



Cabinet

Members are invited to a **Meeting of the Cabinet** to be held in the Conference Room, Riverside, Lowestoft on **Tuesday, 7 November 2023** at **6.30pm**.

This meeting will be broadcast to the public via the East Suffolk YouTube Channel at <https://youtube.com/live/qhDjcFZMw7k?feature=share>.

Members:

Councillor Caroline Topping (Leader of the Council), Councillor David Beavan (Deputy Leader and Housing), Councillor Paul Ashton (Corporate Services – Digital, Customer Services, HR and Assets), Councillor Jan Candy (Community Health), Councillor Tom Daly (Energy and Climate Change), Councillor Toby Hammond (Economic Development and Transport), Councillor Vince Langdon-Morris (Resources and Value for Money), Councillor Rachel Smith-Lyte (The Environment), Councillor Sarah Whitelock (Communities, Leisure and Tourism), Councillor Kay Yule (Planning and Coastal Management)

An Agenda is set out below.

Part One – Open to the Public

Pages

- | | | |
|--------------------------|--|----------------|
| 1 | Apologies for Absence
To receive apologies for absence, if any. | |
| 2 | Declarations of Interest
Members and Officers are invited to make any declarations of interests, and the nature of that interest, that they may have in relation to items on the Agenda and are also reminded to make any declarations at any stage during the Meeting if it becomes apparent that this may be required when a particular item or issue is considered. | |
| 3 | Announcements
To receive any announcements. | |
| 4 | Minutes
To confirm as a correct record the minutes of the meeting held on 3 October 2023. | 1 - 10 |
| NON-KEY DECISIONS | | |
| 5 | Our Direction 2028 ES/1718
Report of the Leader of the Council. | 11 - 40 |

Part One – Open to the Public		Pages
6	East Suffolk Council’s Food and Health & Safety Service Plan 2023-2024 ES/1719 Report of the Cabinet Member with responsibility for Community Health.	41 - 128
7	Draft Medium Term Financial Strategy and Quarter 2 Budget Monitoring for 2023/24 ES/1720 Report of the Cabinet Member with responsibility for Resources and Value for Money.	129 - 199
 KEY DECISIONS		
8	East Suffolk Local Council Tax Reduction Scheme (LCTRS) 2024/25 ES/1721 Report of the Cabinet Member with responsibility for Resources and Value for Money.	200 - 205
9	Insurance Contract Renewal ES/1722 Report of the Cabinet Member with responsibility for Resources and Value for Money.	206 - 211
10	Leiston Leisure Centre/Alde Valley Academy Third Generation (3G) and Multi-Purpose Games Area (MUGA) Sport Facility Legacy from Sizewell C ES/1723 Report of the Cabinet Member with responsibility for Communities, Leisure and Tourism, and the Cabinet Member with Corporate Services - Digital, Customer Services, HR and Assets.	212 - 340
11	Exempt/Confidential Items It is recommended that under Section 100A(4) of the Local Government Act 1972 (as amended) 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 Paragraphs 3 and 5 of Part 1 of Schedule 12A of the Act.	

Part Two – Exempt/Confidential		Pages
12	Exempt Minutes <ul style="list-style-type: none"> • Information relating to the financial or business affairs of any particular person (including the authority holding that information). • Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings. 	

Close



Chris Bally, Chief Executive

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Unconfirmed



Minutes of a Meeting of the **Cabinet** held in the Deben Conference Room, East Suffolk House, on **Tuesday, 03 October 2023** at **6:30 PM**

Members of the Cabinet present:

Councillor Paul Ashton, Councillor David Beavan, Councillor Tom Daly, Councillor Toby Hammond, Councillor Vince Langdon-Morris, Councillor Caroline Topping, Councillor Sarah Whitelock, Councillor Kay Yule

Other Members present:

Councillor Peter Byatt, Councillor Janet Craig, Councillor Mike Deacon, Councillor Julia Ewart, Councillor Alan Green, Councillor Graham Parker, Councillor Craig Rivett, Councillor Myles Scrancher

Officers present:

Chris Bally (Chief Executive), Chris Bing (Head of Legal and Democratic Services), Kerry Blair (Head of Operations), Kate Blakemore (Strategic Director), Marlon Bruce (Interim Strategic Lead - Housing Services), Elliott Dawes (Housing Development Officer), Stephanie Duff (Strategic Lead – Housing Repairs and Maintenance), Heather Fisk (Head of Housing), Lorraine Fitch (Democratic Services Manager), Teresa Howarth (Strategic Lead – Private Sector Housing), Andy Jarvis (Strategic Director), Helen Johnson (Culture and Heritage Programme Manager), Nick Khan (Strategic Director), Bridget Law (Strategic Lead – Housing Investment), Fern Lincoln (Strategic Lead – Housing Needs), Matt Makin (Democratic Services Officer (Regulatory)), Andrea McMillan (Planning Manager - Policy, Delivery and Specialist Services), Lorraine Rogers (Chief Finance Officer), Isabel Rolfe (Political Group Support Officer (GLI)), Samantha Shimmon (Strategic Lead – Housing Services), Ian Sparkes (Capital Projects Commercial Manager), Paul Wood (Head of Economic Development & Regeneration), Ben Woolnough (Planning Manager (Development Management, Major Sites and Infrastructure))

Others present:

Chris Pegge (Centra Partnership)

1 Apologies for Absence

Apologies were received from Councillor Jan Candy and Councillor Rachel Smith-Lyte,

2 Declarations of Interest

There were no Declarations of Interest.

3 Announcements

Leader of the Council

Councillor Topping thanked Councillor Ninnmey and Councillor Graham for their work as Cabinet Members.

