3. to arrange One Act Play productions, Revues or similar, dates and venues, after consultation with the Committee, avoiding clashes with summer productions and pantomimes.

### **HUT MANAGERS are responsible for:-**

1. all articles stored in the Club Hut.
2. seeing that only authorised persons go into the Hut to take out Theatre Club property.
3. organising an annual spring clean of the Hut.
4. the Play Script Library, keeping an accurate record of all play scripts held, and ensuring that any copies borrowed are returned.

### **SOCIAL SECRETARY to arrange:-**

1. date, menu and venue of the Annual Dinner/Bufferet/Dance, acting on the instructions of the Committee.
2. refreshments and raffle for the monthly meetings if required.
3. refreshments of tea/coffee and biscuits for the cast and backstage staff at dress rehearsals.
4. a backstage party after the final performance of the summer production and pantomime.

## **LIST OF USEFUL CONTACTS:**

### **THE TOWN HALL**

Hall Bookings – Reception: 01720 422537

**Health & Safety/Hire of back rooms for changing and makeup** – Planning Dept.

### PUBLICITY

**Radio Scilly** 01720 423417  
or email [studio@radioscilly.com](mailto:studio@radioscilly.com)

**The Cornishman** (through Clive Mumford at the paper shop)

**The Scillonian Magazine** (as above)

**Scilly Now and Then** – Beth Hilton

**Posters at TIC, The Co-op, Peter Thompson' shop, The Hardware Store, The Dairy, Steam ship notice board et al.**

**A5 leaflets into Hotels and Guest Houses for Summer Play.**

**Ticketing for pantomime/posters/diary entry**  
**TIC** 01720 424031

**Park House Residential Home** – 01720 4226

**Secondary School** 01720 422929  
**Primary School** 01720 423740

**Island Carriers:** 01720 422662

**Cornwall Drama Association** –  
[www.cornwalldrama.co.uk](http://www.cornwalldrama.co.uk)

# St Mary's Theatre Club

## Income and Expenditure & Balance Sheet Accounts 01-04-2016 to 31-03-2017

### Income

Balances B/f.	212.52
Bank Balance.	-250.35
Less Unpresented Cheques.	-37.83
Bank Balance.	14,208.75
House Managers Float.	0.00
Treasurer - Petty Cash A/c.	0.00
	<u>14,170.92</u>

Interest Received.	6.64
Subscriptions.	
Donation - Cast gift	175.00
Cash Float repaid	150.00
Donation re use of lights	50.00

<u>One Act Play</u>	140.00
Tickets.	120.45
Refunded by Council.	
	<u>260.45</u>

### Summer Production - 2016

ITP	
Retiring Collections	3,606.21
Donations.	
Programme Donations.	
	<u>3,606.21</u>

<u>Summer Production - 2016</u>	
Income over Expenditure.	683.35
<u>One Act Play - 2016</u>	
Expenditure Over Income.	-340.39
	<u>18,419.22</u>

### Expenditure

Equipment.	52.00
Cash Float	150.00
Chairmans Donation - Macmillan Nursing.	
Masonic Hall Subscription.	
Turner Award	25.00
Public Liability Insurance.	368.00
Cornwall Drama Association membership.	16.00
Turner Award	25.00

Gifts, Flowers, Cards and Wrappings.	340.00
Secretary & Treasurer's Expenses.	
Social Secretary's Expenses.	0.00

<u>Donations</u>	
Sands (2015 Summer Play)	150.00
FIS Music Trip	250.00

<u>The Hut</u>	
- Duchy Rent.	1,200.00
- Electricity.	
- Insurance.	523.17
- Other - Including Fuel.	1,723.17

<u>One Act Play</u>	
Travel Costs.	240.90
Room Hire.	240.00
Printing & Engraving.	45.00
	<u>74.94</u>
	600.84

### Summer Production - 2016

ITP	
Room Hire.	1,100.75
Set.	39.25
Royalties.	0.00
Wardrobe & Make up.	42.84
Programmes, Printing & Video.	185.86
Scripts.	
Social Evening/gifts for Cast & helpers	104.16
Band	950.00
Donation Brit Legion	500.00
	<u>2,922.86</u>
	6,622.87

<u>Balances C/f.</u>	
Bank Balance	323.03
- Less Unpresented Cheques.	-29.95
	293.08
Bank Balance.	11,503.27
House Managers Float.	0.00
Treasurer - Petty Cash A/c.	0.00
	<u>11,796.35</u>
	<u>18,419.22</u>

Signed.   
Treasurer 10th May 2017

### Unpresented Cheques

	25.00	2811
Engravers	4.95	2822
	<u>29.95</u>	

### Creditors

Ch. No. Cleared Bank

**Anticipated Income & Expenditure for the One Act Play Festival 2018 (Figures based on last year plus increases in fares and room hire).**  
 (Audience numbers have varied in the past due to a clash with the low water picnic. Moving to evening should help).

Income	£	Expenditure	£
tickets 40 x £5	200.00	Travel costs and fee of adjudicator	517.00
proportion of fares	133.50	room hire for rehearsal and performance	50.00
shared with LLL		printing of scripts, a trophy & engraving	75.00
	<u>333.50</u>		<u>642.00</u>

4 nights accommodation in kind  
 Programmes done in house  
 publicity in 'free' publications, posters, Facebook pages, TIC and piggy-back on Art Scilly Week's publicity.



## Paul Dodgson

is a writer, composer, radio producer, teacher and man of the road.

Theatre writing credits include *Kid Carpet* and the Noisy Neighbours, *Robin Hood* and *The Eleventh Hour* for Theatre Royal Bath and music and lyrics for productions of *Heidi*, *The French Detective* and *The Blue Dog* and *The Nutcracker* at Theatre Royal Bath and *Alice Through the Looking Glass* at Tobacco Factory, Bristol.

Paul has written music for shows at Salisbury Playhouse, Nottingham Playhouse, Soho Theatre and Nuffield Theatre, Southampton.

Radio writing credits include 16 plays for BBC Radio 4. Paul has also directed and produced more than 400 programmes for all BBC radio networks.

Screenwriting credits include 18 months as part of the *Eastenders* writing team and the drama/documentary series *Monsters We Met* for BBC 2. In 2015 he was working on the BBC 2 series *Patagonia*.

Paul has taught creative writing at Exeter University where he was previously Writer-in-Residence and runs radio and short story workshops all over the UK. More details of his work can be found at [www.writinglife.co.uk](http://www.writinglife.co.uk)

Paul has a particular interest in teaching techniques of memoir writing and three of his BBC radio plays have told life stories.

Paul's own memoir, *On the Road Not Taken* began life on BBC Radio 4 and then he took it on the road in 2016, where he sang songs, told stories about his 1970s childhood and beyond. He is now with the publisher Unbound. Find out how you can become part of his story... [www.ontheroadnottaken.co.uk](http://www.ontheroadnottaken.co.uk)

A big thank you to Paul for agreeing to adjudicate once again.

### Come and Join us!

St Mary's Theatre Club is always interested in recruiting additional volunteers for jobs both on and off stage.

Whatever your skills, if you're interested please get in touch with The Secretary Jenny Byers on (01720) 422663 or any club member.



# ST.MARY'S THEATRE CLUB

## ONE ACT PLAY FESTIVAL 2017 PROGRAMME

An amateur play-writing competition  
Plays performed as 'rehearsed readings'

Adjudicator: **PAUL DODGSON**

Writer, composer, radio producer and teacher  
at

**THE CHURCH HALL**

**SUNDAY 7th MAY 2.00pm**

**Vote for your favourite!**

**ART**  
WEEK  
17-18

## FRIENDS AND NEIGHBOURS

Written and produced by **MAGGIE PERKOVIC**

*The grass is not always greener on the other side*

**Cast:** Maggie: Maggie Dean    Tony: Tony Dingley    Tarquin: Tim Dean  
**Camilla:** Becky Thomas    **Police:** Gail Sibley & David Corners

**Short intermission for scene change.**

## LIVING AN EDITED LIFE

Written and produced by **JENNY BYERS**

*Be weird, be random. Be who you are, because you never know who will love the person you hide.*

**Cast:** Madam Yvonne Reneaux: Gail Sibley    Oliver: James Hathway  
**Madam Edith Girat:** Linda Thomas    **Monsieur Kobayashi:** Tim Dean

**20 minute intermission for refreshments and scene change**

## THE NIGHT ON THE ROUND TABLE

Written and produced by **STEVE SIMS**

*A tale of decadence and deceit that presaged the final days of Camelot.*

**Cast:** Lancelot: Tim Dean    Guinevere: Becky Green    Arthur: Tony Dingley

**Short intermission for scene change.**

## THE TWELFTH OF NEVER

Written and produced by **JON MACKENZIE**

*The surprise of his life is in store for Dudley, as he celebrates his birthday.*

**Cast:** Dudley: Tony Dingley    Rose: Linda Thomas    Waiter: Jon Mackenzie  
**Molly:** Becky Green    **Shiela:** Gail Sibley

**15 minute intermission for refreshments/to vote for your favourite play.**

Use your entry 'ticket' to vote.

Put in the box of your choice at the door during this interval

Your votes will be counted independently and added to the adjudicator's score to find a winner. In the event of a tie the adjudicator will have the casting vote.

*The highest number of votes received will get 12 points, the second 10 points, the third 6 points, the fourth 2 points*

There will be a few words from Paul Dodgson after which he will present the winning playwright with the Shirley Smith trophy.



**Last year's winner Jon Mackenzie for his play The Ties That Bind Us**

Thank you to everyone who has participated in today's festival of plays, and in particular the actors who have brought the plays to life, Betty Sherris, and cast members who have helped with technical, props, FOH and costumes, and of course the writers.

Also a big thank you to Jane Chiverton and Jenny Burroughs who are providing the refreshments this afternoon. Their funds are toward the annual St. Mary's Flower Festival.

Mostly characters, places & incidents in the plays are the product of the writers' imaginations and are fictitious. Any resemblance to people, events or locales is entirely coincidental.

## Council of the Isles of Scilly report

# Review of the Members' Allowances Scheme

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**Date** 22 March 2018

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**Meeting** Full Council

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**Part** 1

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**Authors** Matt Stokes, Monitoring Officer

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## Recommendation

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- That Members approve:
1. (i) the recommendations set out in the report of Dr Declan Hall at set out in the Appendix, including as to implementation dates; and
  - (ii) the approach proposed in the report relating to the determination of approved duties
- and that the Council's Members' Allowances Scheme is amended accordingly.
-

1. At the Full Council meeting on 9 November 2017 Members received a report on the review of the Members' Allowances Scheme. The Council is required to periodically review the Allowances Scheme but the changes made to the Council's governance structure, with effect from May 2017, have triggered a review to reflect the Council's current committee and governance arrangements.
2. The report to the November 2017 meeting highlighted some important differences for this Council relating to the determination of the Allowances Scheme, in comparison to most other councils. Key amongst those differences are:
  - (i) there is no requirement for the Council to convene an Independent Remuneration Panel to review the Members' Allowances Scheme;
  - (ii) there is no requirement for the Council to receive and consider a report from an Independent Remuneration Panel before making changes to its Scheme of Allowances for Members; and
  - (iii) the Council is not permitted to pay Members a dependants' carers' allowance. This means that no allowance can be paid in respect of expenses for arranging for the care of children or other dependants so as to enable Members to attend meetings or discharge other official responsibilities.
3. At the November 2017 meeting Members resolved:
  - (i) That the process initiated to review the Members' Allowances Scheme be endorsed;
  - (ii) That a report with recommendations on the Allowances Scheme be presented to Full Council at the earliest opportunity; and
  - (iii) That the Scheme be amended to include the Scrutiny Committee, with effect from Annual Council on 25 May 2017.

The third part of this decision corrected an oversight in relation to the Scrutiny Committee which was the only Committee not recognised in the Allowances Scheme.

4. The process that had been initiated to try and make the review as efficient and cost-effective as possible, was to engage Dr Declan Hall who has a great deal of experience in relation to Member allowances and has assisted the Council with previous reviews. He was on the Islands on 9 and 10 November to gather information to inform recommendations to Full Council on possible revisions to the current Scheme. The engagement of Mr Hall negated the need to convene an Independent Remuneration Panel as he has been able to produce recommendations independently of the Council, drawing on his experience, knowledge of the approach to allowances in other areas and information gathered on 9 and 10 November.

5. Members are reminded that as the Council does not need to convene an Independent Remuneration Panel, or receive and consider the recommendations of such a Panel, it can make changes to the Allowances Scheme whenever appropriate. However, in making changes to the Scheme the general principles applicable to public authority decision-making still need to be observed, including making decisions that are reasonable and rational, having regard to that which is relevant and disregarding that which is irrelevant and ensuring decisions are otherwise lawful. Also of particular relevance to any decisions Members make on the Scheme is the commitment previously made to reduce the Members allowances budget by £25,000.
6. The report Dr Hall has produced is as the Appendix to this report. The recommendations made by Dr Hall are summarised below:
  - (i) that the Basic Allowance is increased from £3,489 to £4,209;
  - (ii) that the following Special Responsibility Allowances (SRAs) are approved (current allowances in brackets):
    - (a) Council Chairman – £10,523 (£10,367);
    - (b) Vice-Chairman of Council – £5,262 (£5,181);
    - (c) Committee Chairmen (excluding Scrutiny Committee) and Lead Member for Children/Chairman of Children's Trust – £4,209 (£4,144);
    - (d) Chairman of Scrutiny Committee – £5,262 (£4,144);
    - (e) Vice-Chairman of Scrutiny Committee – £1,315 (£1,013);
    - (f) Vice-Chairman of Licensing Committee – £1,052 (£1,013);
  - (iii) that each Member may be paid no more than one SRA, instead of the current two;
  - (iv) that the co-optee's allowance of £110.09 is abolished;
  - (v) that no changes are made to the travel and subsistence allowances, either in maximum rates claimable and the scope of the approved duties for which they may be claimed;
  - (vi) that the Basic Allowance and SRAs (and the co-optee's allowance if Members are not minded to abolish it) are indexed to the annual local government pay percentage increase as agreed each April by the National Joint Committee for Local Government Services, to be implemented the same year that it applies to Officers;
  - (vii) that travel allowances are indexed to HM Revenue and Customs approved mileage rates for motor vehicles, motorcycles and bicycles;
  - (viii) that subsistence allowances are indexed to the same rates that apply to officers;
  - (ix) that these recommendations, save as provided in the next paragraph, are implemented from the last Annual General Meeting of the Council on 25 May 2017; and
  - (x) that the implementation of the relevant indices of allowances is from 1 April 2018.

7. There is a recommendation in relation to Lead Member roles, with the exception of the SRA for the Lead Member for Children, which is that no SRA is paid until further experience of the roles is gained. If this is accepted, a review can be undertaken at an appropriate point in the future of just this element of the Scheme or as part of a broader review of the Scheme.
8. No recommendation is made in relation to a dependants' carers' allowance as the Council is not able to pay such allowance.
9. The budget included for Member allowances, subsistence and travel in the budget set at the Full Council meeting in February is £99,000. The cost of adopting Dr Hall's recommendations for this and the next financial year will be:

2017/18 whole year cost, including backdating to the May 2017 Annual Council Meeting ( <b>excluding</b> travel and expenses)	£103,385
2018/19 whole year cost ( <b>excluding</b> travel and expenses) with a 2% increase on 2017/18 rates	£105,453

These costs exclude any National Insurance payable. However, National Insurance contributions are minimal and so their inclusion in the figures above would not have any significant impact. Backdating allowances to the Annual Meeting in May 2017 will cost about £11,800. That figure is included in the 2017/18 whole year cost above.

10. Members are asked to note that the remuneration paid to Independent Persons for the purposes of the Localism Act 2011 is outside of the Scheme of Allowances and so is not addressed in the Appendix. The Independent Persons are engaged as part of the ethical standards process as, when required, regard has to be had to their views on Code of Conduct complaints prior to a determination being made. As this remuneration is outside of the Scheme of Allowances it will continue at the current rate (£110.09 per annum). The Scheme of Allowances will be amended to reflect that this remuneration is not strictly within the Scheme.
11. In reviewing the Scheme of Allowances, it occurs to the report author that the provisions relating to the determination of approved duties could be tightened. It is proposed that in relation to claims for both travel and subsistence expenses the Scheme should state that approved duties should be determined by the Democratic Services department, in consultation with the Chief Executive or Monitoring Officer where appropriate. The existing provisions in the Scheme relating to inter-Island travel and mainland travel should be retained. The proposed amendment will provide additional assurance and clarity for Members, officers and the public.

12. Members have four main options in relation to the level of allowances:
  - (i) Accept the recommendations made in Dr Hall's report and amend the Members' Allowances Scheme accordingly;
  - (ii) Reject the recommendations made in Dr Hall's report in favour of retaining the current level of allowances, but in the context of the current governance arrangements. If Members decide to do this the reasons for doing so should be provided, so that the public are clear on the rationale for the decision;
  - (iii) Reject the recommendations made in Dr Hall's report and make alternative changes to the Members' Allowances Scheme, amending the Scheme accordingly. If Members decide to do this the reasons for doing so should be provided, so that the public are clear on the rationale for the decision; and
  - (iv) Defer making a decision on the Scheme pending a further review of the Scheme by an Independent Remuneration Panel. If Members decide to do this the rationale for the decision ought to be provided, particularly as at Full Council in November the decision was to proceed without convening a Panel.

In relation to the clarification on the determination of approved duties, Members can either approve it or not. There is also the possibility of developing a more detailed schedule of approved duties if required.

13. The first option above as to the level of allowances is the recommended option as the report prepared by Dr Hall provides clear and reasoned justification for the recommendations he is making. The recommendation as to the determination of approved duties is considered to be appropriate.

### **Financial implications**

14. At the Full Council meeting on 26 January 2017 the Council approved a saving proposal to reduce the Members' allowances costs by £25,000 in financial year 2017/18. The financial position as at the end of January 2018 showed, on current projection of the existing level of allowances, to be balanced.
15. The 2018/19 budget set at Full Council in February 2018 already includes this reduction in the base budget at £99,000 for Member allowances, subsistence and travel. An additional budget is held for members training, and the budgets are managed with the Democratic and Corporate Governance budget line.
16. It is clear that the adoption of the recommended allowances will result in an overspend, assuming that all allowances are claimed, against the current budget provision. The full year costs given at paragraph 9 do not include travel, which will therefore create an additional budget pressure.

17. This action will create an overspend in the current financial year against that specific budget line, and although this is unlikely to impact the forecast position in 2017/18, it will create an ongoing pressure in 2018/19 and beyond that will need to be addressed with an equal value of offsetting savings.

### **Legal implications**

18. The Council can only pay allowances that are specifically permitted by the legislative framework. That framework primarily comprises the Local Government and Housing Act 1989 and The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021). To pay allowances other than in accordance with an approved scheme is unlawful.
19. The Council is able to make changes to its Scheme of Allowances without convening an Independent Remuneration Panel and without having regard to the recommendations of such a Panel. However, in making changes to the Scheme the general principles applicable to public authority decision-making still need to be observed, including making decisions that are reasonable and rational, having regard to that which is relevant and disregarding that which is irrelevant and ensuring decisions are otherwise lawful.

### **Other implications**

20. None

### **Appendices**

Appendix: Dr Declan Hall's report

### **Approval**

<b>Senior Manager</b>	Theo Leijser, Chief Executive	14 March 2018
<b>Financial</b>	Andy Brown, Section 151 Officer	14 March 2018
<b>Legal</b>	Matt Stokes, Monitoring Officer	14 March 2018

**An Independent Review  
Of  
Members' Allowances  
For the  
Council of the Isles of  
Scilly**

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**A Report by**

**Declan Hall (PhD)**

**January 2018**

# **An Independent Review of Allowances**

**For the**

**Council of the Isles of Scilly**

**By**

**Declan Hall PhD**

**January 2018**

## **Introduction: The Regulatory Context**

1. This report is a synopsis of the deliberations and recommendations arising out of a review of the Members' Allowance Scheme for the Council of the Isles of Scilly by Declan Hall (PhD) following a reorganisation of Council governance structures.
2. In common with all other English councils the Council of the Isles of Scilly is responsible for determining the scope and levels of allowances payable in accordance with Parts I-III of *The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021)* (the 2003 Regulations). The 2003 Regulations provide the powers to pay all Members a Basic Allowance, Special Responsibility Allowances where appropriate, travel and subsistence allowances and associated provisions such as indexation.
3. However, the Council of the Isles of Scilly is unique in that it is the only English Council that is not subject to Part IV of the 2003 Regulations. Part IV requires all other English councils to maintain an Independent Remuneration Panel (IRP). Before a council amends or makes changes its allowances scheme it must first seek advice from and pay regard to the recommendations of its IRP. It is the mechanism whereby in the context of final Council decision that public scrutiny and transparency is brought to bear.
4. Thus the Council of the Isles of Scilly is in an anomalous situation whereby it retains decision making responsibility regarding its Members Allowance but with no proscribed mechanism or approach in how it is to make any changes.
5. Consequently in the spirit of openness and transparency the Council decided to commission this non-statutory independent review in the absence of any prescribed mechanism.

6. Furthermore there is statutory guidance (2006) that applies to all other English Councils and their statutory IRPs that they must pay regard in reviewing and determining their allowances. The 2006 Statutory Guidance also applies to the Council of the Isles of Scilly (except for the provisions regarding the role of an IRP) and it must pay regard to the guidance before it amends or changes its allowances scheme. The applicable sections of the 2006 Guidance require the Council to take into account certain issues when amending or changing their allowances, such as the variables to consider in arriving at the Basic Allowance and how the SRAs may be arrived at.

## **The Reviewer**

7. The Council (18 April 2017) decided to review its allowances scheme in light of the findings of the Boundary Commission findings in 2016 and the subsequent adoption of a streamlined committee governance model from May 2017. At the time it was assumed that the Council had to appoint an Independent Remuneration Panel but after detailed analysis of the 2003 Regulations it became clear that there is no legal requirement upon the Council to convene an Independent Remuneration Panel to review the Council's Members' Allowances Scheme.
8. As the Council does not need to convene an Independent Remuneration Panel, or receive and consider the recommendations of such a Panel, it can make changes to the Allowances Scheme whenever appropriate. However, in making changes to the Scheme the general principles applicable to public authority decision-making still need to be observed, including making decisions that are reasonable and rational, having regard to that which is relevant and disregarding that which is irrelevant and ensuring decisions are otherwise lawful.
9. Subsequently to ensure transparency and make the review of the Scheme as efficient and cost-effective as possible and having regard to the advice provided by the Monitoring Officer, Officers engaged Declan Hall to assist with the review who has extensive experience in reviewing allowances.<sup>1</sup> A decision subsequently endorsed by Council on 9 November 2017. As such the review has paid regard to the relevant provisions of the 2006 Statutory Guidance and as far as possible applied the principles of the non-applicable section (that mainly related to the work of an IRP) to ensure that the allowances have been subject to the same scrutiny and evaluation that applies elsewhere.

## **Terms of Reference**

10. The Terms of Reference of the Review are to make recommendations to the Council on:-

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<sup>1</sup> See Appendix One for short biography on relevant experience and background for Declan Hall

- i. The amount of basic allowance that should be payable to its elected members and what element of expenses that should include.
- ii. The responsibilities or duties which should lead to the payment of a special responsibility allowance and the amount of such an allowance.
- iii. The duties for which travelling and subsistence allowances can be paid and the amount of these allowances.
- iv. Whether a Co-optees' Allowance should be paid and, if so, the amount of this allowance.
- v. Whether any allowance should be backdated to the beginning of the municipal year to reflect any changes in Members' responsibilities.
- vi. Whether annual adjustments of allowance levels should be made by reference to an index, and, if so, for how long such a measure should run.

In arriving at their recommendations the Review should also take into account:

- a. The 2003 Regulations and 2006 Statutory Guidance as they apply to the Council of the Isles of Scilly
- b. The recent changes in the Council's governance arrangements and roles of post holders and Members in general.
- c. The views of Members both written and oral.
- d. Any matters that are brought to the attention of Dr Hall by Members in their consultation with Members and briefings from Officers.
- e. Allowances paid in whatever Dr Hall considers to be a comparable council.

## **The Approach to the Review**

11. Declan Hall visited the Council of the Isles of Scilly on 9-10 November 2017 to observe a full Council meeting, receive factual briefings from relevant Officers and meet with a number of Members to discuss the nature of the current allowances scheme and Member roles and responsibilities in the Council. In addition all Members were offered the opportunity to make written submissions if they so wished, of which five were received.
12. Declan Hall was also provided with an information pack that contained all the relevant information for the review, including the recent changes in the governance structures, terms of reference of new committees, boards and Lead Member roles, etc.
13. The full range of written information received and considered by the review is listed in the appendices as follows:

- Appendix 2: List of information that was included in the Information Pack for Declan Hall
- Appendix 3: Members who met with Declan Hall, whether in person or via telephone, also including Officers who provide factual briefings
- Appendix 4: Selected benchmarking information
- Appendix 5: List of allowances schemes from south west Unitary Councils (2017-18) and other benchmarking data referred to by Declan Hall

## **Observations and Comments**

### **The purpose of a Members' Allowances scheme – an enabler**

14. A theme that emerged from the representation received from Members was that the current levels of remuneration payable under the current Members' Allowances scheme were not sufficient to 'attract' a wider range of people to put themselves forward to stand for Council. Indeed, this may well be the case however the intention behind Members' Allowances is not to 'attract' candidates for Council – to do so they would have to be at a level that would not be publically or politically acceptable. Moreover, as was also mentioned by some Members, the concept of allowances being an 'attraction' to entice candidates to stand and remain on Council for standing for and remaining on the Council for financial gain would run contrary to the public service ethos and the desire to serve local communities and residents as the prime motive for being a Councillor. It is one reason members' allowances do not reflect full 'market rates.'
15. The intention behind the requirement to establish a Members' Allowances scheme for all English councils is to enable and facilitate the Members' roles and responsibilities as far as practically possible while taking into account such factors as workloads, political structures, the nature of the council, local economic conditions and comparative practice.

### **Allowances no longer fulfilling the function of being an enabler**

16. Nonetheless, there was anecdotal evidence that the current levels of remuneration, particularly the Basic Allowance, were no longer fulfilling what it was designed to do namely enable most people to take time off from their employment or self-employed work to be an elected Member without suffering personal financial costs. Indeed, another key theme emerging from the representation from Members (although by no means universal) was that the Basic Allowance in particular was at a level that rather than reducing a financial barrier to being a Councillor had become a barrier as it did not sufficiently compensate lost earnings.

17. There was a majority view that the current Basic Allowance in particular ‘undervalued’ the work of Members and that this sense of being undervalued needed addressing in this review – particularly through revising the Basic Allowance. A sense reinforced by the reduction in Members from 21 to 16 and the fact that the current Basic Allowance except for occasional indexation has not altered for the past 10 years.

### **Benchmarking – the Council of the Isles of Scilly “don’t fit”**

18. As one interviewee pointed out, when putting the Council of the Isles of Scilly in any national comparative context; “the problem is that Scilly don’t fit.” Nowhere is this better illustrated than by benchmarking. On the one hand the Council of the Isles of Scilly pays the lowest Basic Allowance (£3,489) of all unitary councils in England, the next lowest being Rutland (£3,770) yet it the percentage of the budget (2016/17) accounted for by the Basic Allowance and SRAs in the Council of the Isles of Scilly is 1.92%. In other unitary councils it more ranges from 0.35% in Cornwall to 0.70% in Bath and North East Somerset.<sup>2</sup>
19. The SRAs paid in Council of the Isles of Scilly are less out of kilter with other unitary councils indeed there are unitary councils where post holders are paid significantly less. For instance, Reading, a unitary council that has a committee system but as with other councils on the mainland is required to have a non-executive Leader, who is paid an SRA of £7,004 and Committee Chairs £3,816. Nonetheless, as a rule the SRAs paid in Council of the Isles of Scilly are generally on the low the side.
20. The difficulty of benchmarking is further highlighted by taking a unitary council, Orkney Islands Council, which is closest to the Council of the Isles of Scilly in terms of geography, population, functions and budget. The Orkney Islands Council pays a Basic Allowance (termed Basic Salary in Scotland) of £16,893 (2016/17). It is noted that Councillors remuneration and allowances in Scotland are determined by the relevant Ministers of the Scottish Executive and all Councillors in Scotland receive the same Basic Salary regardless of size, geography and budgets.
21. It remains very difficult to draw meaningful comparisons with other authorities for the purposes of benchmarking allowances. The Council of the Isles of Scilly is exceptional – it is the smallest unitary council in the UK both in terms of population, budget and number of elected Members yet it undertakes the full range of statutory duties that all other unitary councils are required to carry out. Indeed it undertakes additional functions that few other types of council undertake, such as water provision/sewage management for St Mary’s and Bryher and Airport Management for the only airport facility on the Islands. The uniqueness of the Council of the Isles of Scilly and the difficulties involved in drawing meaningful comparisons with other unitary councils is underlined by the fact that the Chartered Institute of Public Finance

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<sup>2</sup> See Appendix 4 for further details. Figures supplied to Dr Hall by Council Officer. In addition a survey by the Taxpayers Alliance of all Unitary Councils in England is also included which compares budgets, and percentage of that budget spent on Members (all costs) for 2014/15. This survey confirms the pattern gained by the more recent selective comparison undertaken by the support Officer for this review.

and Accountancy (CIPFA) excludes the Council of the Isles of Scilly in its 'near neighbours' benchmarking modelling.

22. Yet, the fact remains that the Basic Allowance for Members of the Council of the Isles of Scilly is among the lowest in the UK for any principal council. The smallest district council in England, West Somerset with a population of almost 35,000 pays a Basic Allowance of £2,733 but it has fewer responsibilities and more members than the Council of the Isles of Scilly. West Somerset Council also pays a greater range of expenses to its Members than in the Council of the Isles of Scilly.
23. Although the benchmarking has to be put in context it does provide some support to the view that the current Basic Allowance in the Council of the Isles of Scilly may well be so far adrift from other councils that it indeed undervalues the work of Members and be at a level that acts as a financial barrier to serving on a unitary council by virtue of being comparatively low.

### **Taking into account the current economic climate & savings arising**

24. While the review has not been driven by the current economic context it cannot be ignored. Again this was a theme that emerged in the representations received. Moreover, the Council has committed to finding at least £25,000 in savings from Members' Allowances (Council decision 26 January 2017). As such the review in arriving at recommendations has been cognisant of both the broader economic climate and the Council's commitment to find savings further savings.
25. The reduction in Members from 21 to 16 and adoption of a stream lined governance structure has more than met the £25,000 savings target. As such, the recommendations arising from this review stay within the savings commitment and a little bit more. Nonetheless, it has still meant hard choices have had to be made for this review – not all cases for remuneration have been accepted, to do so would be negligent of both Council policy and the council taxpayer of the Isles of Scilly.

## **The Evidence Considered and Arriving at Recommendations**

### **The Basic Allowance – historical basis**

26. The current Basic Allowance (£3,489) is based on the formulaic approach as laid out in the 2003 Statutory Guidance (paragraphs 67-69) which recommends the consideration of three variables as follows

#### **Time required to fulfil duties: 60 days per year**

- The Basic Allowance is primarily a time-based allowance and IRPs in other councils are required to assess the time required to fulfil all duties associated with being an ordinary Councillor. It does not necessarily accurately reflect the time

that all Members in a Council put in on their back bench duties rather it reflects the average minimum required to fulfil the role.

### **Public Service Discount: 1/3**

- The 2006 Statutory Guidance requires all IRPs to build in the voluntary principle into the Basic Allowance. This is typically done by discounting a proportion the total assessed time, often conceptualised as the proportion of time spent on ward/constituent issues. One third being the most commonly utilised PSD in England.

### **Rate of Remuneration: £78.68 per day<sup>3</sup>**

- The 2006 Statutory Guidance advises that an appropriate daily rate should then be applied to the remunerated time.

27. By applying the variables to the formula it arrives at the following Basic Allowance:

- 60 days minus 1/3 public service = 40 remunerated days
- 40 days X £78.68 = £3,147 (since uprated to £3,489 through indexation)

### **Applying the variables in a different fashion going forward**

28. Rather than try to assess the total amount of time a Member spends on all duties and then discount a proportion for the public service the Welsh approach has been adopted in that the voluntary element is simply expressed as the time a Members puts in above the time associated with formal duties.

### **2017 Time required to fulfil formal duties: 39 days per year**

29. The decrease in the number of Members from 21 to 16 means that fewer Members are carrying out the same level of corporate responsibilities. However, they are serving on few committees with approximately half the number of formal meetings to attend under the streamlined committee system.<sup>4</sup> On the other hand, Members have a greater commitment at full council. It now meets monthly, acts as the planning committee and while the Council's statutory health scrutiny function is delegated to the Scrutiny Committee; it retains responsibility for issues that represent substantial variation or development of services, where the Council is the formal consultee.

30. The amount of time required to fulfil the formal duties associated with being a Member has been assessed at the equivalent of 0.75 days per week or 39 days per year. This includes the following duties

- Full council - 12 per year
- Sitting on another Committee/Board and associated panels/working groups – 6 times per year

<sup>3</sup> Based on average gross daily salary for all full time employees in Cornwall in 2006

<sup>4</sup> Based on comparison of formal meetings May – November for last three years.

- Undertaking other formal duties such as being Lead Member, meetings with Officers and sitting on outside bodies
- Plus all associated reading and preparation and training

**Public Service Discount: all inputs over 39 days per year**

31. For this review the public service discount has been reconceptualised as all the work, including dealing with community, constituent and ward issues that Members put in over the formal expectation of 39 remunerated days per year. This is the approach that is followed by the Independent Remuneration Panel for Wales and it has the advantage of recognising that the demands on Members and the time they are able to put in above 39 days per year is variable.

**Rate of Remuneration 2016: £107.92 per day**

32. Typically the rate of remuneration utilised by Panels across the UK is based on the average salaries that relate to the local authority area. In this way it links the Basic Allowance to the average earnings of Members constituents. The rate of remuneration for the current Basic Allowance (£3,489) is based on an historical average daily salary for Cornwall as the relevant figures were never published for the Isles of Scilly by the Office of National Statistics (ONS).
33. However, starting in 2006 this has changed. The ONS now publishes such figures in the Annual Survey of Hourly Earnings (ASHE). This shows that the mean gross weekly salary for all full time employees resident on the Isles of Scilly to be £539.60 (2016) which converts to a daily rate of remuneration of £107.92.<sup>5</sup>
34. By applying the two revised variables to the formula it produces the following recalibrated Basic Allowance:
- 39 days multiplied by £107.92 = £4,209
35. **It is recommended that the Basic Allowance for 2017/18 is £4,209.**

**Inclusive of Expenses**

36. The Basic Allowance has always been deemed to cover the incidental expenses that might be incurred by being a Councillor such as use of personal landline and mobile telephone, home broadband and IT peripherals and consumables such as printers, ink cartridges and paper in carrying out their Council related duties
37. It is not uncommon for Councillors elsewhere to receive additional support, whether through direct provision or reimbursement of ICT costs - although as technology develops and the wide take up of ICT packages increasingly becomes common place this is not as common as it used to be. Indeed, all Members now receive an iPad

<sup>5</sup> See Table 8.1a, ASHE Weekly Pay – Gross –for all full time jobs 2016 – Home Geography, revised, 26 October 2017, ONS.

through which they can access relevant papers and agendas and wider information on the Council through its website. If required they can still request that they are provided with the appropriate printed agendas and papers.

38. On the other hand, Councillors are reliant on their own equipment and home systems to make the extra number of telephone calls that are required, use their home broadband to access relevant information, including council papers, and use their own printer and printer consumables to print out relevant papers. Yet, the fact that Members in addition to their Council provided iPad will in most cases already have their own ICT which means that the extra costs should be marginal. Times have moved on and for home land line telephone calls, mobile phone calls and broadband there are any number of inclusive packages available that means their additional usage by Members on council related business is negligible.
39. **It is recommended that the Basic Allowance continues to cover the cost of 'incidental' expenses Members may incur while carrying out their duties, such as telephone calls from their home landlines, calls on personal mobile phones, using broadband from home and printer and IT consumables etc. This recommendation does not affect the current level of direct support provision Members now receive.**

## Special Responsibility Allowances

40. There is less sense that the SRAs currently payable are out of synch to the extent to the same extent as the Basic Allowance. This is not to say there is no case to fundamentally revise the levels and scope of SRAs payable – a coherent case can be made on both points. However, although it is early days the impression gained is that the streamlined committee governance model does not impact on the roles of post holders to the extent that it has on all Members. Moreover, the need to be mindful of the Council's commitment to find a savings of £25,000 on allowances means that by placing emphasis on reforming the Basic Allowances there is less scope to revise the SRAs in terms of both numbers and levels payable.

## The Chairman of the Council

41. The current SRA (£10,367) for the Chairman of the Council has been set in accordance with the 2006 Statutory Guidance<sup>6</sup> (and common practice) by applying a factor of 3 to the Basic Allowance. While this differential is not universal<sup>7</sup>, a differential of 3 is broadly the average differential between the Basic Allowance and Leaders SRAs regardless of the type of council. For instance, in Plymouth (Basic Allowance

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<sup>6</sup> See 2006 Statutory Guidance, paragraph 76

<sup>7</sup> For instance the Leader's SRA (25,911) in Cornwall has been arrived at by multiplying the Basic Allowance by a factor of 1.85. Similar factor has been applied in South Gloucestershire (1.8) and Bournemouth (1.9), whereas in Bath and North East Somerset it is a factor of 4.2

£10,576 and Leader's SRA £31,728 – a differential of three) and North Somerset (BA of £8,457 and Leader's SRA of £26,685 – a differential of 3.15).

42. This begs the question of whether applying a factor of 3 to the Isles of Scilly Basic Allowance is appropriate as it the typical ratio applied to SRAs for executive Leaders whereas the Council of the Isles of Scilly does not have an executive Leader. However, regardless of the individual who holds the post of Chairman of the Council the reality is that the impacts of the responsibilities of being Council Chairman are significant and even more so for a person in full time employment. So the Chairman's SRA should provide a degree of support to help offset any loss of earnings that might occur if the Chairman was employed or in business.
43. Benchmarking is of limited value as Council Chairmen elsewhere perform a more narrowly defined civic role; in the Isles of Scilly it is not restricted solely to the civic role. Moreover, Council Chairmen elsewhere often receive a Civic Allowance that can be paid directly although it is supposed to be paid under the 1972 Local Government Act (section 3[5]) for the purpose of meeting the expenses of holding that office. While there is a budget to pay for the larger routine costs associated with being Chairman, such as the Civic receptions for visiting dignitaries, the Chairman has to pay for incidental civic costs out of their SRA.
44. There is also another reason not to compare the Chairman of Council of the Isles of Scilly to other Council Chairmen – in the Council of the Isles of Scilly, which operates a committee system, akin to a 4<sup>th</sup> Option Council, the Chairman has a more enhanced role than that is typically assigned to Council Chairmen. It is not an executive role but it goes beyond chairing the Council and acting as the Civic Head, the Chairman is the spokesperson for the Council and along with the Vice Chairman is one of the few roles required to take a view across the council.
45. There is a sub/regional role for the Chairman such as representing the Council (alongside the Vice Chairman) on the Cornwall and Isles of Scilly Leadership Board that meets in Truro. In addition, there can be a national aspect to the role, for instance, attending relevant meetings at Whitehall, normally in conjunction with the Chief Executive, where it is expected that the Council head is present.
46. Nonetheless, the fact remains that the impact of the new governance arrangements upon the role of Chairman does not seem to be as significant as the impact on the wider membership and bearing in mind the need to be cognisant of the financial context the Chairman's SRA has been reset at 2.5 times the recommended Basic Allowance, which equates to £10,523.
47. **It is recommended that the Council Chairman's SRA for 2017/18 is reset at £10,523.**

### **The Vice Chairman of the Council**

48. In line the 2006 Statutory Guidance and the most common approach taken by statutory remuneration panels, all other SRAs were arrived at by utilising a 'pro rata' approach in arriving at all SRAs. The Vice Chairman's SRA was arrived at by assessing it at 50% of the Chairman's SRA, which currently equates to £5,181. No evidence to suggest that the current ratio is in need of revising – it one of the most significant posts after the Chairman and it also has a sub/regional role such as being the Council representative on the Cornwall and Isles of Scilly Local Enterprise Partnership. Thus the Vice Chairman's SRA has been maintained at 50% of the recommended SRA (£10,523) for the Chairman of the Council.
49. **It is recommended that the SRA for the Council Vice Chairman for 2017/18 is reset at £5,262**

**Confirming the Lead Member for Children and all Committee Chairmen are paid the same SRA**

50. Currently the Chairmen of the remaining standing committees, IFCA and the statutory named post of Lead Member for Children's Services (who also chairs the Children's Trust) receive an equal SRA of £4,144, which has been set at 40% of the Council Chairman's SRA. The Chairmen of Committees have always been treated equally as the difference between their responsibilities are not readily discernible and it is common to pay them equally elsewhere. The Lead Member for Children is a special case in that it is a statutory named post with defined responsibilities, not least being Chairman of the Children's Trust and as such is seen as being equivalent to a Chairman of a standing committee.
51. Consideration was given to whether this flat model was appropriate in light of the new governance arrangements and whether there is a case to differentiate between the various Committees/Boards/etc., with an appropriate differentiation in SRAs. Not insignificant representation was received that argued to differentiate between the Chairs in terms of their SRA however there was not a great deal of consensus on what Committee/Board Chairman merited a higher or lower SRA than others.
52. At this juncture no recommendation is being made to differentiate between the current SRAs payable to the Chairs of the standing committees/boards – no evidence was received to suggest their roles had appreciably changed with the adoption of the new governance arrangements – with one exception see below on the Chairman of Scrutiny.
53. **It is recommended that the following posts have their SRAs maintained at 40% of the Chairman's recommended SRA (£10,523) and paid as set out below for 2017/18:**
- **Licensing Committee Chairman** **£4,209**
  - **Inshore Fisheries Conservation Authority Chairman:** **£4,209**
  - **Lead Member Children's Services/Chairman Children's Trust:** **£4,209**

## **Chairman of the Scrutiny Committee**

54. With the adoption of the streamlined committee system a new Scrutiny Committee was established (Council 25 May 2017) – consisting of all Members of the Council except for the Council Chairman, Vice Chairman and Lead Member for Children. It is not a statutory requirement to appoint a Scrutiny Committee but having such a committee in place reflects the Council's priority assigned to the Scrutiny function rather than have it lie elsewhere. It provides a counterpoint to the Council.
55. In addition to monitoring and advising the Council on policy and services it is also responsible for finance and audit scrutiny functions previously assigned to the old Finance Audit and Scrutiny Committee. It is also responsible for residual Standards functions not otherwise assigned to Officers. While Council is the responsible body for Health Scrutiny it has delegated this function to the Scrutiny Committee except for the larger issues.
56. Moreover, the Scrutiny Committee can and has established Scrutiny Panels to consider single issues in more depth as directed. It is expected that the Chairman of the Scrutiny Committee will take a lead in the work of Scrutiny Panels. The Scrutiny Chairman has responsibility for the annual work plan that the Scrutiny Committee is required to adopt and prioritise.
57. In particular, effective scrutiny chairmanship means that much time is needed outside of meetings in collating information and ensuring good scrutiny is happening within the panels, and that the aims of the committee are aligned with the work plan but also open to change should there be priority work that arises that requires urgent attention. If the role is to be an effective one, it needs an effective SRA to allow the time to fulfil it.
58. The broad remit of the Scrutiny Committee and the active role of the Chairman in leading its work mean that the post merits an SRA paid on a par with the Vice Chairman of the Council and therefore the SRA has been reset at 50% of the Chairman's recommended SRA.
59. **It is recommended that the SRA for the Chairman of Scrutiny Committee for 2017/18 is reset at £5,262.**

## **Vice Chairmen of Committees – Scrutiny and Licensing**

60. Currently the Vice Chairmen of the Scrutiny and Licensing Committees receive an SRA set at 25% (£1,013) of the SRA paid to their respective Chairman. Consideration was given to continue to pay these Vice Chairmen an SRA as they have no role descriptions and typically these days Vice Chairmen of Committees are not

remunerated elsewhere.<sup>8</sup> On the other hand little evidence was presented to discontinue these SRAs. They do have to stand in for their respective Chairman when required, are expected to attend pre-meetings with Officers and Chairman and generally support the Chairman whether it is as a sounding board or in a meeting. Furthermore, each Vice Chairman of Scrutiny and Licensing can be expected to take a leading role in the Scrutiny Panels and Licensing Sub-Committees although thus far this aspect has been limited. Nonetheless, on balance they still merit an SRA and the current ratio of 25% of their Chairman's respective SRAs remains valid.

61. **It is recommended that the SRA for these SRAs are reset for 2017/18 as follows:**

- **Vice Chairman Scrutiny: 25% of Scrutiny Chairman's SRA: £1,315**
- **Vice Chairman Licensing: 25% of Licensing Chairman's SRA: £1,052**

### **Vice Chairmen of Committees – IFCA and Health & Well Being Board**

62. Historically the Vice Chairman of IFCA is not an elected Member and that continues to be the case. As such the Vice Chairman of IFCA is not eligible for an SRA and no recommendation is being made in this regard.
63. Although the Vice Chairman of the Health and Well Being Board does not have to be an elected Member currently that is the case. There was no evidence presented and only a very limited case made to suggest that the Vice Chairman of the Health and Well Being Board (when an elected Member) merited a SRA and no recommendation is being made in this regard.

### **Lead Members<sup>9</sup>**

64. With the adoption of the streamlined committee system the Council also appointed four new Lead Member roles as follows:
- Lead Member for Adults
  - Lead Member for Place
  - Lead Member for Planning
  - Lead Member for Smart Islands
65. The Lead Member roles are designed to “provide oversight and political leadership for their portfolio area” and “to act as public spokespersons for their portfolio area.”<sup>10</sup>

<sup>8</sup> Out of the 11 other unitary councils in south west England only two, Bournemouth and Cornwall, routinely remunerate all committee/board Vice Chairmen.

<sup>9</sup> The Council has retained a Lead Member for Finance & Resources which remains within the remit of the Vice Chairman of the Council. Although this does not have to be the case – it is more an historical pattern – potentially it could be a fifth standalone Lead Member. The Lead Member for Children's Services is treated separately (see above) as it is a statutory post with legally defined responsibilities and accountabilities.

They work with and challenge the relevant Senior Manager to oversee and monitor the development and implementation of policies and strategies through building working relationship with their relevant senior manager and regular report back to their Committee(s), Scrutiny Committee and Council on their portfolio.

66. Furthermore the representation received from Members for the most part supported the payment of an SRA for Lead Members due to this workload and the importance they assigned to the role.
67. Yet, there are a number of considerations to take into account that militates against recommending a SRA for the Lead Members:

- I. A Council of 16 Members with potentially 13 SRAs with 16 Members  
The 2006 Statutory Guidance (paragraph 72) states

*If the majority of members of a council receive a special responsibility allowance the local electorate may rightly question whether this was justified.*

This advice, known as the '50% rule', is based on the concept that by definition the majority all Members should not be paid an SRA as it undermines the purpose of SRAs. There is a valid argument to say that in a Council of 16 Members with the full range (and more) responsibilities of a unitary council, it hard not to pay more than half the Members an SRA due to the posts of significant responsibility that need to be filled. Nonetheless, it is incumbent for the review and Council to pay regard to the Statutory Guidance and as the recommendations currently stand it conforms to that Guidance as there are eight SRAs being recommended, or 50% of the Council Members. To remunerate the Lead Members would add at least another four SRAs, rising to five if the Lead Member for Finance & Resources was separated out from the role of Council Vice Chairman.

Moreover, to pay so many SRAs appears to be counterintuitive so soon after the Council has adopted a streamlined governance model only to pay up to 13 SRAs.

- II. Significant responsibility versus workload  
The 2006 Statutory Guidance (paragraph 73) goes on to state:

*It does not necessarily follow that a particular responsibility which is vested to a particular member is a significant additional responsibility for which a special responsibility allowance should be paid. Local authorities will need to consider such particular responsibilities very carefully. Whilst such responsibilities may be unique to a particular member it may be that all or most members have some such responsibility to varying degrees. Such duties may not lead to a significant extra workload for any one particular member above another. These sorts of responsibilities should be recognised as a time*

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<sup>10</sup> See Lead Member Profiles on Council website <http://committees.scilly.gov.uk/mgCommitteeDetails.aspx?ID=293>

*commitment to council work which is acknowledged within the basic allowance and not responsibilities for which a special responsibility allowance should be recommended.*

It is clear that there is a workload associated with being a Lead Member, particularly liaising with Officers and reporting back to Council and in certain instances being appointed to other bodies as a result of the Lead Member 'portfolio'. But a similar argument can be made for most Members whether that is sitting on Scrutiny Panels or also representing the Council on outside bodies.

Moreover, at this stage the additional 'significant additional responsibility' undertaken by Lead Members is not clear – while they have portfolio remits they do not have formal decision making powers.

### III. Evolving role

The role of Lead Members as now constituted is still evolving and at this juncture it is still too early to accurately gauge if Lead Members have developed clear lines of accountability and how they fit in vis-à-vis the Chair of Scrutiny and the work programme carried out by the Scrutiny Panels.

### IV. Giving cognisance to the Council's savings commitment from Members' Allowances

To recommend an SRA for the Lead Members would along with the other recommendations contained in this report breach the Council's commitment to find at least £25,000 savings from the Members' Allowances budget.

68. While it was a hard call to make on balance bearing in mind the broader context of the streamlined governance model and financial constraints there is an insufficient body of evidence at this stage to recommend an SRA for Lead Members. **It is not recommended that an SRA is paid to the Lead Member roles until further experience of the role is gained, with the exception of the recommended SRA for the Lead Member for Children.**

## **Adopting the 1-SRA only rule**

69. The 2003 Members' Allowances Regulations do not prohibit the number of SRAs an individual may be paid as it is recognised that there may be particular local circumstances that merit a Members being paid more than one SRA. The allowances scheme for the Council of the Isles of Scilly has provision for Members to receive up to 2 SRAs. This made more sense where there was a more expansive committee model of governance. Moreover, it is common in most authorities<sup>11</sup> to impose a limit of one SRA per member as it militates against the concentration of power in fewer hands by 'collecting' more than one remunerated post. The 1-SRA only rule also had support in the representation received.

<sup>11</sup> For instance in south west unitary councils Bristol, Cornwall, Plymouth, Poole, South Gloucestershire and Swindon operate a 1 SRA only rule.

70. **It is recommended that the Council of the Isles of Scilly adopt a 1-SRA only rule so that regardless of the number of remunerated posts a Member may hold they are only able to be paid one SRA.**

### **The Co-optees' Allowances**

71. Currently, there is provision in the Council's allowances scheme to pay a Co-optees' Allowance of £110.09 per year for statutory co-optees who are not otherwise remunerated in a professional capacity for being co-opted on a committee or panel of the council. This provision related primarily to statutory co-optees appointed to the old Standards Committee. There is no longer a requirement to appoint a Standards Committee and the Council no longer appoints one. Consequently, this provision for a Co-optees' Allowance is now redundant.
72. **It is recommended that the Co-optees' Allowance of £110.09 per year is abolished.**
73. **For the sake of clarity, no allowance should be payable to the co-optees on the Health and Well Being Board or IFCA. They have never been eligible for a co-optees' allowance and this should continue to be the case.**

### **Travel and Subsistence Allowances**

74. No issues were raised regarding the scope and levels of travel and subsistence allowances payable. **It is recommended that there is no change to the Travel and Subsistence Allowances either in maximum rates claimable and scope of approved duties for which they may be claimed.**

### **The Dependants' Carers' Allowance**

75. The 2003 Members' Allowances Regulations do not provide authority for the Council of the Isles of Scilly to pay a Dependants' Carers' Allowance, so no recommendation is being made in this regard.

### **Indexation of Allowances**

76. **It is recommended that the Council index their allowances, if it so wishes, for the next four years, based on the following indices:**
- **Basic Allowance, SRAs and Co-optees' Allowances:**
    - Indexed to the annual local government pay percentage increase as agreed each April by the National Joint Committee for Local Government

Services, to be implemented the same year that it applies to Officers. For instance, if the staff receive a 2% cost of living pay increase for 2018/19, which is the current offer from employers, then the Basic Allowance and SRAs should be increased by 2% from the same date it applies to Officers, normally 1 April of each year.

- **Travel Allowance – Mileage Rates:**
  - Indexed to HMRC approved mileage rates for motor vehicles, motor cycles and bicycles
- **Subsistence Allowances:**
  - Indexed to the same rates that apply to Officers

### **Implementation of Recommendations**

77. **It is recommended that the proposals contained in this report should be implemented from the date of the council meeting at which the Council adopted the new stream lined model of governance, namely Annual Council 2017 with the following exception:**
- **Implementation of relevant indices of allowances: from 1 April 2018**

## **Appendix One: Declan Hall – Experience and Background**

### **Self Employed Councillor Remuneration Consultant**

July 2010 to present

Experience with reviewing allowances goes back to the pilot for the current mode - the Camden LBC non-statutory panel 1997. I have chaired, been member of, advisor to and/or trained over 60 local authority Independent Remuneration Panels and numerous other non-statutory panels to provide advice on Councillor remuneration and support.

I have also worked on reviewing allowances for Combined Authorities and elected Metro Mayors and working with councils to introduce a performance related element of Councillor remuneration.

I was on an Expert Panel for widening access to being a Councillor (2014-15) (Welsh Ministerial appointment).

The most recent example of other recent example of non-allowances work was development of scrutiny models for Ashfield District Council (Spring 2017)

### **The University of Birmingham, Birmingham Lecturer**

July 1993 – June 2010

I taught British central and local government and US state and local government. I also developed a series of workshops on reviewing Councillors' Allowances for local government Officers and Councillors and Chairs of local Independent Remuneration Panels as well as developing and leading on a number of in-authority Member Development seminars and courses.

Other work included research for central government on Councillors remuneration and support, in particular where I along with Sir Rodney Brooke led the research on Councillor Remuneration for the Councillor Commission (2007). I also worked on new forms of political management and on democratic participation, with particular emphasis on Citizens' Juries where I organised and chaired two and evaluated the six national pilot Citizens' Juries. I also worked and published on other forms of democratic participation and consultation.

Working extensively with Councillors, Officers and other public and third sector body representatives whether it was through councillor development courses (mostly around member roles), council governance reviews, democratic engagement or undertaking research projects for local, devolved and central governments, including developing governance models under the Local Government Act 2000.

### **Other**

I have held 2 public appointments

- As a member of the Scottish Local Authorities Remuneration Committee (SLARC) 2004-2011
- As a member of the Independent Remuneration Panel for Wales 2007-2012

Also chaired the Advisory Panel on Councillor Remuneration 2005-6 (Ministerial appointment), with responsibility for up to £20 million in public spending.

I have also been

- A political science lecturer at University of Southern Indiana (1991-2),
- A political science teaching assistant at Southern Illinois University (1986-87 and 1988-1990),
- A politics tutor at the Queen's University of Belfast (1985-6),
- A lobbyist/fundraiser for Illinois Public Action Council (IPAC - 1986), mostly working promoting public interest and consumer issues in the greater Chicago area.

## **Appendix Two: Information Considered**

1. Terms of Reference
2. Council of Isles of Scilly full scheme of allowances including travel and subsistence rates and terms and conditions, 2016/17
3. Report to Council, “New Governance Arrangements”, 18 April 2018
4. List of Council Committees, Boards, Panels etc., 2017/18
5. List of Councillors and Committees including any posts held where relevant
6. Council of the Isles of Scilly, Standing Orders 2017, including terms of reference for committees, etc
7. Flow diagram showing Council of the Isles of Scilly, structure adopted for the streamlined committee system
8. Lead Member Role Profiles
9. Statutory Instrument 2017/326, The Isles of Scilly (Electoral Changes) Order 2017
10. Boundary Commission, Final recommendations on the electoral arrangements for the Council of the Isles of Scilly, December 2016
11. A Review of Members’ Allowances for the Council of the Isles of Scilly, Report by the Independent Remuneration Panel October 2015
12. New Council Constitutions: Guidance on Regulation for Local Authority Allowances 2003, reissued by Department for Communities & Local Government, 5 May 2006
13. The Local Authorities (Members’ Allowances) (England) Regulations 2003 (SI2003 No. 1021)
14. Pay increase: National Joint Council for Local Government Services LGS Pay 14-16 @ 2.2%
15. Pay increase National Joint Council for Local Government Services LGS Pay 2016 and 2017 @ 1% per year
16. Table 8.1a, ASHE average Weekly Pay – Gross –for all full time jobs 2016 – Isles of Scilly - Home Geography, revised, 26 October 2017, ONS
17. Written responses from Members (X 5)

## **Appendix Three: Members interviewed and Officers who provided a briefing**

### **Members:**

Cllr Lady M. Berkeley:	Bryher Member
Cllr Mrs F. Grottick:	Vice-Chairman of Council & Lead Member Finance & Resources (St Mary's)
Cllr H. Legg:	St Agnes Member
Cllr D. Marcus:	Lead Member Planning (St Mary's)
Cllr T. Moulson:	Chairman of the Council (St Mary's)
Cllr Mrs A. Mumford:	Chairman of Scrutiny Committee (St Mary's)
Cllr S. Sims:	Vice-Chairman of Scrutiny Committee (St Mary's)
Cllr J. Smith:	Lead Member Smart Islands (St Martin's)
Cllr S. Watt:	Chairman of Licensing Committee (St Mary's)
Cllr J. Williams:	Chairman Health & Wellbeing Board & Lead Member for Children & Young People (St Mary's)

### **Officer Briefings**

Bob Dawson:	Officer: Policy and Scrutiny
Craig Dryden:	Senior Manager: Strategic Development
Aisling Hick:	Senior Manager: Services to our Community/Director for Children
Theo Leijser:	Chief Executive
Nicola Stinson:	Senior Manager: Planning and Infrastructure
Matthew Stokes:	Monitoring Officer
Andrew Thomas:	Democratic Services & Member Liaison Officer
Tom Walton:	Officer: Communications and Governance

## Appendix 4: Selected Benchmarking Information

### Comparing Totals Spent on Basic Allowance and SRAs and as percentage of Budget – selected Councils 2016/17

Council	Budget 16/17	SRA and BA 16/17	% of budget on SRA/BA
<b>Bath and North East Somerset</b>	£115,729,000	£810,277	0.70%
<b>Cornwall Council</b>	£494,620,000	£1,747, 737	0.35%
<b>Plymouth City Council</b>	£184,750,000	£911,559	0.49%
<b>Council of Isles of Scilly</b>	£4,700,000	£90,426	1.92%

In addition the Members' Allowances Schemes (2017/18) for all other Unitary Councils in the South West was reviewed for comparative purposes, namely:

1. Bath and North East Somerset Council
2. Borough of Poole Council
3. Bournemouth Borough Council
4. Bristol City Council
5. North Somerset Council
6. Plymouth City Council
7. South Gloucestershire Council
8. Swindon Borough Council
9. Torbay Council
10. Wiltshire Council

**Unitary Authorities in England (56) – Select Data**  
 Expenses and allowances figures provided by Tax Payer's Alliance  
 All other data provided through FOI requests

Unitary Authority	System of Governance 15/16	Permitted Members 15/16	Basic per Member 14/15	Allowances & Expenses paid 14/15 TOTAL	Allowances & Expenses paid per head average	Council REVENUE Budget 14/15	% of Budget spent on Members 14/15	Band D Council Tax (ex pp)	Number of Officers salaries >£100k
Bath and North East Somerset	Executive	65	£7852	£791,343	£12,174	£138,935,000	0.57%	£1,202	19
Bedford Borough	Executive	40	£10,156	£628,444	£15,711	£153,138,000	0.41%	£1,302	14
Blackburn with Darwen Borough	Executive	64	£5393	£511,011	£7,984	£150,961,000	0.34%	£1,267	11
Blackpool Borough	Executive	42	£6092	£444,329	£10,579	£171,753,000	0.26%	£1,306	6
Bournemouth Borough	Executive	54	£9291	£868,059	£16,075	£157,386,000	0.55%	£1,244	8
Bracknell Forest Borough Council	Executive	42	£8687	£583,404	£13,890	£90,487,000	0.64%	£1,094	9
Brighton and Hove City Council	<b>COMMITTEE</b>	54	£11,463	£855,461	£15,799	£258,412,000	0.33%	£1,339	13
Bristol City Council	Executive	70	£11,530	£1,078,203	£15,402	£423,413,000	0.25%	£1,419	25
Central Bedfordshire Council	Executive	59	£10,995	£1,043,892	£17,692	£212,558,000	0.49%	£1,308	18
Cheshire East Council	Executive	82	£11,200	£1,366,159	£16,660	£290,872,000	0.47%	£1,216	11
Cheshire West and Chester Council	Executive	75	£11,573	£1,185,579	£15,807	£281,566,000	0.42%	£1,275	15
City of York Council	Executive	47	£7193	£539,851	£11,486	£142,630,000	0.38%	£1,166	5

Cornwall Council	Executive	123	£12,249	£1,964,317	£15,970	£505,522,000	0.39%	£1,294	17
<b>Unitary Authority</b>	<b>System of Governance 15/16</b>	<b>Permitted Members 15/16</b>	<b>Basic per Member 14/15</b>	<b>Allowances &amp; Expenses paid 14/15 TOTAL</b>	<b>Allowances &amp; Expenses paid per head average</b>	<b>Council REVENUE Budget 14/15</b>	<b>% of Budget spent on Members 14/15</b>	<b>Band D Council Tax (ex pp)</b>	<b>Number of Officers salaries &gt;£100k</b>
Darlington Borough Council	Executive	50	£8242	£646,716	£12,934	£96,946,000	0.67%	£1,263	5
Derby City Council	Executive	51	£10,076	£814,829	£15,977	£217,185,000	0.38%	£1,189	7
Durham County Council	Executive	126	£13,300	£2,037,836	£16,173	£501,606,000	0.41%	£1,334	24
East Riding of Yorkshire Council	Executive	67	£10,818	£1,113,711	£16,622	£266,867,000	0.42%	£1,216	16
Halton Borough Council	Executive	56	£8128	£738,114	£13,180	£126,406,000	0.58%	£1,204	6
Hartlepool Borough Council	Executive	33	£5824	£264,483	£8,014	£103,654,000	0.26%	£1,419	6
Herefordshire Council	Executive	53	£7244	£628,837	£11,864	£165,880,000	0.38%	£1,275	7
Hull City Council	Executive	59	£12,479	£1,018,057	£17,255	£263,008,000	0.39%	£1,470	19
Isle of Wight Council	Executive	40	£7903	£461,459	£11,536	£146,214,000	0.32%	£1,342	4
Leicester City Council	Executive	55	£9829	£898,222	£16,331	£327,506,000	0.27%	£1,302	13
Luton Borough Council	Executive	48	£7500	£455,865	£9,471	£174,785,000	0.26%	£1,243	5
Medway Council	Executive	55	£8731	£733,254	£13,331	£218,390,000	0.34%	£1,187	11
Middlesbrough Borough Council	Executive	47	£6129	£577,931	£12,296	£158,363,000	0.36%	£1,380	8
Milton Keynes Council	Executive	57	£9863	£765,745	£13,434	£206,709,000	0.37%	£1,160	7
North East Lincolnshire Council	Executive	42	£7541	£494,950	£11,784	£149,865,000	0.33%	£1,297	10

North Lincolnshire	Executive	43	£6874	£548,758	£12,761	£142,631,000	0.38%	£1,284	4
<b>Unitary Authority</b>	<b>System of Governance 15/16</b>	<b>Permitted Members 15/16</b>	<b>Basic per Member 14/15</b>	<b>Allowances &amp; Expenses paid 14/15 TOTAL</b>	<b>Allowances &amp; Expenses paid per head average</b>	<b>Council REVENUE Budget 14/15</b>	<b>% of Budget spent on Members 14/15</b>	<b>Band D Council Tax (ex pp)</b>	<b>Number of Officers salaries &gt;£100k</b>
North Somerset Council	Executive	50	£8193	£741,050	£14,821	£170,923,000	0.43%	£1,165	3
Northumberland County Council	Executive	67	£12,819	£1,282,060	£19,135	£307,023,000	0.42%	£1,428	18
Nottingham City Council	Executive	55	£11,762	£1,078,235	£19,604	£325,966,000	0.33%	£1,460	17
Peterborough City Council	Executive	60	£7962	£665,829	£11,097	£164,883,000	0.40%	£1,128	17
Plymouth City Council	Executive	57	£10,201	£937,107	£16,440	£231,584,000	0.40%	£1,321	8
Poole Borough Council	Executive	42	£9,374	£541,784	£12,899	£115,847,000	0.47%	£1,210	3
Portsmouth City Council	Executive	42	£10,358	£569,150	£13,551	£185,342,000	0.31%	£1,172	11
Reading Borough Council	<b>COMMITTEE</b>	46	£8221	£445,461	£9,683	£143,736,000	0.31%	£1,365	9
Redcar and Cleveland Borough	Executive	59	£9550	£729,305	£12,361	£141,422,000	0.52%	£1,376	10
<b>Rutland County Council</b>	<b>Executive</b>	<b>26</b>	<b>£3770</b>	<b>£182,537</b>	<b>£7,020</b>	<b>£32,823,000</b>	<b>0.56%</b>	<b>£1,431</b>	<b>2</b>
Shropshire Council	Executive	74	£11,514	£1,161,058	£15,689	£250,651,000	0.46%	£1,165	14
Slough Borough Council	Executive	42	£7084	£445,997	£10,618	£117,416,000	0.38%	£1,173	10
South Gloucestershire Council	<b>COMMITTEE</b>	70	£10,835	£1,032,732	£14,753	£207,398,000	0.50%	£1,245	5
Southampton City Council	Executive	48	£11,159	£695,330	£14,486	£212,557,000	0.33%	£1,314	11

Southend-on-Sea Borough Council	Executive	51	£8533	£624,628	£12,247	£150,956,000	0.41%	£1,160	14
Stockton-on-Tees Borough Council	Executive	56	£9300	£750,441	£13,400	£171,537,000	0.44%	£1,338	17
<b>Unitary Authority</b>	<b>System of Governance 15/16</b>	<b>Permitted Members 15/16</b>	<b>Basic per Member 14/15</b>	<b>Allowances &amp; Expenses paid 14/15 TOTAL</b>	<b>Allowances &amp; Expenses paid per head average</b>	<b>Council REVENUE Budget 14/15</b>	<b>% of Budget spent on Members 14/15</b>	<b>Band D Council Tax (ex pp)</b>	<b>Number of Officers salaries &gt;£100k</b>
Stoke-on-Trent City Council	Executive	44	£12,000	£763,603	£17,354	£251,210,000	0.30%	£1,183	12
Swindon Borough Council	Executive	57	£7710	£626,358	£10,988	£164,080,000	0.38%	£1,146	8
Telford and Wrekin Borough	Executive	54	£7870	£613,484	£11,360	£150,445,000	0.41%	£1,147	8
Thurrock Council	Executive	49	£8554	£625,037	£12,755	£136,475,000	0.46%	£1,125	18
Torbay Council	Executive	37	£8035	£432,465	£11,688	£136,166,000	0.32%	£1,261	4
Warrington Borough Council	Executive	58	£7911	£693,049	£11,949	£159,348,000	0.43%	£1,206	13
West Berkshire Council	Executive	52	£6186	£486,914	£9,363	£125,867,000	0.39%	£1,263	4
Wiltshire Council	Executive	98	£12,412	£1,851,579	£18,893	£368,135,000	0.50%	£1,222	23
Windsor and Maidenhead Borough	Executive	57	£7255	£605,526	£10,623	£95,360,000	0.63%	£907	3
Wokingham Borough Council	Executive	54	£7424	£563,627	£10,437	£120,123,000	0.47%	£1,246	10
<b>ISLES OF SCILLY</b>	<b>COMMITTEE</b>	<b>21</b>	<b>£3,421</b>	<b>£107,823</b>	<b>£5,134</b>	<b>£5,124,000</b>	<b>2.72%</b>	<b>£1,072</b>	<b>1</b>
<b>UNITARY AUTHORITY AVERAGES</b>	<b>52 – exec 4 – comm</b>		<b>£8,992 BASIC PER MEMBER</b>	<b>£742,477 MEMBER BUDGET</b>		<b>£194,393,000 COUNCIL REVENUE BUDGET</b>	<b>0.45%</b>	<b>£1,254</b>	



## Council of the Isles of Scilly report

# Appointment of Chief Financial Officer/Section 151 Officer

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**Date** 22 March 2018

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**Meeting** Full Council

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**Part** 1

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**Authors** Matt Stokes, Monitoring Officer

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## Recommendations

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1. That Members appoint Russell Ashman as the Council's Chief Financial Officer and Section 151 Officer with effect from 1 April 2018.
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1. Members will be aware that the Council's current Section 151 Officer, Andy Brown, has now been appointed as the Section 151 Officer and Chief Financial Officer for Cornwall Council and so will not be able to continue as this Council's Section 151 Officer. The current appointment was made as part of the Council's collaborative working arrangements with Cornwall Council and it is proposed that a further appointment is made under those arrangements.
2. Members may wish to refer to the Strategic Collaboration with Cornwall Council report presented to Full Council on 27 September 2016, insofar as it relates to the appointment of the Section 151 Officer. That report is available at this link:  
  
<http://committees.scilly.gov.uk/documents/g948/Public%20reports%20pack%2027th-Sep-2016%2009.30%20FULL%20COUNCIL.pdf?T=10>
3. Section 151 of the Local Government Act 1972 requires every authority in England and Wales to "... *make arrangements for the proper administration of their financial affairs and shall secure that one of their Officers has responsibility for the administration of those affairs*". The terms Chief Financial Officer and Section 151 Officer are interchangeable.
4. This appointment must be made by Members at a meeting of Full Council. This is reflected in the Council's Standing Orders which reserve the power to make the appointment to Full Council. It is not appropriate, and nor would it be lawful, for delegation of authority to make the appointment to the Chief Executive or any other officer.
5. It is not necessary for the person appointed to this role to be an employee of the Council. However, by making an appointment as the Council's Section 151 Officer, the Council will effectively be appointing that person as an officer of the Council, so satisfying the statutory requirement in the 1972 Act.
6. The Local Government Finance Act 1988 introduced further requirements including that the post holder must be a member of an authorised accountancy body. Those bodies are:
  - (a) the Institute of Chartered Accountants in England and Wales,
  - (b) the Institute of Chartered Accountants of Scotland,
  - (c) the Chartered Association of Certified Accountants,
  - (d) the Chartered Institute of Public Finance and Accountancy,
  - (e) the Institute of Chartered Accountants in Ireland,
  - (f) the Chartered Institute of Management Accountants, and
  - (g) any other body of accountants established in the United Kingdom and for the time being approved by the Secretary of State for the purposes of this section.

7. It is proposed that Russell Ashman is appointed as the Council's Section 151 Officer/Chief Financial Officer. He has been employed in the finance function of Cornwall Council for a number of years, including in senior roles and he has the necessary qualifications to meet the requirements of the 1988 Act, being an Associate Chartered Management Accountant and a Chartered Global Management Accountant. Further, given Mr Ashman's involvement to date in providing services to this Council, through supporting Mr Brown, the proposed appointment will provide some continuity.
8. It is understood that, subject to confirmation of appointment by this Council, Cornwall Council is prepared to make Mr Ashman available under the existing collaborative arrangements and, importantly, it is understood that Mr Ashman is willing to take on this role. Once appointed, Mr Ashman can appoint a deputy. It is anticipated that the current Deputy Section 151 Officer for this Council, Mr Mike Harris, will be confirmed in that role.
9. The date suggested for the commencement of the appointment is considered to be a convenient date aligned to the beginning of the financial year. Although there is a minor risk of conflicts arising between the date of the meeting and the commencement of the role, any conflicts that arise can be managed in accordance with the conflict procedures in place as part of the collaborative working arrangements. The proposed date can be changed but it is suggested that it should not be earlier than 23 March and not later than 1 April 2018.
10. If Members are not minded to make the proposed appointment, alternative arrangements will need to be made to meet the statutory requirements referenced above. Prior to the appointment of Mr Brown in September 2016 this Council undertook an options analysis which favoured the appointment of a Section 151 Officer/Chief Financial Officer under the collaborative arrangement with Cornwall Council, rather than employing direct, doing nothing or entering into an arrangement to share the role with the Council's then existing consortium of local authorities. An alternative approach would result in delay and most likely additional cost.

### **Financial implications**

11. The recommended approach does not give rise to any additional financial implications for the Council and, in fact, limits the Council's exposure because of the terms on which the finance function is discharged for the Council under the collaborative arrangements with Cornwall Council.

### **Legal implications**

12. The statutory requirements the Council must comply with are mentioned in the

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report. Failure to appoint a Section 151 Officer/Chief Financial Officer will put the Council in breach of its statutory duty. It may also draw criticism from the Council's auditors.

13. The Council's Standing Orders reserve the appointment of the Section 151 Officer/Chief Financial Officer to Full Council. The responsibility cannot properly be delegated. Further, the Standing Orders include a requirement to ordinarily convene an appointment panel to undertake the preliminary assessment of a candidate for this role, and other roles, before making a recommendation to Full Council. That requirement is entirely appropriate in other circumstances but in this case there is only one person being put forward by Cornwall Council and the officer will not be an employee of the Council. It is therefore considered appropriate for the requirement for a panel to be dispensed with, particularly as all Members, through this meeting, are able to participate in the proposed appointment.
14. It will be necessary to amend the agreement between the two Councils relating to the provision of statutory officers to reflect the decision Members make at the meeting.

### **Other implications**

15. None.

### **Appendices**

None.

### **Approval**

<b>Senior Manager</b>	Theo Leijser, Chief Executive	08/03/2018
<b>Financial</b>	Andy Brown, Section 151 Officer	12 March 2018
<b>Legal</b>	Matt Stokes, Monitoring Officer	08/03/2018

# Agenda Item 18

## Council of the Isles of Scilly report

### Review of Management and Operations

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**Date** 22 March 2018

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**Meeting** Full Council

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**Part** 1

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**Authors** Theo Leijser, Chief Executive

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### Recommendations

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1. That members approve the objectives for the review of management and operations as set out in paragraph 6.
  2. That members establish a panel to oversee the commissioning process and contract implementation subject to the outcome of discussions with the Local Government Association and funds being made available.
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1. On 18 January 2018, Full Council approved the assumptions to be used in setting the Council's legally balanced budget for the financial year 2018/19. Members resolved that an external review of management and operations be commissioned with a focus on possible savings to address future budget shortfall. This report provides an update on the work undertaken to date.
2. It is the view of the Chief Executive that the review should ensure that the objectives and priorities of the Council can be delivered effectively and that the Council is well-positioned to address the changing policy context for local government such as funding reform as well as the need to deliver services in partnership with other public bodies and local communities.
3. At a time of continued resource constraints, it is important that management overheads are kept under control and that proposals do not take resources away from front line service delivery. The proposals must aim to be revenue neutral, identify efficiencies and/or improve service quality. The review will seek to build on the considerable strengths that already exist within the senior team.
4. There is a need for the Council to take proactive and targeted action to reduce its budget gap. It will not be sustainable simply to continue to scale down existing staff numbers as there would not be sufficient capacity to continue current service provision. The Council needs to review the organisation based on an agreed set of priorities for outcomes and service delivery.
5. The Council is already working on a frame of agreed principles and objectives through the Corporate Plan refresh. This will provide a good foundation for taking forward a review of management and operations.
6. The review is designed to achieve the following objectives:
  - To have a leadership and management structure which delivers the refreshed Corporate Plan; Transformational Programmes; and provides the capacity for the wider place leadership role of the Council with other partners
  - To develop fit for purpose leadership and management structure which is ready and able to support the Council
  - Culturally to use this work to help reset the member / officer relationship through ensuring resident and outcomes first; service delivery / business units second
  - To address specific member concerns about capacity and capability and communications
  - To provide career progression opportunities within the organisation as part of talent management
  - To develop a structure that is understood by partners and is attractive to potential new applicants.

7. It is proposed that the commissioning process for the tender and the monitoring of the implementation of the contract are overseen by a panel of elected members.

### **Financial implications**

8. There is currently no budget provision for commissioning external consultants. Comparable commissions have cost between £80k and £500K. The Chief Executive proposes to work with the Local Government Association and explore whether improvement funding for this review can be identified. A further report will be presented to members once resources have been secured.
9. The outcome of the review and potential changes would enable the Council to incorporate savings into its 2019 – 20 budget.

### **Legal implications**

10. As the value of the contract will exceed £25K, it would be subject to Council procurement policy. The timescales associated with tendering under the procurement policy are such that a contract would not be able to be awarded until autumn.
11. In adopting the recommendations contained in this report, the Council is acting within its legal powers.

### **Other implications**

12. The recommendations contained in this report aim to promote the financial sustainability of the Council and its priority services.

### **Appendices**

None.

## Approval

<b>Senior Manager</b>	Theo Leijser, Chief Executive	13/03/18
<b>Financial</b>	Andy Brown, Section 151 Officer	14 March 2018
<b>Legal</b>	Matt Stokes, Monitoring Officer	13 March 2018

## Council of the Isles of Scilly report

# Integrated Strategic Commissioning

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**Date** 22 March 2018

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**Meeting** Full Council

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**Part** 1

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**Authors** Bob Dawson, Officer: Policy & Scrutiny

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## Recommendations

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- 1.** That members note the requirements of Gateway Check 1 and approve the approach to integrated strategic commissioning, in principle.
  - 2.** That members support the use of 2018/19 to test the concept, reviewing and refining the proposed model for an Integrated Care System.
  - 3.** That members endorse the move to a mobilisation phase and request a detailed business case is developed for further consideration in Autumn 2018, subject to Gateway Check 2.
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1. The relevant policy direction comes from [Next Steps On The NHS Five Year Forward View](#) (March 2017). This highlights the 'triple integration' of primary and specialist hospital care, physical and mental health services, and health and social care. The local framework for integration is the Sustainability and Transformation Plan for Cornwall and the Isles of Scilly ([Shaping our Future](#)).
2. Through the development of *Shaping our Future* it was agreed to develop one Integrated Care System (ICS). The ICS promotes collaborative working of the area's health and care commissioners for the benefit of the people of Cornwall and the Isles of Scilly.
3. The four commissioning bodies: Council of the Isles of Scilly, Cornwall Council, NHS Kernow Clinical Commissioning Group and NHS England have without exception, and through their independent governance arrangements, supported the development of an outline business case to explore further the same preferred option for integrated strategic commissioning.
4. The case for change and options development for the development of a single integrated strategic commissioning function for health, care and wellbeing services across Cornwall and the Isles of Scilly is presented in Appendix A (e.g. sections 1-4 & 8). Subject to agreement on the direction of travel it is proposed that during 2018/19 the four commissioning organisations work collaboratively to test the concept, design and refine the proposed model and develop a more detailed business case for consideration by all relevant organisations in autumn 2018. A key component of the mobilisation and design phases between April and September 2018 will be engagement with GPs, the wider health, care and wellbeing community, the public and staff.
5. The timescale for setting intended population outcomes is linked with the refreshed Joint Strategic Needs Assessments (JSNA) for both Cornwall and the Isles of Scilly. The JSNAs are being designed as evolving, linked documents and a first tranche of priorities is proposed for July 2018. The JSNA underpins the Joint Health & Wellbeing Strategy (JHWS), referred to in Appendix A S14. Both the JSNA and JHWS are statutory responsibilities of Health & Wellbeing Boards. The Council's JSNA is therefore being refreshed in order to inform the local vision to improve health outcomes and reduce health inequalities, and thereby the strategy direction for integrated commissioning.
6. Appendix A Section 5.3 refers to the need to significantly improve quality and efficiencies at pace. Members are reminded that this refers to system reform as a whole. There is distinct from good, place-based ways of working on the islands that may already represent good examples of integrated working. Members are reminded that system reform will be assured and performance managed jointly by NHS England and NHS Improvement. The Joint Committee provides strong democratic oversight, with appropriate representation identified by individual organisations.

### **The process to date**

7. Strategic commissioning is a key element of system reform. Through a place-based focus, integrating strategic commissioning for health, care and wellbeing services will support:
  - a. The development of a shared commissioning vision within the context of a joint approach to deliver improved health and social care outcomes;
  - b. Alignment of budgets and the commissioning workforce to reduce fragmentation of services and bring new perspectives, skills and experience to support stronger commissioning;
  - c. A unified and stronger commissioning function with a single decision-making process, increasing clinical influence over both health and care commissioning to best meet the needs of the local population;
  - d. Increased democratic control to ensure open and transparency and public engagement in decision-making;
  - e. Driving the integration of services and functions that improve quality and reduce health inequalities
8. Following the policy guidance published by NHS England in March 2017, an update regarding a possible Accountable Care System (ACS) was presented at the May 2017 meeting of the *Shaping our Future* Transformation Board, where the Council is represented by the Lead Member for Adults. The Chief Executive is also in attendance. Members are reminded that the current Judicial Reviews concern Accountable Care Organisations. These are different and not being considered for Cornwall and the Isles of Scilly.
9. In September 2017, the Board was informed that a Transformation Director had been secured with support from NHS England, to take up this role in early October for six months.
10. NHS England published refreshed 2018/19 planning guidance that now requires STPs to refer to Accountable Care Systems as Integrated Care Systems (ICSs) moving forward.
11. A number of options were developed by the Integrated Strategic Commissioning Steering Group, evaluated and ranked by officers and submitted to each of the commissioning bodies for consideration of a preferred option.
12. Since the development of an ICS does not represent substantial variation or development of services, there is no requirement for public consultation (where Full Council would be the formal consultee). Therefore, consideration of the options came to the Council's Scrutiny Committee for consideration on 1 February 2018 under its delegated health scrutiny function.
13. The committee considered that the preferred option was for integrated strategic commissioning of health and social care through a new commissioning vehicle ('Option 6'). There was an expectation that this new vehicle would require development of working arrangements between the Health and Wellbeing

Boards of Cornwall and the Isles of Scilly, rather than the establishment of a completely new entity.

14. The committee did not propose to remove any of the remaining five options from future consideration. However, it was felt that to do nothing (Option 1), or to separate children's and adults commissioning (Option 5) was undesirable.
15. The committee was of the opinion that an Outline Business Case (OBC) developed on the basis of the preferred option be brought back to the committee to ensure that appropriate assurance for the isles of Scilly was in place. However, because of timings the chairman of the committee requested that the OBC – effectively the Gateway Check 1 described in Appendix A Section 5.6 - be referred directly to Full Council. In addition, the chairman consulted statutory members of the Council's Health & Wellbeing Board regarding required assurances because of potential implications for the governance of that body.
16. It was felt that the following criteria were appropriate in evaluating the options, as reported in the Scrutiny Committee update to Full Council on 22 February but subject to local refinement in keeping with a place-based approach:
  - a. Whole systems approach - the new arrangements must support greater levels of integration around the needs of Isles of Scilly residents which is measurable and tested by users and carers.
  - b. Mutuality -The design of the new arrangements should promote mutual accountability for the achievement of improved outcomes, and that no one organisation should be seen to 'take over' another.
  - c. Accountability - Elected Members of the Council of the Isles of Scilly remain accountable for their responsibilities. Any new arrangements must clearly set out how this accountability will be discharged through formal legal partnership agreements and clear schemes of delegation and must not dilute local democratic leadership of these functions.
  - d. Accountability - the statutory roles of Director of Adult Social Services and Director of Children's Services must remain accountable for the delivery of Council functions to the Local Authority and for professional standards.
  - e. Financial - the new arrangements must be able to support the delivery of the Council's Medium Term Financial Plan (MTFP) with clear accountability for the achievement of savings plans underpinned by clear risk management arrangements.
  - f. Financial - that responsibility for historical deficits remain with the originating organisation. There can be no pooling of deficits.
  - g. Financial - budgets will continue to be set in relation to the authority's responsibilities with regard to health and care through the Council's MTFP process.

- h. Performance - The new arrangements must be able to support the delivery of the Council's performance priorities, with appropriate performance management in relation to service improvement within any new delivery mechanism
  - i. Regulation - the new arrangements should have the support of the key regulators for health and social care services -CQC, NHS England and NHS Improvement.
  - j. Staffing - the new arrangements should have the confidence and support of the staff transferring into new ways of working.
17. Members may wish to have regard to these criteria in order to inform their opinion on moving to the mobilisation phase. However, members are reminded that the main focus of the OBC is strategic commissioning. Members may have concerns relating to the implications of any Integrated Care Partnership (ICP) for provider commissioning of services (so-called 'tactical commissioning') and the need for such commissioning to be
- a. 'island-proofed', i.e. to have regard to the costs and challenges of delivering services on the islands, and to the ability of patients to access services on the mainland.
  - b. consistent with members' strategic objectives (and underlying responsibilities).

The information on provider commissioning and the ICP should emerge in the next few months, as indicated in the member briefing provided by NHS Kernow on Feb 28.

## **Outline Business Case**

- 18. It is recognised that although there is a need to improve health outcomes and reduce inequalities, the transformation process needs to be one of incremental, evidence-based change to develop an effective integration mechanism for integrated strategic commissioning.
- 19. Key to comprehensive engagement with commissioners and project management are the proposed 'gateway checks'. These allow individual commissioners the opportunity to confirm whether sufficient progress has been made, and that assurances are in place to permit progress to a next phase. To enhance diligence, where possible the Scrutiny Committee will provide evaluation and recommendations to Council ahead of each Gateway Check. It is for members to consider the potential risks for each phase. In turn this should inform the ICS risk register.
- 20. The proposed 'Joint Committee' or other vehicle provides for democratic oversight of the strategic commissioning process. The cross-organisational officer group is responsible to the 'Joint Committee' and the Senior Responsible Officer would attend meetings. In the mobilisation phase a management group would be established that would report to respective organisations while options

are developed for the most appropriate vehicle. For example this could be a subcommittee of Cornwall's Health & Wellbeing Board.

21. The potential for closer working with Devon is expressed in Appendix A Section 4.1 with regard to the needs of the population of eastern Cornwall. As Derriford Hospital (Plymouth Hospitals NHS Trust) is the trauma centre for patients from the Isles of Scilly, members may feel that such closer working with relevant partners is a requirement for the mobilisation phase.

### **Implementation and risks**

22. Reference is made in Appendix A, Section 3 to differences in the approach to commissioning, procurement and contracting between the NHS and local authorities, which is likely to be a key priority for responsible officers to resolve.
23. The Council commissions a range of services reflecting duties laid out in legislation and agreed priorities. Funding elements include the public health grant (£131K in 2018/19) and the Council's financial settlement from government. The Council also commissions services through the Better Care Fund for which there is a £168K allocation in 2018/19.
24. Members should be aware of a distinction between pooled and aligned budgets. One pooled budget more accurately reflects the intentions for a fully integrated system, but the concept may be subject to practical and political constraints. Aligned budgets are those where partners commit funding to deliver a particular pathway or outcome identified by the strategic commissioning function. Whichever approaches are used, there need to be adequate mechanisms for effective performance management and accountability.
25. Members may wish to note that voting rights are conferred onto co-opted members of Health and Wellbeing Boards and subcommittees thereof, but the authority has the option to direct that co-optees are not to have voting rights. There will need to be continuing, inclusive discussion required if the 'Joint Committee' is to take on formal responsibilities in 2019 as projected and members will wish to be involved in the determination of further governance and constitutional arrangements, e.g. with regard to the delegation of functions (Appendix A Sections 6.2, 6.13).
26. The local authority is required to identify employees whose role would form part of the integrated strategic commissioning function. With regard to workforce and potential co-location, comment was received from Helen Childs (Chief Operating Officer, NHS Kernow) as follows: "My view is that Isles of Scilly will gain additional support from Cornwall should we move to Option 6 as my role would be to help ensure your voice was heard as part of the partnership arrangement. I do not anticipate that Isles of Scilly workforce would be expected to co-locate on the mainland but we would need to think about how we improve engagement."

27. The principal risk in relation to the process is that if the Council does not engage and help direct collaborative working and shape arrangements, those living and working on the Isles of Scilly may be disadvantaged with regard to their health and care needs. Pathways of health and care may not be effectively 'wrapped around the patient' which risks poorer outcomes and higher health inequalities. In addition, by not being part of conversations at this stage there is a future risk that the greatest opportunities are not made with respect to investment in facilities and workforce planning.
28. A specific risk assessment with respect to the Council's adults and children's social care budgets could be prepared during the mobilisation phase given the scope of the proposed ISC (Appendix A section 8.4) and intentions for a phased approach to align budgets as the ICS matures (design phase: June to autumn 2018).
29. The suggestion to examine current Section 75 arrangements that require review is useful to test the utility and effectiveness of this 'Option 2' tool to add resilience to the preferred option, and test the ability to extend this tool's use for adults and children with regard to both the Better Care Fund and OneVision.

### **Financial implications**

30. There are no financial implications resulting directly from this report but there will be likely be implications following further Gateway Checks. There is ambition to align budgets but initially to explore how the existing S75 agreements could be better managed.

### **Legal implications**

31. There are no changes proposed for the principal duties and responsibilities of the Council. However, the proposed arrangements will necessarily lead to a different, collaborative, way of delivering those responsibilities, as described above and in Appendix A. Governance with regard to a Joint Committee needs to be consistent with organisational constitutions and the responsibilities of Health & Wellbeing Boards. As this initiative progresses it will be necessary to ensure that the governance arrangements for all aspects are robust and appropriate.

### **Other implications**

32. Integrated Strategic Commissioning has the intention to improve physical and mental health, prevention and social care outcomes and reducing health inequalities. As a result, members of groups with protected characteristics (age, gender) may see enhanced benefits.

## Appendices

Appendix A    Proposal for the development of an integrated strategic commissioning function

## Approval

<b>Senior Manager</b>	Theo Leijser, Chief Executive	08/03/2018
<b>Financial</b>		[XX]
<b>Legal</b>	Matt Stokes, Monitoring Officer	08/03/2018



## **PROPOSAL FOR THE DEVELOPMENT OF AN INTEGRATED STRATEGIC COMMISSIONING FUNCTION**

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## EXECUTIVE SUMMARY

Through the development of Shaping Our Future, the health and social care leaders in Cornwall and the Isles of Scilly (CIOS) have agreed to work towards the development of an Integrated Care System (ICS) for the county by 2019, comprising an Integrated Strategic Commissioner for health and social care and an Integrated Care Partnership (ICP), a network of providers with a single, co-ordinating leadership team.

Integrating health and social care is vitally important for the efficiency of public services and delivering improved health and well-being for the CIOS population. The ambition is to co-ordinate the planning and delivery of health and care services, creating a simpler system that:

- Puts the person first and not the organisations
- Better co-ordinates services and enables increased provision of integrated care provided as close to home as possible
- Joins up services with single pathway management of the entire patient experience to reduce duplication of services, simplify access and avoid multiple hand-offs between care settings and providers
- Provides more holistic care, addressing the physical and mental health needs of the population
- Builds a sustainable workforce, sharing development and training to better deploy and develop our staff across the system

Currently the commissioning of health and care services for CIOS spans four organisations: NHS Kernow Clinical Commissioning Group (KCCG), Cornwall Council (CC), Council of the Isles of Scilly (CIoS) and NHS England (NHSE) and this paper sets out the case for change and preferred option for the development of a single integrated strategic commissioning function for health, care and wellbeing services across CIOS.

Developing a fully functioning Integrated Strategic Commissioning service is a complex process and would need to be a multi-stage process, requiring a development and incremental approach.

Subject to agreement on the direction of travel this paper proposes that during 2018/19 the four commissioning organisations work collaboratively to test the concept, design and refine the proposed model and develop a more detailed business case for consideration by all relevant organisations in Autumn 2018. A key component of the mobilisation and design phases between April and September 2018 will be engagement, with GPs, the wider health, care and wellbeing community, public and staff.

### 1. THE CASE FOR CHANGE

- 1.1 The health and care system for Cornwall and the Isles of Scilly (CIOS) is struggling to meet the needs of the citizens it exists to serve. Some significant NHS constitutional standards have not been achieved over several years.
- 1.2 Inspections have shown that the quality and safety of care services is inconsistent, with safeguarding concerns and poor quality of care being delivered by a range of service providers.
- 1.3 Feedback about service provision from residents is mixed, apart from GP services where patients describe a positive experience of their care.
- 1.4 Kernow CCG is under legal directions from NHS England and was subsequently placed in special measures, which requires additional support to be brought in to support the commissioning capabilities of the CCG.
- 1.5 The Care Quality Commission (CQC) recently challenged Cornwall, as a place, to make significant improvements in culture, leadership and the integration of care, summarising their findings as:
  - People's experience of moving out of hospital and to a care home or home with social care support was

often poor. People identified as concerns: lack of choice, poor information sharing and a lack of home care packages

- Systems in place for discharging people from hospital to ongoing health and social care services were confusing, despite efforts of frontline staff and the onward care team
- The key system leaders have acknowledged difficulties in the past and there has been considerable effort to bring about some improvement to partnership working. However, there is still a lack of confidence in the system that the plans for inter-agency work can be successful
- All the relevant agencies were working to improve the systems and processes to support inter-agency working. However, the current system lacked a cohesive approach and remained fragmented, lacking in ownership and had lost sight of the needs of people using services

**1.6** Commissioning and providing services as we have done, in the face of changing population needs, rising expectations and reduced resources will continue to lead to services that are financially unsustainable with little prospect that quality and safety of practice will improve to the required standards.

**1.7** A unique aspect of the population of Cornwall and the Isles of Scilly is the remote and, in many places, isolated living circumstances for people and communities, which can create considerable challenges for people needing to access services.

**1.8** The approach of all partners to these challenges needs to change if we are to transform the delivery of care in line with the needs of the population and the standards of the regulators. While not mandated to do so, the development of an Integrated Care System with an Integrated Strategic Commissioner commissioning joined up services from a single network of providers in an Integrated Care Partnership appears to be the best and most likely way to integrate and transform health and social care systems.

**1.9** This proposed arrangement for bringing together commissioning of health and care services to deliver more efficient and effective care does not diminish the existing governance processes within individual agencies/organisations, or the independent contractor status of GPs.

## **2. DEVELOPING AN INTEGRATED STRATEGIC COMMISSIONING FUNCTION**

**2.1** There is an increasing emphasis on the delivery of improving outcomes by health and care organisations working together within locally determined organisational forms, and there is an opportunity to reform the commissioning incentives to achieve these objectives.

**2.2** There is also variation in access to, and uptake of, commissioned services which disadvantages some groups of the population. Developing a new approach to joined up commissioning for health, social care and public health will be a key contributor in securing better health and care outcomes, addressing variation in standards of care, and care fragmentation and supporting a refocusing of the system and resources more effectively on keeping people healthier, at home or closer to home, for longer.

**2.3** Through a place-based focus, integrating strategic commissioning for health, care and wellbeing services will support:

- The development of a shared commissioning vision within the context of a joint approach to deliver

- improved health and social care outcomes;
- Alignment of budgets and the commissioning workforce to reduce fragmentation of services and bring new perspectives, skills and experience to support stronger commissioning;
- A unified and stronger commissioning function with a single decision-making process, increasing clinical influence over both health and care commissioning to best meet the needs of the local population;
- Increased democratic control to ensure openness, transparency and public engagement in decision-making;
- Driving the integration of services and functions that improve quality and reduce health inequalities

### 3. A SHARED VIEW OF COMMISSIONING

The commissioning cycle

The commissioning cycle shows the range of commissioning functions that could be joined up. Each step of the cycle can be applied to an integrated commissioning approach. Whilst this commissioning cycle is recognised by both local authorities and the NHS, the development of integrated commissioning arrangements will not be without challenge, given the differences in the approach to commissioning procurement and contracting between the NHS and local authorities.



Defining Integrated Commissioning

- 3.1** Integrated commissioning can be broadly described as the coming together of organisations, or functions within organisations, in the form of a 'partnership, alliance or other collaboration' to take joint responsibility for commissioning of a set of services within available resources.
- 3.2** This is likely to involve organisations working in partnership at all stages of the commissioning process, from the assessment of needs, to the planning and procuring of services, the decision-making processes and the monitoring of outcomes. A study undertaken by *Glasby et al* in 2013 highlighted that although arrangements may vary significantly there are a set of features common to integrated / joint commissioning arrangements which include:
- *Formalised structures*: often through the development of formally integrated organisations or management teams
  - *Pooled budgets*: a shared budget which is associated with a particular population or disease group with needs that span the responsibilities of both organisations

- *Lead commissioning arrangements:* one partner often takes the lead on commissioning a particular service to avoid duplication
- *Co-location:* often involves the co-location of the relevant workforce from each organisation
- *Hybrid roles:* joint commissioning can involve the appointment of colleagues who span more than one organisation, often at a senior level

### 3.3 Definition of Strategic Commissioning

The proposed Integrated Strategic Commissioning function is part of the wider Integrated Care System and the current thinking on the division of system roles and responsibility between the commissioner and provider including the split between tactical and strategic commissioning functions by organisation set out in Appendix 1.

In this document the working definition of Strategic Commissioning is the term used for all the activities involved to:

- Establish the needs of the population and set out the strategic commissioning vision
- Identify commissioning priorities to meet the needs of the population
- Develop a place based strategy and specify the outcomes the provider system should deliver
- Establish financial envelope for providers, understanding and shaping market conditions
- Commission / procure new service models in compliance with NHS Constitution and Care Act - retaining accountability for securing quality, delivering value and operating within financial envelope
- Monitor and performance manage the contract/s with the Integrated Care Partnership in line with the outcome requirements
- Intervene in the event of the provider network failure

## 4. OPTIONS FOR THE DEVELOPMENT OF AN INTEGRATED STRATEGIC COMMISSIONING FUNCTION

### 4.1 Six options on how a single integrated strategic commissioning function were considered:

- Option 1. No change – commissioning arrangements remain separate, split between four organisations with separate decision-making, except where joint commissioning arrangements already exist
- Option 2. Greater use of existing funding alignment arrangements, such as Section 75 / Better Care Fund with organisations retaining their own budgets and accountabilities
- Option 3. Kernow CCG acts as lead strategic commissioner for all health, social care and public health commissioning on behalf of system
- Option 4. Cornwall Council acts as lead strategic commissioner for all health, social care and public health commissioning on behalf of system
- Option 5. Cornwall Council acts as the lead strategic commissioner for Children and Young People services on behalf of system. Kernow CCG acts as lead commissioner for Adult services on behalf of system
- Option 6. Strategic commissioning of health, social care and public services is undertaken through a new group on behalf of system

Commissioning with Devon was initially considered but not taken forward through the assessment process as it was acknowledged by Cornwall and Devon commissioners and providers that the change to an established STP footprint would be difficult, but this does not preclude providers working closely together to ensure the needs of the eastern Cornwall population, who access healthcare provision from Devon providers are met.

## 4.2 Options Appraisal

A detailed appraisal of each of the options was undertaken assessing each option against the following aims:

- Achievement of outcomes set out by the system through the Sustainability and Transformation Plan for CIOs
- Achievement of straightforward and acceptable governance under current legislation
- Achievement of financial advantages for the public purse both through more effective strategic commissioning and cost of delivering the new commissioning model
- Making the most effective use of the workforce skills and experience in CIOs
- Deliver improved quality across the health and care system

**More detail including the six options considered, the assessment criteria applied and the outcome of the options appraisal is set out in Appendix 2**

## 4.3 Preferred Option

Taking into account the outcome of the options appraisal, the proposed preferred option is Option 6: The development of a joint health and care commissioning committee bringing together the commissioning of health, public health and social care, whilst retaining organisational statutory responsibilities.

The rationale for this recommendation is summarised below:

- Option 6 provides the opportunity to strengthen the commissioning function by bringing together democratic control and clinical leadership, removing silo working, duplication and cost shunting.
- The statutory commissioning organisations would retain their respective accountabilities but there would be clear delegated responsibility and accountability for the integrated health and care budget.
- Aligning budgets provides increased potential for single contracts, provides a whole system view and could lead to a more whole system, whole population approach to health and wellbeing
- Working together as a single team would support better information sharing, the creation of a whole system view and greater ability to influence quality
- There are also financial advantages of working as a single team providing options for greater efficiency. There may also be some VAT advantages from integrated purchasing through pooled budgets.

## 5. TRANSITION ARRANGEMENTS

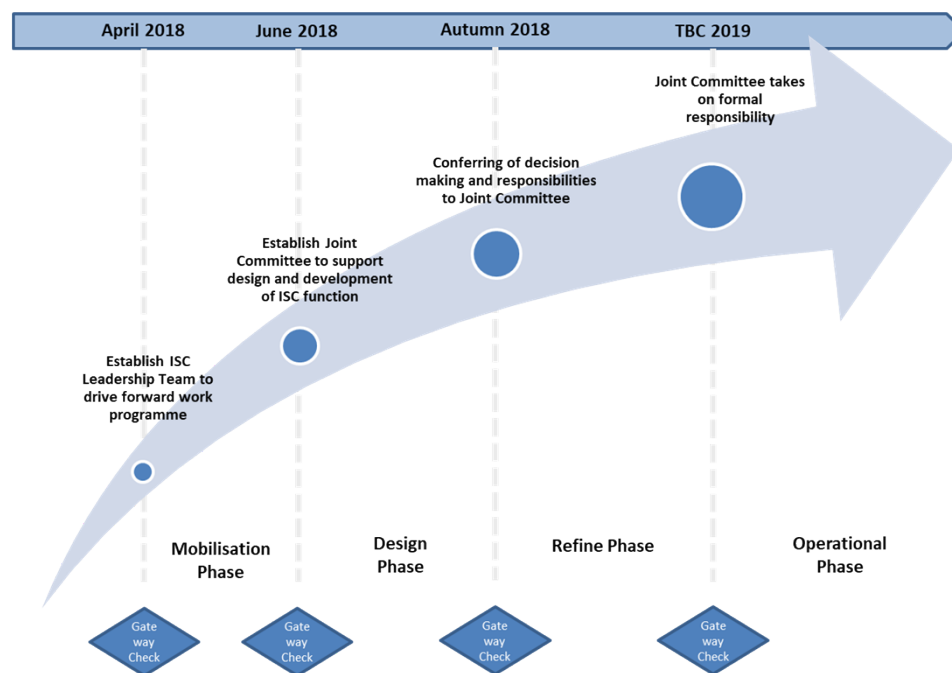
- 5.1** There is significant work required to engage the CCG Governing Body, their GP membership and their workforce, Cabinets and NHS England in the development of the Integrated Strategic Commissioning function and to develop a full business case that provides the required level of assurance around governance and financial risk.
- 5.2** The proposal is for a multi-stage process adopting an incremental and developmental approach. With commissioning organisations working together in 2018/19 to test the concept, review and refine the model and progressing through a series of phases. Mobilisation, Design, Refine and finally Operational subject to the appropriate approval processes
- 5.3** This route is felt to be the best way to engage all stakeholders in the process and the most pragmatic way forward and is likely to secure a more robust and sustainable solution. Formally altering organisational form during this time would also take significant resource, due diligence and distract from the need to significantly improve quality and efficiencies at pace
- 5.4** It is proposed that there will be gateways to act as 'checkpoints' within the transition arrangements that will allow the four partners to assure themselves of the system readiness to move to the next phase. Should

organisations feel that the benefits of developing a joint commissioning function are not being realised the programme can be halted at any time.

**5.5** The aim of the gateway checks is to support the need to progress with diligence and that the transition phase should be seen as an opportunity to develop greater trust between organisations. The phases will be supported by gateways to ensure all key parameters and principles can be articulated in a measured way without stymieing the ability to move from the status quo.

**5.6** Set out below is the indicative timeline and summary gateway checks. More detail of the proposed phasing, expected work programme and gateway checks are contained in Appendix 3

Developing the Integrated Strategic Commissioning Function  
Indicative timeline



#### Gateway Check 1

1. Assessment of proposals against agreed organisation parameters / principles and scrutiny panel recommendations
2. Organisations approve the approach, in principle, and support the use of 2018/19 to test the concept, design, review and refine the proposed model with a full business case to be developed for consideration in September
3. Organisations approve move to Mobilisation Phase

#### Gateway Check 2

1. MOU signed and delegated decision making and phasing to Joint Committee agreed
2. Single system reporting / assurance framework in place
3. Commissioning staff, unions, public and stakeholders engaged in process
4. Risks of moving to Design Phase mitigated
5. Organisations approve move to Design Phase

#### Gateway Check 3

1. Organisations approve delegated decision making and phasing to Joint Committee
2. Process for alignment of commissioning budgets agreed
3. Joint commissioning intentions signed off and demonstrate the move to greater investment in prevention and a reduction in bed based care
4. Treatment of historic debt confirmed
5. Endorsement of Full Business Case

## **6. PROPOSED MODEL**

### **Governance**

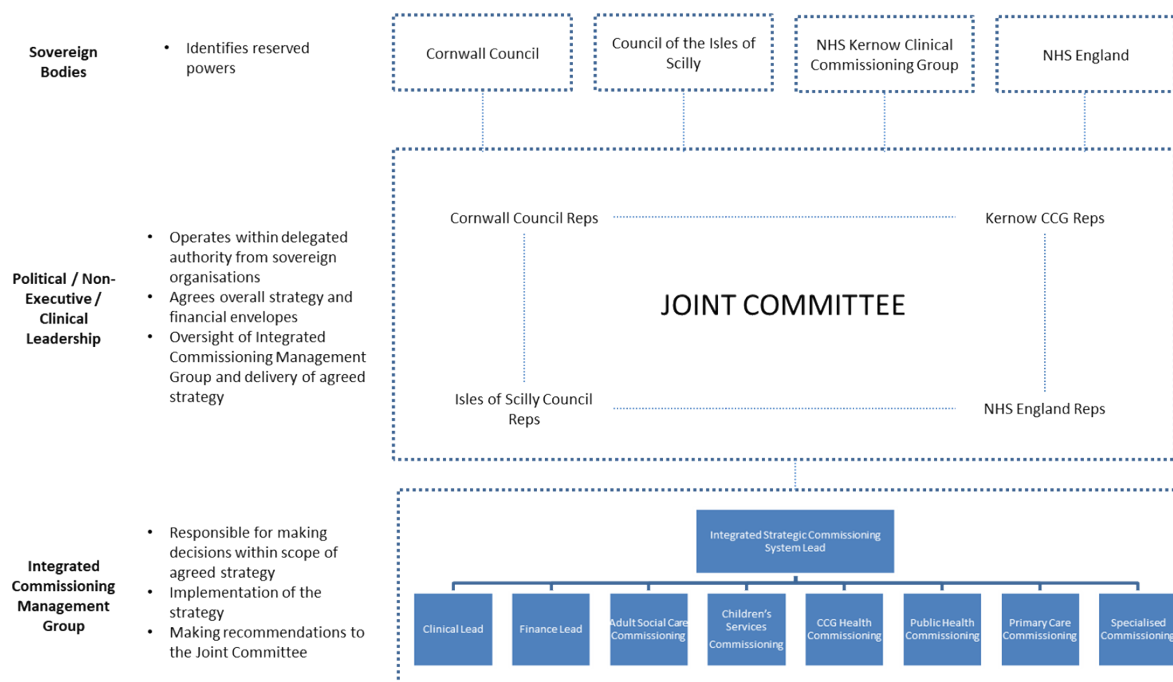
- 6.1** Integrated Strategic Commissioning will operate within, and be subject to, all statutory and regulatory requirements (including the requirement to provide assurance to NHS England nationally over the appropriate application and management of any NHS devolved monies).
- 6.2** The proposal is to establish a Joint Committee made up of Members from the four commissioning organisations, NHS Kernow Clinical Commissioning Group, NHS England, Cornwall Council Cabinet and Council of the Isles of Scilly. Subject to key gateway criteria being met, organisations would agree to delegate certain aspects of decision making, system reporting and assurance and budget management responsibility to this group with the operational delivery of the strategic commissioning function being the responsibility of a cross organisational Integrated Commissioning Management Group.
- 6.3** It is proposed that under these new arrangements the Health and Wellbeing Board would continue to undertake its statutory duties to produce a Joint Strategic Needs Assessment and Joint Health and Wellbeing Strategy. The Health and Wellbeing Board will also, as now, have an influencing role across the system to ensure all organisations are aligning their strategic plans with the needs of the population and the priorities in the Health and Wellbeing Strategy.
- 6.4** It is proposed that during the design phase only, the Joint Committee will be set up as a sub-committee of the Cornwall Health and Wellbeing Board, with co-opted members from the Isles of Scilly Council. It should be noted that during the design phase, the Joint Committee will have no decision-making powers and will remain responsible and accountable to all four statutory commissioning organisations.
- 6.5** Subject to approval to proceed, compliance within the existing governance and constitutional arrangements of this proposal will be tested, during the mobilisation phase, prior to establishment of the Joint Committee.
- 6.6** With an options appraisal being completed as part of the design phase to determine the optimum longer-term arrangements. The consideration of options will include using the Health and Wellbeing Board as the Joint Committee for health and care strategic commissioning, covering both Cornwall and the Isles of Scilly.
- 6.7** Work will be completed during the mobilisation phase to ensure that the Joint Committee satisfies the decision-making arrangements and governance for each of the commissioning organisations.
- 6.8** Each organisation would retain their statutory responsibilities in line with the current legislative requirements. It is envisaged that the organisational boards / cabinets / Member decision-making bodies would also need to continue to meet separately for governance reasons and to manage business that may be outside of the integrated strategic commissioning remit.
- 6.9** Over time, there may be the option to alter organisational constitutions to further streamline decision-making through the devolution agenda, however any proposal for integrated strategic commissioning arrangements which result in a change to the roles or constitutional arrangements of NHS Kernow or either Council would need to be agreed by NHS England and Full Councils respectively.
- 6.10** In the case of NHS England supporting a change to NHS Kernow they would need to be satisfied that the revised constitution complies with the particular requirements of the NHS Act 2006. The submission would need to be discussed with the relevant NHS England leads and would be expected to include:

- Reasons why the variation is being sought
- Assurance that member practices have agreed to the proposed changes
- Assurance that stakeholders have been consulted if required
- Assurance that the CCG has considered the need for legal advice on the implications of the proposed changes
- A complete impact assessment of the changes

**6.11** The proposal is to use 2018/19 to test, review and refine the approach, informing the development of a full business case which will include the details of any proposed formal changes to governance arrangements from April 2019.

**6.12** The diagram below shows the governance model proposed for the design phase, with executive and non-executive level arrangements required to enable strong delegation and robust decision-making. The structure includes establishing the Joint Committee and an Integrated Commissioning Management Group.

#### Proposed Governance Arrangements



**6.13** Individual organisations will identify the most appropriate representation on the Joint Committee, which will begin meeting in June 2018, and work to refine the precise arrangements, including decision making criteria, will continue between all parties. Local statutory bodies will identify the decision-making powers that will be reserved to themselves and those that will be delegated to the Joint Committee, within the statutory framework and subject to the agreed gateway criteria being met. This would be clearly set out in the scheme of delegation signed by relevant bodies.

**6.14** The fit of this group within the wider system governance arrangements is set out in Appendix 4.

## **7. ASSURANCE AND OVERSIGHT AND SYSTEM GOVERNANCE**

- 7.1** The governance model described above recognises the crucial role of NHS England and NHS Improvement as integral participants to ensure alignment of approach and enable the shift towards the management of Cornwall and the Isles of Scilly as a place.
- 7.2** Currently the health organisations across Cornwall and the Isles of Scilly are regulated separately so for CIOS to be managed as a place; the following conditions will need to be established with NHS England and NHS Improvement:
- CIOS will be responsible for managing the performance of its constituent parts and ensuring that robust mechanisms are in place to ensure effective oversight and accountability;
  - CIOS will need a system control total and be assured and performance managed jointly by NHS England and NHS Improvement, collectively as a place;
  - The Integrated Strategic Joint Committee will be accountable to NHS England for the appropriate use of any devolved and delegated powers;
  - The Joint Committee and the Joint Commissioning Management Group will remain accountable to the CCG members / Governing Body, Cornwall Council Cabinet and Council of the Isles of Scilly for the appropriate use of powers delegated by them.
- 7.3** Should the system fail to achieve operational or financial requirements, the Joint Commissioning Management Group will intervene at an early stage, building on the existing escalation processes and working with the system providers to propose an action plan to address the system failure to the Joint Committee.
- 7.4** While working towards self-regulation across the CIOS system, currently health system regulators will expect to review the adequacy and proportionality of any plans. Where assurance cannot be provided, the regional NHS England / NHS Improvement team can propose further recommended actions. In the event that the system fails to adopt the recommended actions, NHS England and / or NHS Improvement would consider whether direct national / regional intervention should be executed.
- 7.5** The objectives of place-based assurance, oversight and performance management arrangements link to the devolution proposal and CIOS will continue discussions with relevant national bodies to develop the local proposal and agree how devolution could be implemented to ensure CIOS is a successful and high performing place.

## **8. SCOPE OF INTEGRATED STRATEGIC COMMISSIONING**

- 8.1** Bringing the health and care strategic commissioning functions together would enable a joint approach to a wide range of issues impacting CIOS residents and could significantly benefit the CIOS population, particularly vulnerable people who experience multiple issues and inequalities. The aspiration is that the scope of integrated strategic commissioning is as broad as possible in order to secure maximum gain for the population.
- 8.2** To maximise the opportunity for joint planning, cost effective commissioning and the development of integrated pathways of care, it would be the intention to use joint budgets across the following areas. It should be noted that there will be need to be a phased approach to the alignment of budgets as the Integrated Care System matures.

**8.3** Initially focusing on those current S75 arrangements that require review i.e. Mental Health., it is anticipated that as the ISC function matures there will be increased utilisation of S75 agreements, wherever possible within the Better Care Fund for adult care and new arrangements for the emerging commissioning intentions for CYP and families described within One Vision 4.1.

**8.4** Within the scope of the proposed ISC are:

- All health budgets currently held by Kernow CCG
- NHSE Specialised and Primary Care Commissioning Budgets
- All adults and children's social care budgets
- Children's and Adults Public health commissioning budget

## **9. FINANCIAL CONSIDERATIONS**

**9.1** Whilst the Joint Committee provides the opportunity for the organisations to take the same decisions simultaneously, there will still be a need to align, and then delegate the management of, significant budgets to commission jointly. This would build on the existing pooled budget arrangements currently in place in the county but have the added benefit of having much clearer transparency through the work of one single office base.

**9.2** During the design phase, other than reviewing and improving the effectiveness of the existing S75 agreements, creating system-wide commissioning financial reports and ensuring greater transparency between the four commissioning organisations there are no proposed changes to the current organisational financial arrangements.

**9.3** During the design phase work will be undertaken to:

- Review options for increasing alignment between budgets
- Negotiate the process for the treatment of historic debt and relationship with financial recovery / transformation plans
- Clarify risk and benefit sharing during review and refine phases
- Develop a system-wide investment strategy to support a rapid response to available funding
- Develop the optimum working arrangements for the commissioning finance teams to deliver the joint strategy and develop a greater understanding between the NHS and local authority colleagues regarding the respective financial regulations and processes of the organisations.

## **10. CONFLICT OF INTEREST AND CONFIDENTIALITY**

**10.1** Conflicts of interest (COI) are inevitable in commissioning and can arise throughout the whole commissioning cycle from needs assessment, to procurement exercises, to contract monitoring. They can be potential, actual or perceived. In establishing the proof of concept strategic commissioning function an appropriate policy will be developed that complies with statutory guidance [1] as well as adhering to relevant guidance issued by professional bodies. Declarations of interest shall be held on a central register covering conflicts as well as gifts, hospitality and sponsorship. By necessity, the register will differentiate between decisions makers and non-decision makers.

**10.2** The strategic commissioning function will put in place robust systems to identify, regularly update and manage conflicts of interest. The register is expected to be a standard agenda item for all committee, contract and procurement meetings. It is an essential function of the Chair to review the declarations and consider the

appropriate mitigations. For the conflicted individual this could include, for example, restricting circulation of papers, inability to participate in decision making or withdrawal from the meeting when the item is discussed.

- 10.3** In accordance with the statutory guidance [1] for clinical commissioning groups, those interests declared by decision makers will be published and, should a breach occur, anonymised details will be published on the CCG and/or Council website.

**Footnote: [1] Managing Conflicts of Interest Revised Statutory Guidance for CCGs, June 2017'**

## **11. INFORMATION GOVERNANCE**

- 11.1** Typically, strategic commissioning does not require patient level information. Invariably such intricate analysis is performed by providers and transferred to commissioners using one of the following three formats:

- **Anonymised:** provided at an individual patient level but with all identifying details removed
- **Pseudonymised:** about individuals but with identifying details (such as name or NHS number) replaced with a unique code which is not shared with the commissioner
- **Aggregated:** anonymised information grouped together so that it doesn't identify individuals

- 11.2** Where commissioners hold person identifiable data it will only be shared by partners in specific circumstances and based on separate legislation such as those allowed due to financial, legal or employment obligations.

- 11.3** Where services are commissioned jointly, identifiable information will only be shared where a legal basis is already in place such as consent, safeguarding or a legal requirement.

- 11.4** In all other circumstances, personal identifiable data (PID) will only be shared in the context of recognising duties of confidentiality and the right to privacy. Legislative requirements will be followed; this includes the requirements of the new General Data Protection Regulation (GDPR).

- 11.5** Within the ISC function, the aim is to promote a consistent approach to the sharing of information that will benefit individuals and services whilst protecting the people that information is about. Each of the statutory bodies will ensure they retain their responsibilities as legal entities, taking into account other relevant legislation such as the Freedom of Information Act.

- 11.6** Given time, streamlining of processes will take place so that, wherever possible and subject to the above, all organisations adopt a common and consistent approach to information sharing and management to enable greater integrated decision making in the future.

## **12. COMMISSIONING WORKFORCE**

- 12.1** In order to support integrated strategic commissioning a joint management team would need to be established that brings the commissioners together in order to commission against population needs, in line with the JSNA and Health and Wellbeing Strategy. The precise make-up of the joint management team along with the supporting business functions will be determined during the next phase of development.

- 12.2** During the period of proof of concept working the system will operate within the existing organisational structures working as a virtual team with a transition single system leader, testing reviewing and refining the model and then working towards the development of a single commissioning executive team with supporting business functions.
- 12.3** Further work is required to confirm the statutory functions of the ISC partner organisations and what functions could be devolved to sit within the Integrated Care Partnership. This includes clarifying which commissioning functions need to stay with the integrated strategic commissioning function and which need to be the responsibility of the ICP. There is a subsequent question as to the right timing for these functions to transfer depending on the maturity of the ICP development. During the design and review phases there will need to be the ability to use the expertise within the CIOs workforce flexibly. The art and science of commissioning needs to be understood by all partners and the opportunities for a transformational approach across both strategic and tactical commissioning explored within the entire commissioning workforce.
- 12.4** In addition to an integrated strategic commissioning function, there is potential to look at the development of a system-wide business unit, offering the opportunity to integrate core functions such as business intelligence and communications across the system. This approach could not only drive greater efficiencies in the system but makes best use of the skills of the current workforce and ensures that strategic commissioning and the more tactical and operational commissioning undertaken by the future ICP using the best intelligence available.

#### **Impact for the workforce and HR Process**

- 12.5** There is an organisational development strand to the development of the integrated strategic commissioning function, which will require expert leadership. Colleagues in the CCG are already being kept apprised about the emerging model during monthly Directors briefings and weekly Bulletins. They are aware of the recommended preferred option and the Communications team are receiving feedback which is generating FAQs that are being logged and updated on the internal website. The AO and COO have also offered conference call sessions to discuss with colleagues in a more informal way the recommendations from the February Governing Body and the Gateways being designed to support the proof of concept.
- 12.6** Staff side will be engaged through the Shaping our Future Social Partnership Forum. Once the proposal to move to development and proof of concept has been supported by Governing Body and Committees further detailed dialogue will ensue.
- 12.7** Each organisation will be required to carry out a piece of work to identify employees whose role would form part of the integrated strategic commissioning function. Within KCCG it is anticipated that approximately 80% of the workforce would be aligned to tactical / operational commissioning. Engagement with the workforce will be undertaken to explain the process for alignment of the workforce. Following this, and with staff side engagement, employees will be written to, describing how their functions align and any impact on day to day working arrangements.
- 12.8** As this paper has described there will be no new organisation formed as a result of the changes, so those employees that are aligned to the integrated strategic commissioning function will continue to work for the CCG, NHS England or one of the local authorities. This means that there will be no TUPE implications. However, there may be a new organisational agreement developed in order to support joint working arrangements across organisations. During development stages it is likely that:

- Colleagues will have different job roles and be asked to work more flexibly to test new ways of working
- there will be a focus on development of a shared culture and values potential for co-location to support joint working and alignment of roles

**12.9** It is recognised that bringing together employees from the NHS and local authority will mean that employees will be working alongside each other with different terms and conditions of employment, with a mix of roles and responsibilities. However, as employees are not TUPE transferring into a new organisation, respective terms and conditions would remain the same.

**12.10** Throughout this change process, KCCG, NHS England and the councils will ensure that the HR principles laid out below will be followed:

- Consult and engage at the earliest opportunity with employees and their representatives and make sure all parties are kept fully informed and supported during the change process
- Promote transparency, equitability and fairness in, selection and appointment processes
- Ensure professional and respectful behaviour towards all employees moving between organisations
- Ensure the consistent treatment of all employees with consistent shared communications and engagement
- Actively promote equality and diversity standards through all transfer, selection and appointment processes
- Ensure full compliance with employment legislation
- Undertake early engagement with employees and their representatives to enable effective and sustainable change
- Ensure equality impact assessments take place when required
- Ensure that all reasonable steps are taken to avoid redundancies and work to ensure that valuable skills and experience is retained

#### **Co-Location**

**12.11** In order to successfully implement an integrated strategic commissioning function, the 'team' construct would need to change significantly, with the coming together of teams and individuals from different backgrounds and cultures. Evidence suggests that co-location of teams is an important element in achieving this, by improving communication and developing shared cultures.

**12.12** There would be significant benefits in co-locating the strategic commissioning function. The obvious options to be considered are the current KCCG headquarter in Sedgemoor Centre or Cornwall Council offices in New County Hall, but opportunities could exist through the wider public estate in Cornwall and consideration should be given to opportunities that release capacity at the 2 existing sites through the establishment of a joint office base. Any solution would need to provide sufficient capacity for commissioning staff and support the aspiration for mutuality. An options appraisal and business case would need to be conducted in the next phase of development, subject to there being a decision to proceed.

### **13. PRINCIPLES, STANDARDS AND CONFLICT RESOLUTION**

**13.1** System partners have signed up to an accord which sets out the agreed 14 principles for the development of a new ICS. These principles are equally as relevant for the integrated strategic commissioning function as they are for the rest of the system and therefore it is proposed that they should also be adopted to support the ways of working within the ISC.

- 13.2** Each of the organisations will have its own culture and ways of working; at times of integration, it is important that trust is built between the organisations and staff. An OD programme will be put in place to support the building of this new ISC team. This programme will encompass a joint approach to developing a shared vision, values and principles by which we want to do business, explore team and individual styles and preferences, support team building and team behaviours including leadership development, managing conflict, and explore the concept of mutuality to support progression through the gateways

## **14. IMPLICATIONS FOR HEALTH OUTCOMES**

- 14.1** Whilst the strategic commissioning function will need to monitor a range of process measures including the constitutional standards, there is an opportunity to shift the focus to health outcomes. These should be aligned to the Health and Wellbeing Strategy and the Health and Wellbeing Scorecard used to monitor this strategy. The scorecard measures a range of outcomes under the headings:

- Population health
- Wider determinants
- Health improvement
- Prevention and self-care
- Outcomes of health service and social care interventions

- 14.2** These are based on an understanding of need at population level. Some measures are for the whole population whilst others relate to specific groups such as people with learning disabilities or those with mental health problems. In the operational phase there should be incentives for the provider partnership to deliver improved health outcomes.

## **15. SUMMARY AND RECOMMENDATIONS**

- 15.1** This paper has set out the options for the development of an integrated strategic commissioning function for Cornwall and the Isles of Scilly as an integral part of developing an Integrated Care System.

- 15.2** The paper proposes the development of new governance arrangements to lead the integrated strategic commissioning of health, public health and social care, whilst retaining organisational statutory responsibilities. This approach enables us to make use of the commissioning skills and experience across the four organisations through a joint management arrangement that ensures democratic control and clinically led commissioning.

- 15.3** Kernow CCG Governing Body, Cornwall Council Cabinet, Council of the Isles of Scilly and NHS England Directors Group are asked to:

- Approve the approach, in principle
- Support the use of 2018/19 to test the concept, reviewing and refining the proposed model
- Give a mandate to progress the design of the integrated strategic commissioning function and request a detailed business case is developed for further consideration in Autumn 2018.

## Appendix 1 - System Roles and Responsibilities

The Integrated Care System will require a new separation of roles and responsibilities, between commissioner and provider, reflecting the move towards the transfer of tactical commissioning responsibilities from commissioner to provider. The following shows how these system lead roles and responsibilities are expected to split between the Integrated Strategic Commissioner (ISC) and the Integrated Care Partnership (ICP)

Area of Responsibility	ISC Led	ACP Led	Shared lead
Establish needs of the population (JSNA) and set out strategic commissioning vision	✓		
Identify commissioning priorities to meet the needs of the population	✓		
Develop a place based strategy and specify the outcomes the system should deliver	✓		
Establish financial envelope for providers, understanding and shaping market conditions	✓		
Commission / procure service models in compliance with NHS Constitution and Care Act, retaining accountability for securing quality, delivering value and operating within financial envelope	✓		
Commission / procure specified services in compliance with NHS Constitution and Care Act (Tactical commissioning and supply chain management)		✓	
Accountability for securing value across the entire system and passing that accountability on to providers through value based contracts	✓		
Act as first line of defence in monitoring provider performance and intervene in event of ICP failure	✓		
Establish internal measures / thresholds and intervene in the event of delivery unit or supplier failure		✓	
Establish principles for care including referral / eligibility thresholds for health and care services, treatments and procedures			✓
Public involvement and consultation duties			✓
National regulators – upward performance management reporting and assurance, local interpretation of national policy and guidance			✓
Monitor / manage performance and plans– activity, quality and finance and safeguarding. Including oversight of system pathway proposals, financial information and risk mitigation			✓
Align investment and incentives to support delivery of quality care within provider system		✓	
Agree clinical and care standards to be implemented and monitor delivery		✓	
Maximise opportunities of cost sharing across the whole e.g. back office, use of estates etc.			✓
Maximise opportunities of cost sharing between service delivery units e.g. shared staff		✓	
Reduce costs through better integration of services – vertically and horizontally		✓	
Demand management / system efficiency - reducing referrals and intervention rates, controls on inpatient admissions and lengths of stay etc.		✓	
Review individual cases re. exceptions to treatment / care not routinely funded		✓	
Duty to secure continuous improvement to the quality of services – prevention, diagnosis or treatment of illness, primary medical services and reduce inequalities		✓	
Manage / mitigate operational quality and performance risks		✓	
Make recommendations to the commissioners around opportunities for improvements / significant care pathways		✓	
Intensive management of high-cost health and care cases, including risk sharing across provider organisations (risk share would include commissioner if contingency held)		✓	
Manage out of area placements and continuing health care, funded nursing home, residential placements / care		✓	
Shared Services Management / Provision and procurement – Finance, Estates, Information, Human Resources, Performance Management etc.		✓	

## Appendix 2 - Detail of options, Assessment Criteria and Outcome of Options Appraisal

Option	Proposal
Option 1. No change, remain existing strategic commissioning arrangements	<ul style="list-style-type: none"> <li>• Sovereignty of organisations remain the same</li> <li>• Commissioning and officer arrangements remain as current, embedded in separate organisations</li> <li>• Existing lead organisation and pooled budgets arrangements remain in place</li> <li>• Health and Wellbeing Board continues to fulfil statutory duties in relation to the JSNA and setting the strategic direction through the Health and Wellbeing Strategy</li> </ul>
Option 2. Greater use of existing funding alignment arrangements	<ul style="list-style-type: none"> <li>• Sovereignty of organisations remain the same</li> <li>• Officer workforce remains as current, embedded in separate organisations with no co-location</li> <li>• Decision-making undertaken by separate sovereign organisations</li> <li>• Health and Wellbeing Board would need to be enhanced to continue to fulfil statutory duties in relation to JSNA and setting the strategic direction through the Health and Wellbeing Strategy but also to have increased responsibility to oversee significant pooled budgets</li> </ul>
Option 3. CCG as lead strategic commissioner	<ul style="list-style-type: none"> <li>• Sovereignty of organisations remain the same</li> <li>• CCG leads the commissioning of health, social care and public health services requiring formal delegation of statutory duties from Cornwall and Isles of Scilly Councils to Kernow CCG and use of a legal framework to pool resources to a far greater extent</li> <li>• Integration and co-location of social care and public health officer workforce with Kernow CCG</li> <li>• Health and Wellbeing Board continues to fulfil statutory duties in relation to JSNA and setting the strategic direction through the Health and Wellbeing Strategy</li> </ul>
Option 4. Cornwall Council as lead strategic commissioner	<ul style="list-style-type: none"> <li>• Sovereignty of organisations remain the same</li> <li>• Cornwall Council leads the commissioning of health, social care and public health services requiring formal delegation of statutory duties from Kernow CCG and Isles of Scilly Council to Cornwall CCG and use of a legal framework to pool resources to a far greater extent</li> <li>• Integration and co-location of Kernow CCG officer workforce with Cornwall Council</li> <li>• Health and Wellbeing Board continues to fulfil statutory duties in relation to JSNA and setting the strategic direction through the Health and Wellbeing Strategy</li> </ul>
Option 5. Kernow CCG as lead strategic commissioner for Adults and Cornwall Council as lead strategic commissioner for Children and Young People	<ul style="list-style-type: none"> <li>• Sovereignty of organisations remain the same</li> <li>• CCG leads the commissioning of adult health, social care and public health services requiring formal delegation of statutory duties from Cornwall and Isles of Scilly Councils to Kernow CCG and use of a legal framework to pool resources to a far greater extent</li> <li>• Integration and co-location of adult social care and public health officer workforce with Kernow CCG</li> <li>• Cornwall Council leads the commissioning of children's health, social care and public health services requiring formal delegation of statutory duties from Isles of Scilly Councils and CCG to Cornwall Council and use of a legal framework to pool resources to a far greater extent</li> <li>• Integration and co-location of children's social care and public health officer workforce with Cornwall Council</li> <li>• Health and Wellbeing Board continues to fulfil statutory duties in relation to JSNA and setting the strategic direction through the Health and Wellbeing Strategy</li> </ul>
Option 6. Strategic Commissioning of health and social care through a new governance arrangement	<ul style="list-style-type: none"> <li>• Sovereignty of organisations remain the same</li> <li>• No formal delegation of statutory duties from Kernow CCG to Cornwall Council <u>however</u> use of legal framework to pool resources to a far greater extent</li> <li>• Integration and co-location of CCG and Council officer workforce</li> <li>• Joint decision making through a formal joint structure with democratic and clinical involvement – <i>proposal is that a revised / refreshed Health and Wellbeing Board, or a sub-committee of, acts as the ISC Joint Committee</i></li> <li>• Health and Wellbeing Board continues to fulfil statutory duties in relation to JSNA and setting the strategic direction through the Health and Wellbeing Strategy</li> </ul>

Commissioning with Devon was initially considered but not taken forward through the assessment process as it was acknowledged by Cornwall and Devon commissioners and providers that the change to an established STP footprint would be difficult, but this does not preclude providers working closely together to ensure the needs of the eastern Cornwall population, who access healthcare provision from Devon providers are met.

## **Assessment Criteria**

The following assessment criteria were used to assess the options for developing a single integrated strategic commissioning function.

### **1. Achievement of outcomes set out by the system through the Sustainability and Transformation Plan for CIOs**

- Commission for improved population health and wellbeing outcomes
- Reduce health and social inequalities
- Develop well-co-ordinated and seamless care
- Support individual and communities to take responsibilities for the own health and well-being

### **2. Achievement of straightforward and acceptable governance under current legislation**

- Provide clear and strong leadership to the new Accountable Care System
- Enable local democratic and clinical engagement and accountability
- Commission for a whole population using a capitated outcome based contract

### **3. Achievement of financial advantages for the public purse both through more effective strategic commissioning and cost of delivering the new commissioning model**

- Make best use of the 'Cornwall pound'
- Minimise costs associated with organisational restructuring
- Achieve management efficiencies
- Make best use of VAT regulations

### **4. Making the most effective use of the workforce skills and experience in CIOs**

- Provide one strong and robust commissioning and contract management function
- Create an environment of collaboration between commissioners and providers
- Develop excellent commissioning skills and expertise across the system

### **5. Deliver improved quality across the health and care system**

- Manage a system-wide view of quality, access and performance
- Support ISC in holding providers to account for delivery of quality improvements

## Outcome of cross-organisational officer appraisal

Ranking	Option
1	<b>Option 6 - Strategic commissioning of health and social care through a new governance arrangement</b>
2	<b>Option 4 - Cornwall Council as lead strategic commissioner</b>
3	<b>Option 3 – Kernow CCG as lead strategic commissioner</b>
4	<b>Option 2 - Greater use of existing funding alignment arrangements</b>
5	<b>Option 5 - Kernow CCG as lead strategic commissioner for adults and Cornwall Council as lead strategic commissioner for children and young people</b>
6	<b>Option 1 - Do nothing, retain existing strategic commissioning arrangements</b>

### Scoring Summary of Options, in order of ranking

#### Option 6

- This option provides the opportunity to strengthen the commissioning function by bringing together democratic control and clinical leadership, removing silo working, duplication and cost shunting.
- The statutory commissioning organisations would retain their respective accountabilities but there would be clear delegated responsibility and accountability for the integrated health and care budget.
- Requires shared leadership across a range of partners. It could require a significant restructuring and development of the Health and Wellbeing Boards
- The alignment of budgets and function provides increased potential for simplifying contracts, provides a whole system view and could lead to more of whole system, whole population approach to health and wellbeing improvement.
- Better for information sharing, whole system view and greater ability to influence quality.
- There are financial advantages of working as a single team providing options for greater efficiency. There may also be some VAT advantages.
- This option could involve an extensive organisational change, however, there could be an evolutionary process that would not involve a complete upheaval of existing organisations in one go.

#### Option 4

- In this option there would be a single and unambiguous local body with clear responsibility and accountability for the entire integrated budget, providing a whole system view and greater ability to influence quality.
- A lead commissioner model could lead to more of whole system, whole population approach to health and wellbeing improvement.
- Potential to achieve better co-ordination of health and care services through stronger, simplified commissioning.
- Loss of clinical leadership into commissioning decisions with Council being the lead organisation would need to be addressed.
- There are financial advantages of working as a single team providing options for greater efficiency and Cornwall Council being the lead organisation could lead to some financial advantages, with some additional goods/services becoming VAT exempt.
- TUPE implications

### **Option 3**

- In this option there would be a single and unambiguous local body with clear responsibility and accountability for the entire integrated health and care budget, providing a whole system view and greater ability to influence quality.
- A lead commissioner model could lead to more of whole system, whole population approach to health and wellbeing improvement, however, some commissioning functions would need to remain within the Councils
- Potential to achieve better co-ordination of health and care services through stronger, simplified commissioning.
- Loss of democratic control with CCG being the lead organisation would need to be addressed.
- There are financial advantages of working as a single team providing options for greater efficiency.
- TUPE implications

### **Option 2**

- This option requires no significant changes to current structures. Commissioners enter into new or expanded Section 75 agreements to pool budgets covering a wider range of services and more joint commissioning posts could be established to support this.
- This option does not have a forum for collaborative decision making in place, requiring the same decisions to be taken to separate boards and does not bring together local democratic control and clinical leadership
- There would not be a whole system, whole population approach to health and wellbeing improvement which risks the failure of system to embed prevention/early intervention.
- There are benefits in bringing funding streams together and commissioning as one entity, which could avoid duplication. However, the organisational silo working will not be broken down and could cause further cost shunting likely as funding pressures increase.
- While there are already examples of lead commissioner arrangements used between the CCGs and local authority. This option is arguably more suited to commissioning of specific services rather than complete delegated authority for statutory duties.
- No change in holding providers to account

### **Option 5**

- This option makes good use of the skills and knowledge of the existing workforce and would require little organisation disruption; however, it poses a significant risk of detaching children and adults services, thereby not achieving the advantages that come about through a whole population approach or capitated outcomes-based contract.
- This option could significantly hinder the smooth transition between children and adults services.
- This option would still require collaboration between the commissioners, therefore, does not take the system any closer to commissioning for Cornwall as a whole.
- There is no clear change in value for Cornwall, as there are no clear financial efficiencies with this option. It provides no clarity or improvement for governance. No improvement in use of skills and resources.
- TUPE implications

### **Option 1**

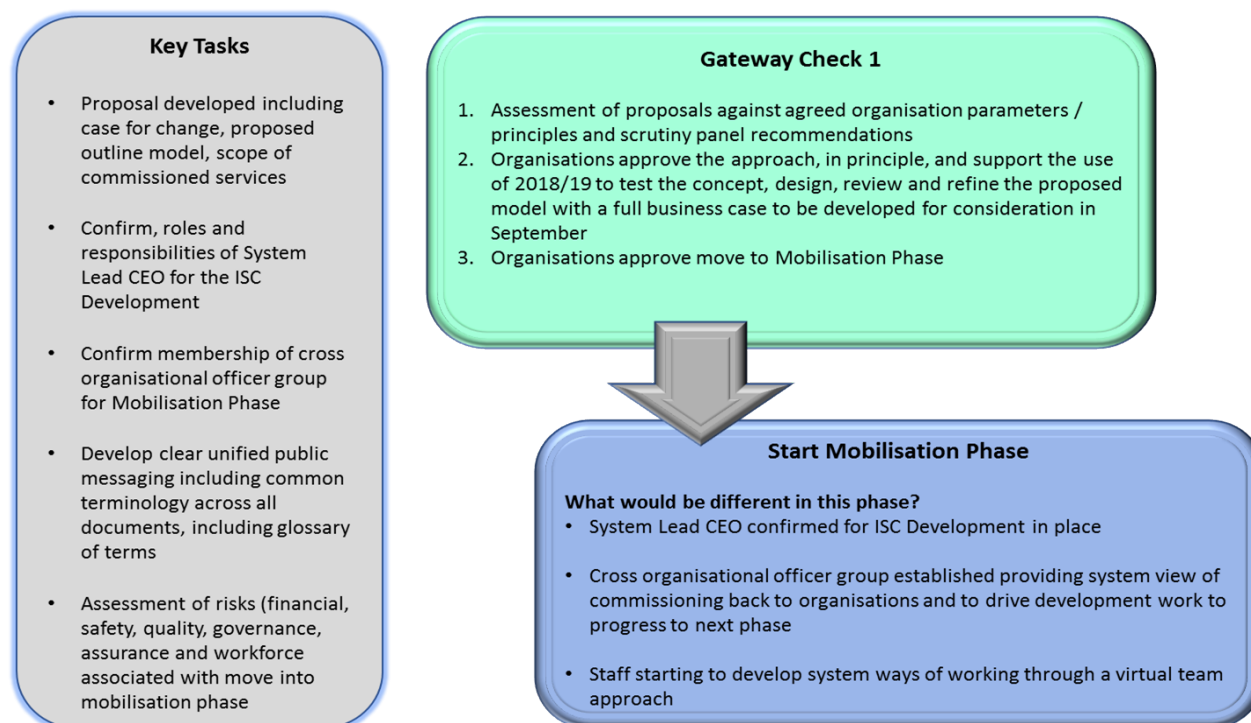
- This is no change from the current commissioning arrangements, with a system that is underperforming and has financial challenges. Unless we commission differently outcomes are unlikely to improve.
- Lack of strong commissioning function does often result in the system being driven by providers.

- The option does not make best use of the different commissioning skills and expertise across the workforce and it is unlikely that the relationship between commissioners will improve as this perpetuates the organisational silos.
- There is a reduced ability to manage efficiencies and risk of increased management overhead through separation of strategic and tactical commissioning across the commissioning organisations.
- This option does not have a forum for collaborative decision making in place, requiring the same decisions to be taken to separate boards and does not bring together local democratic control and clinical leadership
- There would not be a whole system, whole population approach to health and wellbeing improvement which risks the failure of system to embed prevention/early intervention.
- Current organisational silos will not be broken down, further cost shunting likely as funding pressures increase

## Appendix 3 - Proposed phasing, Outline Work Plan and Gateway Criteria

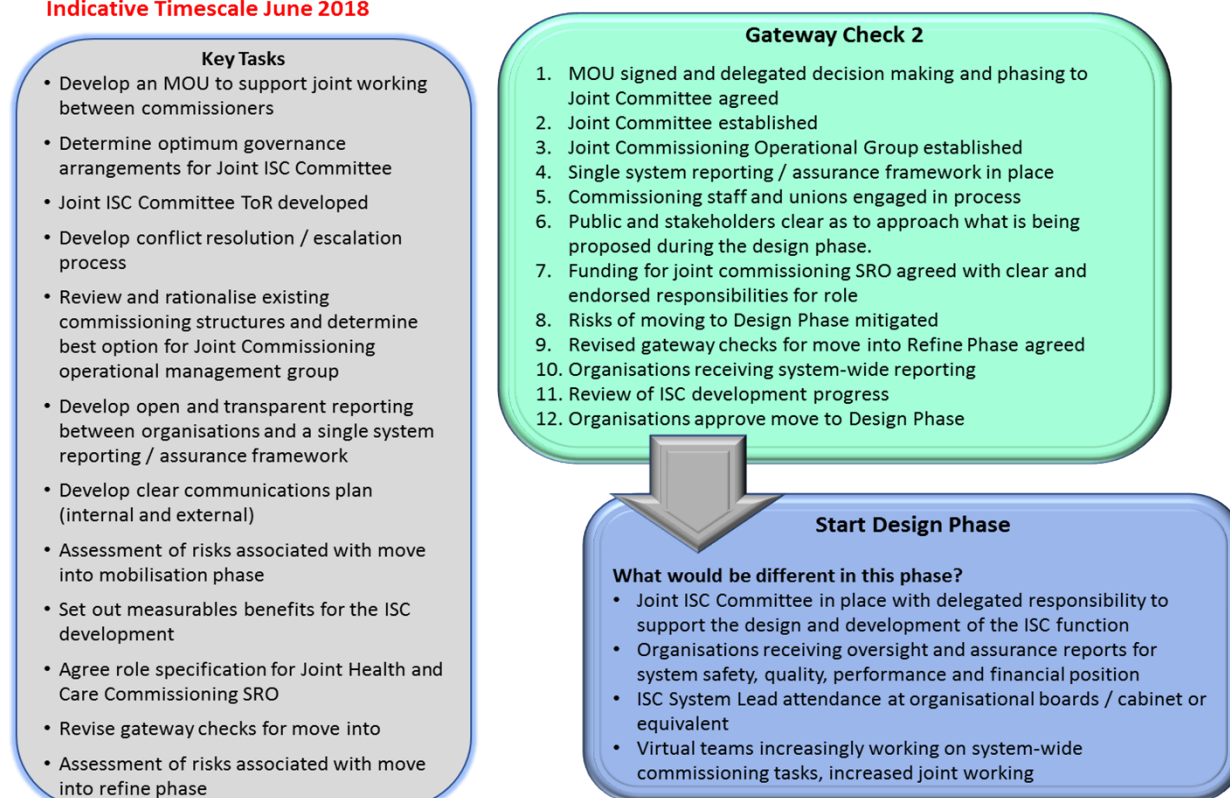
### Agreeing the start of the Mobilisation Phase

Indicative Timescale April 2018



### Moving from the Mobilisation Phase to the Design Phase

Indicative Timescale June 2018



## Moving from the Design Phase to the Refine Phase

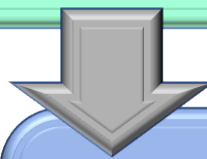
Indicative Timescale September 2018

### Key Tasks

- Confirm scope and phasing of delegated governance and assurance functions to the Joint Committee
- Refresh schemes of delegation
- Appoint suitably qualified and experienced Joint Commissioning SRO post
- Refresh JSNA, H&WB strategy and joint commissioning intentions
- Audit and recommend improvements to existing S75 arrangements, including standardisation opportunities
- Options appraisal for increasing alignment of budgets and decision making
- Design provider quality and performance data set including trajectories and timescales for compliance against agreed key performance measures
- Process clarified for treatment of historic debt
- Clarify risk and benefit sharing during refine and operational phases
- Develop system-wide investment strategy to support rapid response to funding
- Identify system workforce required for strategic and tactical commissioning functions, develop HR strategy and engage workforce and trade unions
- Complete options appraisal of office base(s) including IT and estates
- Agree delegation of decision making and budget management responsibilities to ISC.
- Confirm operational governance arrangements
- Develop Full Business Case including assessment of risks associated with moving into operational phase
- Agree further gateways and commissioner assurances required

### Gateway Check 3 (to be reviewed and revised during design phase)

1. Organisations approve delegated decision making and phasing to Joint Committee
2. Process for alignment of commissioning budgets agreed
3. ISC receiving provider reporting against agreed dataset and trajectories and timescales for compliance with agreed key performance measures and financial positions
4. Joint commissioning intentions signed off and demonstrate the move to greater investment in prevention and a reduction in bed based care
5. Benefits of joint working between organisations being realised
6. Treatment of historic debt confirmed
7. **Endorsement of Full Business Case**



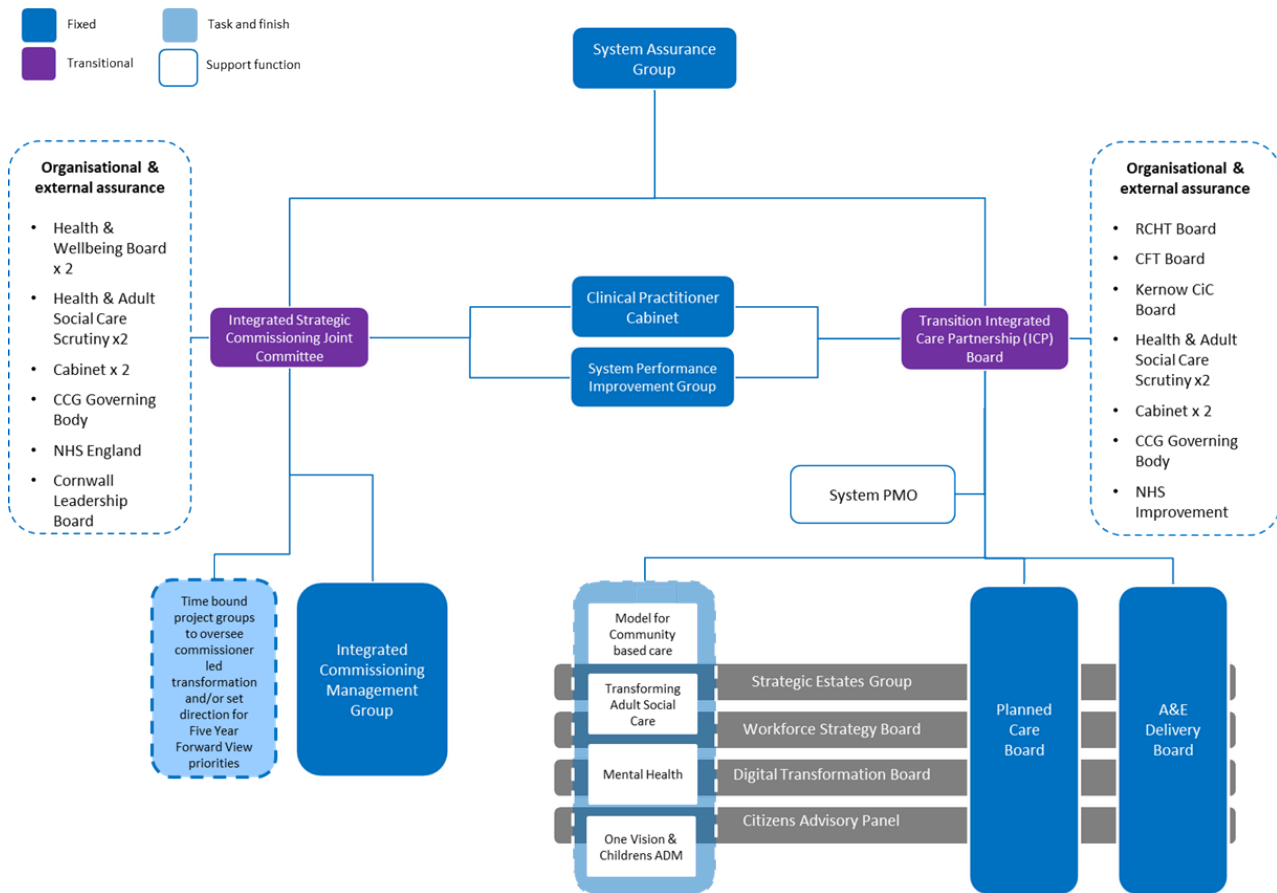
### Start Refine Phase

#### What would be different in this phase?

- Implementation planning for move to operational phases, with organisations starting to work 'as if' a single commissioning function
- Colocation of workforce, where required, with staff deployed across wider health and care commissioning remit, sharing information on system-wide work, subject to appropriate consultation and due process
- Alignment of commissioning budgets

## Appendix 4 – System Governance

## Integrated Care System Governance Arrangements



## Summary governance arrangements

- There will be an independently chaired System Assurance Group, which is a system-wide forum to hold the Commissioning and Provider system leads to account for the delivery of the system's strategic priorities.
- Reporting into this group will be an Integrated Strategic Commissioning (ISC) Joint Committee and a Transition Integrated Care Partnership (ICP) Board.
- The ISC Joint Committee Board will include all four commissioning organisations and be responsible for the commissioning of all CIOs health, care and well-being services
- The transition ICP board will include all CIOs statutory health and care provider organisations together with Primary Care and will ensure prioritisation and implementation of a whole system plan to ensure a co-ordinated approach to developing place based delivery of care, holding partners to account to manage and mitigate risks to support the delivery of the commissioned quality and performance service outcomes within the agreed financial envelope.
- The transition ICP board will also set the agenda for and oversee the work plans of the planned care board and A&E delivery board which will report into the transition ICP board.

### Council of the Isles of Scilly report

# Homelessness Strategy 2018-2023

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**Date** 22 March 2018

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**Meeting** Full Council

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**Part** 1

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**Authors** Rachel Guy, Housing Officer

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### Recommendations

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1. That members adopt the Homelessness Strategy 2018-2023
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1. The proposed Council of the Isles of Scilly (CIOS) Homelessness Strategy 2018-2013 (see appendix) takes account of the Homelessness Reduction Act 2017 (which comes into force on 3 April 2018) and its accompanying guidance<sup>1</sup>. It sets out the authority's plans for homelessness services.
2. The Homelessness Strategy includes how the Council will provide housing options advice and support for residents who are threatened with homelessness. It replaces the Council's previous Homelessness Strategy.

### **Homelessness legislation - Summary**

3. The primary homelessness legislation is set out in Part 7 of the Housing Act 1996. It provides the statutory underpinning for action to prevent homelessness and provide assistance to people threatened with or actually homeless.
4. In 2002, the Government amended the homelessness legislation through the Homelessness Act 2002 and the Homelessness (Priority Need for Accommodation) (England) Order 2002 to:
  - a. ensure a more strategic approach to tackling and preventing homelessness, in particular by requiring a homelessness strategy for every housing authority district; and,
  - b. strengthen the assistance available to people who are homeless or threatened with homelessness by extending the priority need categories to homeless 16 and 17 year olds; care leavers aged 18, 19 and 20; people who are vulnerable as a result of time spent in care, the armed forces, prison or custody, and people who are vulnerable because they have fled their home because of violence.
5. This existing legislation is supplemented by The Homelessness Reduction Act 2017 which comes into force on 3 April 2018. It significantly reforms England's homelessness legislation by placing duties on local authorities to intervene at earlier stages to prevent homelessness in their areas. It also requires housing authorities to provide homelessness services to all those affected, not just those who have 'priority need.' These include:
  - a. an enhanced prevention duty extending the period a household is threatened with homelessness from 28 days to 56 days, meaning that housing authorities are required to work with people to prevent homelessness at an earlier stage; and,

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<sup>1</sup>[https://assets.publishing.service.gov.uk/media/5a969da940f0b67aa5087b93/Homelessness\\_code\\_of\\_guidance.pdf](https://assets.publishing.service.gov.uk/media/5a969da940f0b67aa5087b93/Homelessness_code_of_guidance.pdf)

- b. a new duty for those who are already homeless so that housing authorities will support households for 56 days to relieve their homelessness by helping them to secure accommodation.

## **Homelessness Reduction Act 2017**

6. The Homelessness Reduction Act (HRA) 2017 makes provision about new measures for reducing homelessness. It applies to local housing and social care services authorities, who are required to have regard to the guidance in exercising their functions in relation to homelessness. A new Code of Guidance has been issued to provide guidance on how local housing authorities should exercise their homelessness functions and apply the new statutory criteria in practice. Local housing and social services authorities must have regard to this guidance when exercising their functions relating to people who are homeless or at risk of homelessness.
7. Currently the threat of homelessness is defined as beginning 28 days before a person is likely to become homeless. The HRA extends that period to 56 days, giving people a longer period of time to receive help from their local authority. The categories of people eligible for Council support have been expanded, in a move away from the previous focus on 'priority need', based on applicants' vulnerabilities.
8. The Council of the Isles of Scilly will now have to help people threatened with homelessness when:
  - A person is threatened with homelessness if it is likely that they will become homeless within 56 days
  - A valid section 21 notice (orders for possession on the expiry or termination of an assured short hold tenancy in the private rented sector) has been given to the person in respect of the only accommodation the person has that is available for their occupation; and
  - That notice will expire within 56 days
9. Additionally, the Council of the Isles of Scilly now has a duty to assess all eligible applicants' cases and agree a plan for each. If a customer is homeless / threatened with homelessness and eligible, then we must:
  - Assess why they are becoming homeless
  - What accommodation would be suitable
  - What support is needed to help keep or obtain accommodation
  - Notify the applicant of this in writing
10. There is a new legislative duty to assess every eligible applicant's case, and agree a plan, or a 'pathway' for the following groups:
  - Persons released from prison or youth detention accommodation
  - Care leavers

- Former members of the regular armed forces
  - Victims of domestic abuse
  - Persons leaving hospital
  - Persons suffering from a mental illness or impairment
  - Any other group that the authority identifies as being at particular risk of homelessness in the area (the Council of the Isles of Scilly considers at risk large families, people with a learning disability, and people who have substance misuse issues).
11. There will also be a general duty on all public authorities to refer anyone who is homeless or threatened with homelessness to homeless assistance, with that person's permission.
  12. The revised and updated Homelessness Strategy takes account of these new responsibilities and the associated guidance.

### **Financial implications**

13. The Government has estimated that the HRA presents an overall increase in workload for local authorities of 27%, including a 50% increase in the number of homelessness related reviews requested. The Council have two full time equivalent staff members to deliver the whole housing function including homelessness advice and assistance around prevention.
14. We are expecting the additional cost of implementing the new HRA to be partly funded by the New Burdens award allocated to the Council. This limited funding will assist in staff training on the new duties.
15. New Burdens allocation for the Isles of Scilly over the next 3 years:

<b>Year</b>	<b>Value</b>
2018/19	£498.00
2019/20	£456.00
2020/21	£510.00
<b>TOTAL</b>	<b>£1465.00</b>

16. Discretionary Housing Payment arrangements will also need to be reviewed to consider how such funding can support preventative activities and enable households to take up alternative housing options.

### **Legal implications**

17. The revised Homelessness Strategy will ensure that the Council's strategy accords with national policy as well as the relevant primary legislation including the Homelessness Reduction Act 2017. It is important that the strategy and its application are kept under review. The report has been cleared from a legal perspective on the basis of the thorough work done by the report author and a preliminary review of the legislative framework. A more detailed review will be undertaken at an appropriate point with a view to providing further assurance.

### **Other implications**

18. The proposed Homelessness Strategy takes account of the need to support the community in accordance with the Council's Equality and Diversity policies and seeks to improve Health and Wellbeing through the provision of appropriate housing accommodation.
19. In developing this strategy we have given due regard to the Equality Act 2010. Services are provided freely to all those in need.

### **Appendices**

Appendix: Council of the Isles of Scilly Homelessness Strategy 2018-2023

### **Approval**

<b>Senior Manager</b>	Nicola Stinson	5 March 2018
<b>Financial</b>	[Andy Brown, Section 151 Officer]	[DATE]
<b>Legal</b>	Matt Stokes, Monitoring Officer	13 March 2018

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# Homelessness Strategy

2018-2023



Council of the  
ISLES OF SCILLY

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March 2018

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## REVISIONS TO SOURCE DOCUMENT

Version	1.0	Approving Committee	Council
Date	05/03/18	Ratified by Council	22/03/18
Responsible Officer	Rachel Guy	Review Date	March 2023

## VERSION HISTORY

Date	Version	Author/Editor	Comments
02/03/18	0.1	Rachel Guy	Initial draft

## EQUALITIES IMPACT ASSESSMENT RECORD

Date	Type of Assessment Conducted	Stage/Level completed (where applicable)	Summary of Actions Taken Decisions Made	Completed by.	Impact Assessment Review date

## DOCUMENT RETENTION

Document retention period	7 years
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## INTRODUCTION

The Council of the Isles of Scilly (CIOS) Homelessness Strategy sets out the authorities plans for homelessness services for the period 2018-2023. The Homelessness Strategy includes housing options and support for residents who are threatened with homelessness. It replaces the Council's previous Homelessness Strategy). As an authority, we understand the challenges faced by residents when it comes to securing a good quality and affordable home to live in. Concern around the supply and affordability of homes for our island residents is growing. There is increased demand for advice and temporary accommodation.

This Strategy reflects national housing policy is and is focused on preventing homelessness by providing assistance earlier.

The Homelessness Strategy focuses on four key housing priorities. These are:



The Homelessness Strategy sits under the Corporate Plan and compliments other strategic plans, such as the emerging Local Plan.

The evidence base for the Strategy includes the Strategic Housing Market Assessment (SHMA) which identifies the scale and mix of housing the Island residents need and the Local Plan.

Whilst the structure of the Strategy is unlikely to change over the course of its life, national policy changes require a degree of flexibility to respond. As such an action plan will be developed, based around the key themes of the Strategy.

## **OBJECTIVES**

The Homelessness Act 2002 introduced the requirement for local authorities to formulate and publish a Homelessness Strategy every five years based on the results of a Homelessness Review.

The Homelessness Reduction Act 2017 comes into effect on 3 April 2018 and increases the need for the Council to work to prevent and relieve homelessness and to provide support to people who are homeless, or at risk of becoming homeless, during the coming five years.

## **NATIONAL CONTEXT**

Since the Council's last Housing Strategy, the Government has made significant legislative changes including;

### **HOMELESSNESS REDUCTION ACT 2017 (HRA)**

This new Act amends the Housing Act 1996 to place a greater emphasis on local authorities taking preventative measures, such as providing housing options to address homelessness, before it occurs and therefore reducing the need to provide temporary accommodation. The Act aims to strengthen the provisions for households not in priority need.

### **HOUSING WHITE PAPER 2017 – FIXING OUR BROKEN HOUSING MARKET**

Fixing our Broken Housing Market, released in February 2017 set out the Government's proposals to encourage house building and create 200,000 new home owners by 2020.

### **INDEPENDENT REVIEW OF BUILDING REGULATIONS AND FIRE SAFETY**

The investigation into the Grenfell Tower fire will also have ramifications for private registered providers, for example, in terms of retrofitting enhanced fire safety measures in their accommodation and the Council will consider carefully all recommendations coming out of this, both in relation to our own housing stock and any private sector rentals.

### **HOUSING AND PLANNING ACT 2016 AND EXTENSION OF RIGHT TO BUY**

The Housing and Planning Act 2016 brings a number of policy changes including the extension of the Right to Buy (RTB) to private registered providers, although not rolled out on Scilly as yet, measures to tackle rogue landlords in the private rented sector and regulations to streamline planning policies to increase the delivery of homes.

## **HOUSES IN MULTIPLE OCCUPATION (HMO) AND RESIDENTIAL PROPERTY LICENSING REFORMS**

During 2015- 2016 the Government consulted on a review of HMO licensing, proposing changes to increase the number of properties subject to mandatory licensing by:

- removing the storey rule so all houses (regardless of how many floors) with five or more people from two or more households are included;
- extending mandatory licensing to flats above and below business premises (regardless of the number of storeys); and
- setting a minimum room size of 6.52sqm in line with the existing overcrowding standard (Housing Act 1985)

These changes are due to take effect from October 2018.

## **THE CARE ACT 2014**

The Care Act 2014 extends the role of local authorities in providing assistance to people who have care needs. The Act defines housing as a “health-related service”, highlighting the need for integrating care and support provision. To meet these needs the local authority must provide a range of housing and support services, through residential care, supported housing and extra care housing.

## **WELFARE REFORMS**

The Welfare Reform Act 2012 introduced significant changes to the benefits system including new caps on Local Housing Allowance and Housing Benefit, the creation of Universal Credit and the reform of Council Tax Benefit and Disability Living Allowance. The Welfare Reform and Work Act entitlement for 18–21 year olds and the restriction of benefits for families with more than two children.

## **LOCALISM ACT 2011 AND PRIVATE RENTED SECTOR OFFERS**

The Localism Act allowed private registered providers and local authorities more flexibility when managing and allocating accommodation, by providing them with the option to introduce flexible fixed-term tenancies, and giving greater flexibility when allocating social housing and operating waiting lists. The Council of the Isles of Scilly adopted 5 year flexible tenancies in 2012 which it now issues to all newly allocated social tenants.

The private registered providers present on the islands have not yet adopted flexible tenancies on their properties.

The Act also enabled local authorities to cease their homelessness duty through a Private Rental Sector Offer for those who applied after November 2012. This has already been applied to the Council of the Isles of Scilly and is used as our first and preferred options for the discharge of the homelessness duty.

## LOCAL CONTEXT

The Council of the Isles of Scilly has no equivalent in terms of its geography, history, population and constitution. . The population is stable at approximately 2000 residents. The Council of the Isles of Scilly provides a comprehensive range of services and offers coordinated homelessness services with adult social care and children's services.

## HOMELESSNESS LEGISLATION

The singular nature of the Islands is recognised by its special constitutional position, known as the "Isles of Scilly" clause. This means that all new legislation must be specially applied or exclude the Authority through an additional clause. This was established to ensure that all legislation applied to the Islands is appropriate to its size and character.

Separate legislation is, accordingly, applied to homelessness. The Homelessness (Isles of Scilly) Order 1997 modifies Part V11 of the Housing Act 1996 (homelessness). The Order's eligibility is referred to first before any other local connection criteria, used nationally is assessed. The Order states:

**A person is not eligible for assistance in the Isles of Scilly if they have not been resident there for a period of two years and six months during the period of three years immediately before their application. Where a person is not excluded from assistance under that provision, they will have a local connection with the district of that authority.**

## HOMELESSNESS DUTIES, POWERS AND OBLIGATIONS

### Duty to Refer

The Homelessness Reduction Act 2017 introduced a duty on certain public authorities to refer service users who they think may be homeless or threatened with homelessness to a housing authority. The service user must give consent, and can choose which authority to be referred to. As a Housing Authority we have to incorporate the duty to refer into our homelessness strategy and establish effective partnerships and working arrangements with agencies to facilitate appropriate referrals.

### Duty to Provide Advisory Services

The authority has a duty to provide advice and information about homelessness and the prevention of homelessness and the rights of homeless people (or those at risk of homelessness). We provide the following help which can be accessed via the Housing Team:

- Rights to benefits including assistance with making claims
- Assistance in completing Homelessness applications
- Landlord assistance in order to sustain your current tenancy agreement

The service has been designed to meet the needs of the Island community.

### Application and Inquiries

As a Housing authority we must give proper consideration to all applications for housing assistance, and if we have reason to believe that an applicant may be homeless or threatened with homelessness, we must make inquiries to see whether they owe them any duty under Part 7 of the 1996 Act.

This assessment process is important in enabling us to identify the assistance which an applicant may need, either to prevent them from becoming homeless, or to help them to find another home. In each case, we will need to first decide whether the applicant is eligible for assistance and threatened with or actually homeless.

Certain applicants who are 'persons from abroad' and those who have not been resident on the islands for a period of two years and six months during the period of three years immediately before their application, as set in the Isles of Scilly Homelessness Order 1997, are not eligible for any assistance under Part 7 of the Housing Act 1996, except free advice and information about homelessness and the prevention of homelessness.

Broadly speaking, a person is threatened with homelessness if they are likely to become homeless within 56 days. An applicant who has been served with valid notice under section 21 of the Housing Act 1988 to end their assured short hold tenancy is also threatened with homelessness, if the notice has expired or will expire within 56 days and is served in respect of the only accommodation that is available for them to occupy.

An applicant is to be considered homeless if they do not have accommodation that they have a legal right to occupy, which is accessible and physically available to them (and their household) and which it would be reasonable for them to continue to live in.

### Assessment and Personalised Housing Plans

All housing authorities have a duty to carry out an assessment in all cases where an eligible applicant is homeless or threatened with homelessness. This will identify what has caused the homelessness or threat of homelessness, the housing needs of the applicant and any support they need in order to be able to secure and retain accommodation. Following this assessment, we are required to work with the person to develop a personalised housing plan which will include actions (or 'reasonable steps') to be taken by the authority and the applicant to try and prevent or relieve homelessness.

### Prevention duty

We have a duty to take reasonable steps to help prevent any eligible person (regardless of priority need status and intentionality) who is threatened with homelessness from becoming homeless. This means either helping them to stay in their current accommodation or helping them to find a new place to live before they become actually homeless. The prevention duty continues for 56 days unless it is brought to an end by an event such as accommodation being secured for the person, or by their becoming homeless.

### Relief Duty

If the applicant is already homeless, or becomes homeless despite activity during the prevention stage, the reasonable steps will be focused on helping the applicant to secure accommodation. This relief duty lasts for 56 days unless ended in another way. If we have

reason to believe a homeless applicant may be eligible for assistance and have a priority need they must be provided with interim accommodation. This could take the form of bed and breakfast accommodation.

### Main Housing Duty

If homelessness is not successfully prevented or relieved, as housing authority we will owe the main housing duty to applicants who are eligible, have a priority need for accommodation and are not homeless intentionally. Certain categories of household, such as pregnant women, families with children, and households that are homeless due to an emergency such as a fire or flood, have priority need if homeless. Other groups may be assessed as having priority need because they are vulnerable as a result of old age, mental ill health, physical disability, having been in prison or care or as a result of becoming homeless due to domestic abuse.

Under the main housing duty, we must ensure that suitable accommodation is available for the applicant and their household until the duty is brought to an end, usually through the offer of a settled home. The duty can also be brought to an end for other reasons, such as the applicant turning down a suitable offer of temporary accommodation or because they are no longer eligible for assistance. A suitable offer of a settled home (whether accepted or refused by the applicant) which would bring the main housing duty to an end includes an offer of a suitable secure or introductory tenancy with a local authority, an offer of accommodation through a private registered provider (also known as a housing association) or the offer of a suitable tenancy for at least 12 months from a private landlord made by arrangement with the local authority.

### Intentional homelessness

A person would be homeless intentionally where homelessness was the consequence of a deliberate action or omission by that person. A deliberate act might be a decision to leave the previous accommodation even though it would have been reasonable for the person (and everyone in the person's household) to continue to live there. A deliberate omission might be non-payment of rent that led to rent arrears and eviction despite the rent being affordable.

Where people have a priority need but are intentionally homeless as housing authority we must provide advice and assistance to help them find accommodation for themselves and secure suitable accommodation for them for a period that will give them a reasonable chance of doing so.

If, despite this assistance, homelessness persists, any children in the household could be in need under the Children Act 1989, and the family should be referred (with consent) to children's services.

### Local Connection and Referrals to Another Authority

Broadly speaking, for the purpose of the homelessness legislation, people may have a local connection with the district because of residence, employment or family associations in the district, or because of special circumstances. The Isles of Scilly is a slight exception to this due to The Homelessness (Isles of Scilly) Order 1997 as mentioned above. Where applicants meet the criteria for the relief duty or for the main housing duty, and the authority considers that the applicant does not have a local connection with the district but does have one somewhere else, the housing authority dealing with the application can ask the housing authority in that other

district to take responsibility for the case. However, applicants cannot be referred to another housing authority if they, or any member of their household, would be at risk of violence in the district of the other authority.

The definition of a 'local connection' for young people leaving care was amended by the Homelessness Reduction Act 2017 so that a young homeless care leaver has a local connection to the area of the local authority that looked after them. Additional provision is made for care leavers who have been placed in accommodation, under section 22A of the Children Act 1989, in a different district to that of the children's services authority that owes them leaving care duties. If they have lived in the other district for at least 2 years, including some time before they turned 16, they will also have a local connection with that district until they are 21.

### Reviews and Appeals

As a Housing authority we must provide written notifications to applicants when we reach certain decisions about their case, and the reasons behind any decisions that are against the applicant's interests. Applicants can ask us to review most aspects of their decisions. The appeal will be considered by a Senior Officer and, if still dissatisfied, the applicant can appeal to the county court on a point of law.

Housing authorities have the power to accommodate applicants pending a review or appeal to the county court. When an applicant who is being provided with interim accommodation requests a review of the suitability of accommodation offered to end the relief duty, the authority has a duty to continue to accommodate them pending a review.

### OUR OBJECTIVES

Our objectives are to:

- To ensure that the new duties and obligations as listed above are embedded through a 'whole authority partnership' approach to support
- To develop a Personal Housing Plan for applicants. These will be adjusted to suit each applicant and their individual needs on a case by case basis
- Work with partner agencies to move from reactive to preventative upstream homelessness prevention work
- Building on existing links with landlords in the private rented sector with the aim of working together to prevent homelessness and increase housing options

### WHY IS THIS IMPORTANT?

The new duties contained in the HRA place additional, ambitious and time-intensive duties upon the Council. The Council must consider how best to align existing resources including staffing to ensure that there is an effective housing service available to all those who need it before they become homeless. Partnership working with local authority business units such as Children's Social Care, Adults Social Care and external partners is essential to fulfilling this and

is reinforced by the Act which introduces a new duty on public bodies to refer clients to local authorities where they are threatened with homelessness or are homeless.

The HRA includes a strengthened duty on councils to prevent homelessness and take reasonable steps to help a homeless person ensure that accommodation remains available to them. The intention is to support the local authorities to engage, and wherever possible to intervene at an earlier point, with the aim of preventing homelessness for all households, regardless of any longer term statutory duty that may subsequently be accepted.

The HRA will provide added impetus to prevent homelessness including finding alternative accommodation options before homelessness arises. During 2017/18 three households were placed into temporary accommodation and accepted as homeless, our ambition is to reduce numbers further through effective prevention.

As an authority we are aware that one reason for homelessness is the end of an assured short hold tenancy. Prevention in these cases is not always possible as tenants with an assured short hold tenancy are required to vacate a property providing the landlord has completed the correct legal process to gain possession. This is particularly pertinent with residents who accept winter lets for a short period before they are transferred back into the holiday market for the season.

## WHAT WE PLAN TO DO

**Successfully implement the Homelessness Reduction Act 2017 (HRA) from April 2018. To ensure that the new duties are bedded in across the Housing Service, developing a 'whole authority partnership' approach to support making the aims of the Act a success locally**

The HRA provides local authorities with the legislative framework to develop effective homelessness services which are focused on prevention and/ or relief of homelessness for all affected people including those who are intentionally homeless. Single people who may not be owed the full rehousing duty will be entitled to enhanced levels of advice and/or assistance to sustain their current accommodation or if this is not possible to secure alternative accommodation.

The Council is supportive of this opportunity to shift the focus to effective homelessness prevention, to work with households to remain in their home, reduce the use of temporary accommodation and the costs involved in providing such accommodation and to reinvest savings into the preventative services.

The Councils Housing Service will review all financial resources to consider how best to implement the HRA and ensure it can meet new statutory duties.

Discretionary Housing Payment arrangements will be to considered where such funding can support preventative activities and enable households to take up alternative housing options.

The Government has estimated that the HRA presents an overall increase in workload for local authorities of 27%, including a 50% increase in the number of homelessness related reviews

requested. The Council have two full time staff members to deliver the whole housing function including homelessness advice and assistance around prevention. Clear strategic direction will help ensure that this limited resource is used effectively to meet the needs of the most vulnerable.

### **Develop and adopt the personalised housing plans and process**

Under the new legislation authorities are required to develop and adopt personal housing plans to applicants showing the reasonable steps to be taken by both the authority and the applicant to help secure accommodation. These housing plans will be adjusted to suit each applicant on a case by case basis.

Personal housing plans are used to aid the Council and applicants to work together to identify appropriate actions to prevent or relieve an applicant's homelessness. We will adopt a positive and collaborative approach toward applicants, taking account of their particular needs and making all reasonable efforts to engage their cooperation in performing these duties.

Personalised housing plans may include steps that the authority considers advisable for the applicant to take ('recommended steps', such as seeking budgeting and financial support), but which the applicant is not required to take if they choose not to do so (section 189A(7)), as well as steps which they are required to take ('mandatory steps' such as registering an interest in available properties with private landlords). As a housing authority we do not have to directly secure accommodation, though we can do where appropriate.

The relevant duty (prevention or relief) cannot be ended for failure to co-operate with recommended steps.

The use of recommended steps might enable the authority to provide or refer the applicant to a broader range of advice and support, for example to address wider needs or to help increase their housing options in the future through employment support.

Mandatory steps should be limited to those which the housing authority considers are required in order to prevent or relieve homelessness. All plans must set out clearly which steps are mandatory and which are recommended.

Personalised housing plans will be kept under review throughout the prevention and relief stages, and any amendments notified to the applicant. We will establish timescales for reviewing plans, and these will vary according to individual needs and circumstances. Some applicants will need more intensive housing authority involvement to achieve a successful outcome than others, and the timescales for regular contact and reviews will reflect this. Personalised housing plans agreed during the prevention stage will need to be reviewed if an applicant subsequently becomes homeless, enabling the authority and applicants to focus on steps required to help secure accommodation.

### **Establish improved links with landlords in the private rented sector with the aim of working together to prevent homelessness and increase housing options**

Homelessness arising from tenants leaving the private rented sector remains a significant cause for concern on the Isles of Scilly. Welfare reforms including the local housing allowance caps and freeze, the benefit cap and universal credit have led to private landlords withdrawing from letting their accommodation to households on lower incomes where housing benefit might be claimed and payments delayed, the switch to universal credit has the potential to make the situation worse. The date of full roll out of universal credit on the Isles of Scilly is 14<sup>th</sup> March 2018.

The Council will explore a new offer to landlords which provides enhanced incentives to working with the Council to rehouse residents or prevent eviction in the first place such as using discretionary housing payments, deposits and guarantees to secure private rented homes. Experience has shown that landlords are not necessarily incentivised by financial awards alone, with many preferring other services, such as vetting of tenants and an ongoing tenancy sustainment service as being more important to encouraging them to let to households facing homelessness.

Maintaining strong links with local landlords will ensure that they are kept well-informed of legislative and policy changes which affect their tenants and how we can work together to meet housing needs on the Islands. The Council will rebuild links with landlord's organisations such as the National Landlords Association and Residential Landlords Association, attending their forums and webinars to rebuild relationships.

### **Improve our homelessness signposting, advice and support services provided in relation to homelessness**

Many people concerned about a risk of homelessness are seeking practical advice and assistance to help them remain in their home or to secure alternative accommodation.

We will develop relations with external bodies, such as Shelter and Citizens Advice Bureau, and provide internal advice where possible in relation to homelessness.

We will develop further areas of advice for tenants including:

- Tenants' rights and rights of occupation
- What to do about harassment and threats of illegal eviction
- Rent and mortgage arrears
- How to manage debt
- Help available to people at risk of abuse and violence
- How to obtain accommodation in the private rented sector – e.g. details of landlords and letting agents
- Assistance in applying for social housing

## Suitable Accommodation

Housing authorities have various powers and duties to secure accommodation for homeless applicants, either on an interim basis, to prevent or relieve homelessness, to meet the main housing duty or as a settled home. Accommodation must always be 'suitable' and there are particular standards set when private rented accommodation is secured for households which have priority need.

Under the Homelessness (Suitability of Accommodation) (England) Order 2003, bed and breakfast accommodation is not considered suitable for families with children and households that include a pregnant woman, except where there is no other accommodation available, and then only for a maximum of 6 weeks. The Secretary of State considers that bed and breakfast accommodation is unsuitable for 16 and 17 year olds.

### OUR OBJECTIVES

Our objectives are to:

- Provide enhanced housing solutions for homeless households and those at risk of homelessness
- Improve the Council's supply of temporary accommodation
- Provide suitable temporary accommodation that meets the needs of households and vulnerable groups, including rough sleepers

### WHY IS THIS IMPORTANT?

The scarcity of temporary accommodation and social housing means that alternative housing options such as facilitating a move into the private rented sector is one that the authority had to adopt. However, there is increased demand and limited supply of private rented housing available on the islands. Finding solutions requires a review of all available options.

### WHAT WE PLAN TO DO

**Provide enhanced housing solutions as identified on the applicant personal housing plan for homeless households and those at risk of homelessness**

**We know that homelessness prevention has become more difficult and that, despite additional resources and a stronger focus, prevention will not always be possible.**

**As part of efforts to maintain access to the private rented sector and improve the supply of temporary accommodation and long-term secure tenancies, the Council will explore options of the Rent Deposit Scheme.**

**Provide suitable accommodation that meets the needs of households living in temporary accommodation and vulnerable groups, including any rough sleepers**

The Council will continue to ensure appropriate accommodation for other vulnerable groups, including care leavers, ex-offenders and people with mental health problems is available. Supporting the needs of vulnerable residents, working with care and support services to provide quality housing options.

## SUPPORTING VULNERABLE GROUPS, INCLUDING ROUGH SLEEPERS

### OUR OBJECTIVES

Our objectives are to:

- Enhance support services for homeless people and those at risk of homelessness
- Maintain and where possible enhance rough sleeper services to reduce rough sleeping through the ongoing provision of effective outreach services
- Ensure vulnerable groups have access to support to maintain their tenancy
- Keep under review protocols relating to youth homelessness

### WHY IS THIS IMPORTANT?

A whole systems approach is necessary to address homelessness, particularly for vulnerable people with additional needs that often require collaborative work across various services. Homelessness is not only a housing issue but can be as a result of relationship breakdown, domestic violence and abuse, poor mental health, substance misuse and lack of employment etc. The Council recognises that a robust service can only be achieved through effective collaboration with a range of partners.

Complex and multiple needs mean that rough sleepers and other vulnerable groups require intensive and personalised support to achieve settled accommodation and that factors contributing to their homelessness must be addressed so where possible repeat homelessness is avoided. A joint working protocol between housing and the social care teams has developed ensuring ongoing effective collaborative working.

### WHAT WE PLAN TO DO

#### **Enhance support services for homeless people and those at risk of homelessness**

The Council will continue to improve links with statutory and voluntary agencies working across the islands to ensure that the complex needs of vulnerable homeless people are met. This will include drawing on established collaborative working relationships that have been developed and ensuring we meet regularly to address issues in relation to tackling homelessness and rough sleeping.

The mental health of rough sleepers has emerged as a particular concern nationally and the Council will ensure that effective protocols are in place to ensure a joined-up response to provide the best support possible when such cases arise.

The Council will build on the existing coordinated approach working collaboratively with council business units and external partners to identify funding opportunities, secure additional resources and promote innovation in our homelessness services.

### **Ensure vulnerable groups have access to support to maintain their tenancy**

The Council's Housing Service provides support to prevent homelessness from their current accommodation. This includes assisting people to complete benefit claims, set up utilities, prepare budgeting plans and access additional services as required. The Council will review the team's scope and consider how best to strengthen the service in light of new duties brought about by the HRA, including the potential to provide support across both social and private sector rented housing.

### **Keep under review protocols relating to youth homelessness**

The importance of an effective collaborative approach to addressing homelessness amongst 16/17 year olds was highlighted previously in 2016/17.

The Housing Service worked with children's social care to address this and redeveloped the protocol and procedures for approaching the assistance given to, and safe guarding 16-17 year old persons who are or threatened with homelessness. This is something we will look to review regularly with Children's Social Care.

## **MONITORING OUR STRATEGY**

We will monitor our strategy and action plan in a timely manner so that the actions we take towards delivery of the priorities are responded to appropriately and are relevant to the changing needs of our community and any changes in national and local policy. We will review our action plan annually and each quarter we will monitor the progress of any actions that have been set out. Progress and any changes will be regularly presented to Members and published on the housing pages of the Council's website.

## Council of the Isles of Scilly report

# Environmental Health: Enforcement and Compliance Policy 2018

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**Date** 22 March 2018

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**Meeting** Full Council

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**Part** 1

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**Authors** Michael Coates, Senior Officer: Environmental Health

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## Recommendations

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1. That members approve the Environmental Health: Enforcement and Compliance Policy 2018
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1. The Council of the Isles of Scilly has a duty to ensure compliance with Environmental Health legislation that regulates a wide range of activities. The Environmental Health Enforcement and Compliance Policy 2018 is the overarching policy that sets out why and how this is done. It replaces the previous policy adopted in 2015 and ensures that our policy reflects current good practice and legislative requirements.
2. The Council recognises that the first step in enforcement is to prevent contraventions of the law by raising awareness and promoting good practice. Methods of achieving this include training courses, special events, production of guidance leaflets, issue of press releases and opportunities presented by contact with businesses and other customers.
3. This Policy sets out how we will apply the principles of:
  - **proportionality** in application of the law and in securing compliance,
  - **targeting** of enforcement action,
  - **consistency** of approach,
  - **transparency** about how the Council operates and what those regulated may expect from the Council and
  - **accountability** for the Council's actions.
4. Where formal action is required it also sets out the framework for effective and fair decision making.

### **Financial implications**

5. The new Environmental Health staff structure has created capacity within the Council to deliver increased activity and intervention. Where appropriate intervention can lead to civil penalties, the income is retained by the Local Authority for further interventions. The policy reflects the better regulation agenda based on the principle that where formal action is taken the offender pays. Commencing prosecutions and addressing any appeals can have costs for legal representation.

### **Legal implications**

6. Having an adopted policy that sets out a fair and transparent framework for service delivery protects and informs all parties. If the correct enforcement procedures and the requirements of the related legislation are not followed there may be legal implications including the possibility of failed enforcement action and prosecutions and successful challenge and appeals. This would be damaging for the Council financially and in relation to its reputation.

## Other implications

7. The new Policy gives clear direction to all stakeholders about a proportionate and fair service delivery with a strong emphasis on advice and support.

## Appendices

None

## Approval

<b>Senior Manager</b>	Nicola Stinson. Senior Manager	6 March 2018
<b>Financial</b>	[Andy Brown, Section 151 Officer]	[DATE]
<b>Legal</b>	Matt Stokes, Monitoring Officer	8 March 2018

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# Environmental Health Enforcement and Compliance Policy



Council of the  
ISLES OF SCILLY

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March 2018

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Version		Approving Committee	Full Council
Date		Ratified by Council	
Responsible Officer	Michael Coates	Review Date	9/2/18

Version History			
Date	Version	Author/Editor	Comments
21/04/2015	0.1	David Currie	Initial Policy document
9/2/2018	0.2	Michael Coates	Revision of policy
06/03/18	0.3	Nicola Stinson	Contact details updated
12/3/18	0.4	Michael Coates	Final amendments

Equalities Impact Assessment Record					
Date	Type of Assessment Conducted	Stage/Level completed (where applicable)	Summary of Actions Taken Decisions Made	Completed by.	Impact Assessment Review date

Document retention	
<b>Document retention period</b>	7 years

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## ENVIRONMENTAL HEALTH ENFORCEMENT POLICY

The Council of the Isles of Scilly has a duty to ensure compliance with Environmental Health legislation that regulates a wide range of activities. This document sets out why and how this is done.

The Council of the Isles of Scilly has delegated its compliance activities to officers and primarily the Senior Manager, Strategic Development. The range and complexity of the legislation is such that compliance activities will be undertaken by appropriately trained and experienced officers.

The Council recognises that the first step in enforcement is to prevent contraventions of the law by raising awareness and promoting good practice. Methods of achieving this include training courses, special events, production of guidance leaflets, issue of press releases and opportunities presented by contact with businesses and other customers.

## AIM AND SCOPE

Through the application of its Environmental Health functions the Council aims to protect the public, the environment, businesses, consumers and workers. It is committed to these objectives in its approach to enforcement action which is intended to;

- Ensure that compliance is met in a fair, equitable and consistent manner.
- Focus on prevention rather than cure.
- Assist businesses and others in meeting their legal obligations without unnecessary expense.
- Take firm action against those who flout the law or act irresponsibly.

The policy sets out the principles and approach that will be followed so as to provide an effective and fair service and to ensure consistent and open enforcement. It applies to all dealings in Environmental Health matters, whether formal or informal, with businesses or members of the public. The policy does not apply to offences where fixed penalty schemes are in place. This policy is written for the guidance of the Council and its officers and is available to anyone who enquires about our policies and procedures.

In addition to this generic policy, officers have been issued with a range of more specific enforcement guidelines and procedural documentation to support them in their enforcement decisions. This policy also encompasses the aims and principles of the government's Concordat on Good Enforcement.

## PRINCIPLES OF ENFORCEMENT

The Council believes in firm but fair regulation. This should be informed by the principles of **proportionality** in application of the law and in securing compliance, **targeting** of enforcement action,

**consistency** of approach, **transparency** about how the Council operates and what those regulated may expect from the Council and **accountability** for the Council's actions.

Where possible the Council will advise, educate, train and support businesses to meet the standards required to prevent the need for enforcement action.

## PROPORTIONALITY

The Council will minimise the costs of compliance by ensuring that any action it requires is proportionate to the risks. As far as law allows, the Council will take account of the circumstances of the case and the attitude of the offender (operator or member of the public) when considering action.

Some incidents or breaches of regulatory requirements cause or may have the potential to cause serious injury/illness and/or environmental damage. Others may have a lesser effect e.g. interference with people's property or rights. When officers are deciding on the most appropriate enforcement action, they will take account of;

- The degree of any risks posed.
- The seriousness of any breach of the law.
- The burden which would be placed on the business in taking action, compared with the benefit of risk reduction.
- The attitude and intent of the offender.
- Foreseeability of the offence or circumstances leading to it.
- Relevant good practices as obtained in the codes of practice and published guidance.

## CONSISTENCY

The Council aims to ensure consistency in advice tendered, the response to incidents and complaints, the use of all powers and decisions on whether to prosecute.

The Council recognises that consistency does not mean simple uniformity. Officers need to take into account many variables, the scale of the environmental impact etc., the attitude and actions of the offenders and the history of previous incidents or breaches. Decisions on enforcement action are a matter of professional judgment and the Council, through its officers, needs to exercise discretion. The Council will continue to develop arrangements to promote consistency including effective arrangements for liaison with other enforcing authorities.

## TRANSPARENCY

Transparency is important in maintaining public confidence in the Council's ability to regulate. It is an integral part of the role of Council Officers and the Council continues to train its staff and to develop its procedures to ensure that;

- Where remedial action is required, it is clearly explained in writing why the action is necessary and when it must be carried out; a distinction being made between legal requirements and advice on best practice.
- Opportunity is provided to discuss what is required to comply with the law before formal enforcement action is taken, unless urgent action is required, for example to prevent serious illness/injury or to prevent evidence being destroyed.
- Where urgent action is required, a written explanation of the reasons is provided as soon as practicable after the event.
- Written explanation is given of all rights of appeal against formal enforcement action at the time the action is taken.
- Having due regard to legal constraints and requirements, keep relevant parties informed during investigations and with respect to enforcement decisions.

## TARGETING

Action will primarily be focused on law-breakers and/or those directly responsible for the risk and who are best placed to control it. The Council will have systems for deciding which inspections, investigations or other regulatory contacts should take priority according to the nature and extent of the risks posed.

## ACCOUNTABILITY

The Council and its officers fully recognise that they are publicly accountable for their actions. Consequently policies and standards have been put in place against which the Council's actions can be judged and procedures exist for dealing with feedback and handling complaints. In addition the Council will comply with legislation that protects the rights of persons subject to legal action, which controls how evidence against offenders may be obtained and which preserves the confidentiality of personal information. Particular consideration will be given to The Human Rights Act 1998, The Data Protection Act 1998, the Regulation of Investigatory Powers Act 2000 and the Crime and Disorder Act 1998.

In the event that the customer is dissatisfied with the Service provided, there are a number of forms of recourse available as outlined below, which officers will ensure the customer is aware of. The exact procedure followed in any particular case will depend not only on the nature of the grievance itself but also the course of action the complainant wishes to pursue.

### *a) Complaints related to the enforcement action decisions*

Officers will when serving notices provide with those notices appeal details to be used and should the recipient wish to disagree they can follow the appeals process for the said notice.

### *b) Complaints relating to issues other than enforcement decisions*

The Council's formal complaints procedure will be used to investigate those complaints which relate to dissatisfaction with the service, for example;

- Failure to follow Council procedure, policy or standards.
- Alleged discrimination.
- Failure to respond to requests for service.
- Conduct of Authorised officers.
- A copy of the Council's feedback policy can be found at [www.scilly.gov.uk/complaints](http://www.scilly.gov.uk/complaints).

## INVESTIGATION

The Council recognises that it is neither possible nor necessary to investigate all issues of non-compliance with the law uncovered in the course of preventive inspection, or in the investigation of reported events such as accidents and complaints. The Council will use its discretion and have regard to the aforementioned principles in deciding whether an investigation should be initiated and in deciding the level of resources to be committed. The following factors will be taken into account;

- The severity and scale of the potential or actual harm.
- The seriousness of any potential or actual breach of the law.
- The enforcement priorities.
- The practicality of achieving results.

## CONFIDENTIALITY

The Council understands that people making complaints may not wish their identity to be made known to the party about whom the complaint is being made and wherever possible we will take care to protect the confidentiality of complainants. However in some circumstances, papers relating to individual cases may be in the public domain. If this is the case we will endeavour to make it clear whether or not complainant confidentiality can be maintained. Anonymous complaints will only be investigated if it would be in the public interest and directed to their local member who can make representation on their behalf.

## LEVELS OF ENFORCEMENT ACTION

The Council recognises that the first step in enforcement is to prevent contraventions of the law by raising awareness and promoting good practice. Methods of achieving this include training courses, special events, production of guidance leaflets, issue of press releases and opportunities presented by contact with businesses and other customers.

In the event that breaches of legislation are discovered officers will determine what, if any, enforcement action is appropriate, in accordance with the aforementioned principles. The following informal and formal options are available;

## INFORMAL ACTION

The Council recognises informal action as one means to secure compliance with the law. Informal action includes;

- a) Verbal advice/warning.
- b) Advisory letter where advice is being confirmed or remedial action requested informally.
- c) Inspection reports generated on the premises following an inspection.

Informal action is appropriate in the following circumstances;

- Where the action or omission is not serious enough to warrant formal action.
- From the individual/enterprise's management, it can reasonably be expected that informal action will achieve compliance.
- Confidence in the individual/enterprise's management involved is high.
- The consequences of non-compliance will not pose a significant risk to public health.

## FORMAL ACTION

In cases where informal action has failed to achieve the necessary outcome or the breach is serious enough to warrant formal action in its own right, the following enforcement options will be considered;

### a) Enforcement Notice.

For example Improvement Notice, Prohibition Notice or Abatement Notice. In certain cases these may be needed to be served prior to legal proceedings being instigated. The Council will give due consideration to the issue of enforcement notices as soon as the necessary evidence is available and where one or more of the following criteria apply;

- i. The specific legislation requires that a notice shall be served when circumstances leading to the existence of a statutory nuisance have been proved.
- ii. There are significant contraventions of legislation.
- iii. There is a lack of confidence in the proprietor or enterprise to respond to an informal approach.
- iv. There is a history of non-compliance with informal action.
- v. Standards are generally poor with little management awareness of statutory requirements.

### b) Fixed Penalty Notice.

Where this enforcement option is available under legislation, a Fixed Penalty Notice will be issued in line with the principles of proportionality, targeting and consistency. The Council will seek to avoid wherever possible issuing fixed penalty notices to anyone under the age of 18. The Council will work to prevent offending by young people by undertaking the following;

- Letters to parents and guardians.
- Schools based education.
- Interaction with local youth clubs and community groups.

c) Licenses or Authorisations.

Where relevant powers exist and the circumstances warrant it, these may be varied suspended or revoked if conditions are not complied with or in order to protect the public from regulated activities carried out to a poor standard.

d) Caution.

Where a business admits to an offence and extenuating circumstances exist which may make prosecution inappropriate. A caution is a proportionate response where an offender formally acknowledges that they have committed an offence and may only be used where a prosecution could properly have been brought. It will be brought to the Court's attention if the offender is convicted of a subsequent offence.

The Council will take account of current Home Office guidelines when considering whether to offer a caution. Where a person declines such an offer the Council will consider taking alternative enforcement action, which will usually take the form of a prosecution.

The Council recognises that other bodies such as home and originating authorities will require to be advised of cautions issued by the Council and their outcome.

e) Works in default.

This action is permitted under certain legislation and is reserved for those cases where there is imminent danger to persons or property and the legal process would not provide adequate remedy. In cases where work in default is carried out, the Council will make every effort to recover the costs of the works from the relevant party.

f) Seizure and Rendering Harmless.

Certain legislation allows for the seizure of food, articles or substances if they could cause harm if consumed or pose a risk of serious personal injury, or if in breach of a specific prohibition for example under street trading legislation. Procedural guidance is available to officers which should be followed in these circumstances.

g) Arrangements where the Council is the proprietor of a business.

Where the Council is the proprietor of a business, details of non-compliance shall be brought to the attention of the Senior Manager. In the event where the non-compliance is deemed to warrant formal action, the matter will in addition be drawn to the attention of the Corporate Leadership Team.

## PROSECUTION

The use of the criminal process to institute a prosecution is an important part of enforcement. It aims to punish wrongdoing to avoid a recurrence and to act as a deterrent to others. It follows that it may be appropriate to use prosecution to ensure certain requirements are met. Where the circumstances warrant it, prosecution without prior warning or recourse to alternative sanctions will be pursued.

The Council recognises that the institution of a prosecution is a serious matter that should only be taken after full consideration of the implications and consequences. Decisions about prosecution will take account of the Code for Crown Prosecutors issued by the Crown Prosecution Service.

A prosecution will not be commenced or continued on behalf of the Council unless it is satisfied that there is sufficient, admissible and reliable evidence that the offence has been committed and that there is a realistic prospect of conviction. If the case does not pass the evidential test, it will not go ahead, no matter how important or serious it might be. When there is sufficient evidence a prosecution will not be commenced or continued on behalf of the Council unless it is in the public interest to do so.

Public interest factors which can affect the decision to prosecute usually depend on the seriousness of the offence or the circumstances of the offender and whether, through the conviction of offenders, others may be deterred from similar failures to comply with the law.

Where there is sufficient evidence the Council will normally prosecute in any of the following circumstances;

- Where the offence involves a failure to comply in full or in part with the requirement of a statutory notice.
- Where there is a history of similar offences in relation to non-compliance with notices.
- Excessive or persistent breaches of regulatory requirements.
- Obstruction of Council Staff in carrying out their powers.
- Where the gravity of the alleged offence, taken together with the seriousness of any actual or potential harm, or the general record and approach of the offender warrants it.
- Failure to supply information without reasonable excuse or knowingly supplying false or misleading information
- Impersonating a Council officer.

## DECISION-MAKING PROCESS

In cases of health and safety legislation it is the authorised officer(s) who have the power to take legal action. In other matters, the decision to prosecute rests with the officer having delegated authority. The requirements of the Scheme of Delegation will be complied with.

In all cases prior to making a decision to prosecute a full report will be prepared giving consideration to whether there is a reasonable prospect of conviction. Where there is a reasonable prospect of conviction the following matters will then be considered;

- a) the seriousness of the offence.
- b) the previous history of the party concerned.
- c) the likelihood of the defendant being able to establish a viable defence under the relevant statute if applicable.
- d) the ability of any important witness and their willingness to co-operate.
- e) the willingness of the party to prevent recurrence.

- f) the public interest of a prosecution.
- g) any explanation offered by the company/offender.
- h) whether other action such as issuing a formal caution would be more appropriate.

Where legal advice is necessary before a decision is made expert legal advice will be sought.

Where there is reasonable doubt as to the success of the proceedings and the possibility of costs being awarded against the Council, this will be included in the considerations made before a decision to proceed is taken.

In legal proceedings the Council will fully support the necessary action taken in all cases by the authorised officer.

## **WORKING WITH OTHER REGULATORS**

Where the Council and other enforcement bodies have the power to prosecute, the Council will liaise with that other body to ensure effective co-ordination, to avoid inconsistencies and to ensure that any proceedings instituted are for the most appropriate offence. The Council will also consult with other authorities acting as appropriate.

The Council will, when appropriate and when requested to, seek to raise the awareness of the courts of the gravity of certain offences and the full extent of their sentencing powers. In certain cases it may also be appropriate to draw to the attention of the courts and/or the Crown Prosecution Service to the fact that disqualification of a director may arise under relevant legislation.

## **RECOVERY OF COSTS**

In carrying out the formal action outlined in this policy, the Council of the Isles of Scilly will endeavor to recover all reasonable costs incurred.

## **PUBLIC ACCESS TO INFORMATION**

This policy will be made freely available to all members of the public on request and a copy will be posted on the Council's website.

Officers will adhere to the restrictions placed on them by legislation in relation to the release of any information to a third party, obtained by them in the course of their duties. When convictions have been obtained however, the Council will, in addition to reporting the details to the relevant authorities, consider alerting the media and making the details of the conviction public. Such action will serve to draw the attention of a wider audience to the need to comply with legal requirements and deter others tempted to disregard their legal duties.

## COMMENTS

The Council welcomes comments on this policy and on how we can improve our services. Comments can be made in the following ways;

Email: [environmentalhealth@scilly.gov.uk](mailto:environmentalhealth@scilly.gov.uk)

By telephone on: 0300 1234 105

In writing to;  
Environmental Health,  
Council of the Isles of Scilly,  
Town Hall,  
St Mary's,  
Isles of Scilly,  
TR21 0LW

## Agenda Item 22

### Council of the Isles of Scilly report

## Committee Calendar 2018/19

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<b>Meeting</b>	Council
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<b>Date</b>	22 March 2018
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<b>Part</b>	1
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<b>Authors</b>	Andrew Thomas, Officer: Member Liaison & Democratic Services
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### Recommendations

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1. That Members approve the draft calendar at Appendix B for 2018/19
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1. Each year the Council has to set the calendar for all meetings of the local authority. This sets out a full 12 months of meeting dates and start times.
2. Some consideration has been given to scheduling Health and Wellbeing Boards on the same day as Children's Trust meetings, so as to provide better incentive for mainland partners to travel to the islands.

### **Financial implications**

3. Evening meetings may increase accommodation costs for the Section 151 Officer and Monitoring Officer for meetings that they attend in person, as an overnight stay would be necessary. There may also be overtime payments for Officers on salaries of grade 4 or below where attendance at meetings would take them beyond the standard working week (37 hours) – this rate is currently set at 1.5 times the normal hourly rate.
4. Evening meetings incur further costs by way of 'special' boating for Members, as scheduled services do not run to the off-islands after sometime around 4.30pm. This can be up to £110 for a return journey, based on the fees for Tresco Boats from 1 April 2018.

### **Legal implications**

5. There are no legal obligations other than those around Annual Meetings of a local authority, as set out in Sch 12 of the Local Government Act 1972, which allows for a principal council to hold an annual meeting on any day in the month of March, April or May.
6. However, there are local conventions set out at Standing Order 2.1 which determine that the annual meeting of Council must be held on the second Tuesday in May (except in the years of election of Councillors). This has been adhered to in the setting of the meeting dates in this report.

### **Other Implications**

7. Staff on grade 5 salaries and above attending a meeting in the evening may be eligible to take 'Time Off In Lieu' (TOIL) if by attending the meeting they work over their allotted hours for the working week as set out in the Pay Policy and within the terms of their contract.

### **Appendices**

Appendix A – Results of Member consultation on start times of meetings  
Appendix B – Draft Council calendar for 2018/19

### **Approval and clearance**

<b>Senior Manager</b>	Theo Leijser, Chief Executive	08/03/2018
<b>Financial</b>	N/A	
<b>Legal</b>	Matt Stokes, Monitoring Officer	13 March 2018

## Appendix A

### Member Consultation

#### Are you happy that May – Sep meetings should/can take place in the evening?

Was sent to all 16 Members during January 2018.

Key comments received:

<i>"Evening meetings should be from March to September"</i>
<i>"9.30am to 11.30am works well with nursery times"</i>
<i>"2pm would fit better with afternoon scheduled boat services, usually 3.30pm or 4pm rtn"</i>
<i>"10.40am start is best fit for St Agnes scheduled service"</i>
<i>"Prefer evening meetings to enable work uninterrupted in daytime"</i>
<i>"Am retired, am therefore happy to manage whatever times working colleagues prefer"</i>
<i>"Want evening meetings, would likely miss daytime meetings from May to September"</i>
<i>"Evening meetings are not good, all meetings should start at 10.30am or 1.30pm"</i>
<i>"Do not mind whenever but prefer evening meetings"</i>

In total I had responses from 9 Members, not all had an opinion on the matter and just wanted to make that clear that they were fine to do as other wanted.

Attendance rates by time since May 2017:

Start time	Number of meetings	% attendance
<b>6.30pm</b>	5	93
<b>1.30pm</b>	1	100
<b>9.30am</b>	4	81

It was clear from this that there was 'some' opposition to evening meetings continuing, but seemingly this was not a widely-shared view.

Overall it seems that Members were largely happy with the current arrangements around meetings occurring in the evening during the 'lighter-evening' months.

## Appendix B

<b>COUNCIL CALENDAR 2018/19</b>		
COUNCIL	TUE 5 JUNE 2018	6.30pm
COUNCIL	TUE 10 JULY 2018	6.30pm
COUNCIL	TUE 7 AUGUST 2018	6.30pm
COUNCIL	TUE 11 SEPTEMBER 2018	6.30pm
COUNCIL	TUE 2 OCTOBER 2018	9.30am
COUNCIL	THU 8 NOVEMBER 2018	9.30am
COUNCIL	THU 13 DECEMBER 2018	9.30am
COUNCIL	TUE 15 JANUARY 2019	9.30am
COUNCIL	TUE 12 FEBRUARY 2019	9.30am
COUNCIL	TUE 5 MARCH 2019	9.30am
COUNCIL	TUE 2 APRIL 2019	9.30am
COUNCIL	TUE 14 MAY 2019	6.30pm
HWBB	THU 19 JULY 2018	10am
HWBB	THU 15 NOVEMBER 2018	10am
HWBB	THU 4 APRIL 2019	10am
SCRUTINY	THU 24 MAY 2018	6.30pm
SCRUTINY	TUE 18 SEPTEMBER 2018	6.30pm
SCRUTINY	TUE 6 DECEMBER 2018	9.30am
SCRUTINY	TUE 7 MARCH 2019	9.30am
IFCA	THU 21 JUNE 2018	6.30pm
IFCA	THU 20 SEPTEMBER 2018	9.30am
IFCA	THU 24 JANUARY 2019	9.30am
IFCA	THU 21 MARCH 2019	9.30am
CHILDRENS TRUST	THU 19 JULY 2018	1.30pm
CHILDRENS TRUST	THU 15 NOVEMBER 2018	1.30pm
CHILDRENS TRUST	THU 4 APRIL 2019	1.30pm
LICENSING	TUE 26 JUNE 2018	6.30pm
LICENSING	THU 8 NOVEMBER 2018	1.30pm
LICENSING	THU 14 FEBRUARY 2019	9.30am
SACRE	-	
SACRE	-	
SACRE	-	
SACRE	-	

## SCHOOL HOLIDAYS 2018/19

<https://primarysite-prod-sorted.s3.amazonaws.com/thefiveislandsschoolscilly/UploadedDocument/8522f5e8d4174b82af9bbd9fe4d2c212/fis-term-dates-2018-19.pdf>

22 OCT – 2 NOV 2018

24 DEC 2018 - 4 JAN 2019

18 – 22 FEB 2019

8 – 22 APRIL 2019

27 – 31 MAY 2019

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# COUNCIL OF THE ISLES OF SCILLY

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Town Hall, St Mary's, Isles of Scilly, TR21 0LW

☎01720 424000

✉enquiries@scilly.gov.uk

## PART TWO - REPORTS

PART 2 REPORTS ARE PROVIDED TO MEMBERS FOR INFORMATION PURPOSES

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# Agenda Item 23

## Council of the Isles of Scilly report

### Schedule of Delegated Planning Applications

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**Date** 22 March 2018

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**Meeting** Full Council

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**Part** 2

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**Authors** Andrew King, Officer: Planning & Development Management

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#### Recommendations

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**1.** For information only

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1. This report contains a list of delegated applications that have been registered and/or have been determined since the last schedule was published. The applications, the documents submitted with them and a copy of the Planning Officer's delegated report (once determined) can be found via the planning list on the Council's website.

[scilly.gov.uk/planning-development/planning-applications](http://scilly.gov.uk/planning-development/planning-applications)

2. Delegated decisions and applications that have been received and have been identified with a decision level as Delegated but are still pending:

3. P/17/113/FUL: Land at Downs Farm, Downs, St Agnes  
Erection of farm building.

Decision: GRANTED

4. P/17/111/FUL: Mincarlo, Carn Thomas, St Mary's  
Erection of porch at first floor level to the North side of the building and timber bridge giving access to the rear garden.

Decision: PENDING

5. P/18/001/FUL: Seaways, Porthloo, St Mary's  
Construction of new lychgate at entrance to Juliet's Garden and Coast Path.

Decision: GRANTED

6. P/18/003/FUL: Darien, Hospital Lane, St Mary's  
Conversion of garage to bedroom and utility room including replacement of garage door with window and removal of window at rear.

Decision: PENDING

7. P/18/004/FUL: Carn Vean Barn, Pelistry, St Mary's  
Erection of staff/family annex accommodation with amended design to that approved under planning permission P/13/078.

Decision: PENDING

8. P/18/005/LBC: Harbourside Building, The Quay, St Mary's  
Extract Ventilation to rear of building which will include the formation of an aperture in the existing walls. (Listed Building)

Decision: PENDING

9. P/18/006/TWA: 1-11 Sally Port, St Mary's

Application to prune and pollard trees adjacent to the highway at Sally Port.

Decision: PENDING

10. P/18/007/FUL: Harbourside Building, The Quay, St Mary's  
Extract Ventilation to rear of building which will include the formation of an aperture in the existing walls. (Listed Building)

Decision: PENDING

11. P/18/009/TWA: Nowhere, Old Town, St Mary's  
Removal of two elm trees that sit close to the electric supply and foundations of the property and trimming of a number of other elm trees.

Decision: PENDING

12. P/18/010/TWA: Crow's Nest, The Bank, St Mary's  
Works to Canary Island palm tree, including removal of overhanging branches, removal of olearia growth from the crown, and removal of aeonium growth on trunk. Also trimming back adjacent cabbage palms.

Decision: PENDING

13. P/18/011/FUL: Shearwater, The Parade, St Mary's  
Removal of right hand chimney stack to below roof level and replacement with a red brick version in the same size and design as the existing. (Listed Building)

Decision: PENDING

14. P/18/011/FUL: Shearwater, The Parade, St Mary's  
Removal of right hand chimney stack to below roof level and replacement with a red brick version in the same size and design as the existing. (Listed Building)

Decision: PENDING

- 15 The following application has been WITHDRAWN:

P/17/081/FUL: Sibleys Fuel & Marine Storage, 28-29 Porthmellon Industrial Estate, St Mary's  
Change of use and alterations to provide two self-contained staff units.

### **Financial implications**

16. None

### **Legal implications**

17. None

### **Other implications**

18. None

### **Appendices**

None

### **Approval**

<b>Senior Manager</b>	Craig Dryden, Senior Manager: Infrastructure & Planning	13.03.2018
<b>Financial</b>	N/A	
<b>Legal</b>	Matt Stokes, Monitoring Officer	13 March 2018

# Agenda Item 24

## **LEAD MEMBER FOR PLACE UPDATE - ROBERT FRANCIS**

Short update this month as four reports are being considered at this meeting that relate to PLACE.

### **Waste & recycling Collection Vehicle**

A second hand vehicle has been sourced to enable recycling across the whole of St Mary's. The delivery date dependent on securing a suitable marine craft to bring it over, Gry is unable to carry it! This is however excellent news as it means we are saving in the order of £80k on buying new.

### **Dry Mixed Recycling Collection**

Pilot scheme going well. Participation rate is consistently around 80%.

We are working with the Wildlife Trust on various plastic use reduction initiatives and further information about this will be shared in the next report.

### **Green Waste**

Temporarily stock piling on the Porthmellon waste management site to minimise costs until a suitable site has received the required environmental permits and planning permission (anticipated a planning application will be considered at the April Council meeting).

### **Water**

Freezing conditions and subsequent thaw led to a series of water leaks that had to be fixed to alleviate water supply issues on both St Mary's and Bryher. Some of these were on private systems (the responsibility of the property owner to rectify) and some were on the mains (our responsibility). Water operations team had to work flat out through difficult conditions in order to resolve the issue. They did an excellent job having to work many extra hours in bad weather.

Our Council operations team also did an excellent job spreading sand on the roads and paths to help mitigate the slippery conditions.

### **Environmental Health**

The Environmental Health Officers engaged with over 20 businesses at the Island Partnership business week session on Food Safety and Private sector housing for staff. Their advice and support approach is reflected in the Environmental Enforcement & Compliance Policy.

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