Following a recent change Councillor Topping welcomed Councillor Candy as the Cabinet Member with responsibility for Community Health and Councillor Whitelock as the Cabinet Member with responsibility for Communities, Leisure and Tourism.

Cabinet Members

There were no announcement from Cabinet members.

4 Minutes

On the proposition of Councillor Yule, seconded by Councillor Hammond it was unanimously

RESOLVED

That the minutes of the meeting held on 5 September 2023 be agreed as a correct record and signed by the Chair.

5 Public Space Protection Order - Harbour Ward, Lowestoft

Councillor Topping introduced report ES/1686 which related to the Public Space Protection Order for Harbour Ward, Lowestoft and she invited the Anti-Social Behaviour Transformation Officer to present the report to the Cabinet.

Cabinet noted that the Police had requested the extension of the Public Space Protection Order (PSPO), which was due to expire on 23rd October 2023. The order was a discretionary power which could prohibit alcohol use in a public place, if the police believe there could be harassment, alarm or distress being caused when someone has alcohol in their possession. People with alcohol in their possession could be asked to empty their alcohol so that it could not be used in that public space.

Antisocial Behaviour (ASB) was a priority for the Community Safety Partnership (CSP).

Inspector Jackson was invited to outline the aims of the order and stated that the purpose was to continue to tackle and reduce ASB in the Harbour Ward of Lowestoft. Both residential and commercial premises were located the Town Centre providing a multi-use space for residents and visitors.

The Police support the order which provided a preventative tool to tackle ASB where alcohol was a factor.

Councillor Topping highlighted that the feedback considered the issue being with people in the age range of 30-50 and stressed the work was not concerning young

people. Councillor Topping echoed that the order was a discretionary power available for use when it was considered someone was feeling alarmed, distressed or harassed.

Councillor Hammond posed a question of how often had the police exercised the order and how much of a problem there was in Harbour Ward?

Inspector Jackson responded to state that there had been some research conducted and there were some issues regarding young people in the town centre. Part of the report included a general review of alcohol related incidents in the Harbour Ward, which included incidents behind closed doors. Over a 3 year period there had been a reduction in alcohol related incidents and the PSPO had contributed to the success of the reduction. Between September 2020 – the end of August 2023 there had been 73 recorded uses of the order. The police have a number of reactive methods at their disposal to respond to crime and disorder, however, the PSPO provided an opportunity for early intervention.

Councillor Yule stated that the information sounded excellent and asked if having the presence of the PCSO in the area had helped address issues?

Inspector Jackson stated it does help to have consistency and a local knowledge which helped. It also aided the approach available to the police in addressing issues.

Councillor Daly echoed support and queried how people generally react to the orders?

Inspector Jackson responded that there had not been many, if any, where someone has not complied with the order when instructed. There had been a reduction in the amount of times the order had been used. People seemed quite receptive to this 'softer' approach. If an incident did escalate then there would be further powers the police have to respond to criminal activity.

Councillor Byatt thanked the Anti-Social Behaviour Transformation Officer and the police for the work they do in the local community.

Councillor Topping asked if licenced premises have been engaged and if there was signage available?

Previous signage remained in situ, it was reported that the feedback has been that the signage was small and situated quite high. Stickers have been purchased in place of replacing all signage and there were some additional signs.

Licensed Premises have not directly been engaged with, as they would have been aware of the order previously in place. There would be some visits to support raising awareness should the order be extended.

Councillor Topping moved the recommendation in the report and there being no further questions or debate the Leader proceeded to the vote and it was unanimously.

RESOLVED

That the extension of the Public Space Protection Order (PSPO) for the Harbour Ward for a further three years be agreed.

6 Building Capacity within the Private Sector Housing and Housing Needs Services

Councillor Beavan summarised the report ES/1674, which sought approval for three new roles to support teams to deliver on key priorities. The roles included one post in Housing Needs and two posts in Private Sector Housing. The posts would be permanent positions.

Councillor Langdon-Morris queried whether there was funding available for the posts longer term. The Head of Housing responded that there was sufficient funds available in the current budget and the posts would be built into future budgets.

Councillor Beavan moved the recommendation in the report and there being no questions or debate the Leader proceeded to the vote and it was unanimously

RESOLVED

That an increased budget within the General Fund be approved to enable the permanent recruitment of staff for the new roles of:

1. Business Support Administrator – Private Sector Housing
2. Licensing Officer- Private Sector Housing
3. Housing Enabling Officer- Housing Needs

7 Housing Regulation - Quarterly Update

Councillor Beavan introduced the report ES/1675, which provided a quarterly update on Housing Regulation.

The Head of Housing added that the quarterly update followed on from reports heard at Full Council in January 2023 and the update provided in July 2023. Since July, work had focussed upon the compliance of housing stock and the rent audit, which covered the return of overpayments to tenants.

Councillor Byatt posed the following questions summarised below:

- Who were Eastern Procurement?
- Could the total of £8,620,294 outlined in the report, impact on the future plans of the council?
- Will the housing health and safety group report to Cabinet and, if so, how often?

The Head of Housing responded that Eastern Procurement were not in house. They worked with multiple agencies and authorities to support effective procurement opportunities.

Regarding the refunding and the final figures, there was confidence the figures were as close to accurate as could be. There had been 9000 tenancies reviewed, which was a huge amount of work.

Regarding the Business Plan, the Head of Housing was conscious there would significant impact on the current and longer term financial picture. There was a review of the business plan underway. Regulatory changes were due, there were plans to retro fit stock and build more council houses. There were lots of competing priorities. Specialist Financial Experts have been engaged to support this work.

It was planned to write and present a new business plan to Full Council in March 2024 along with a refreshed asset management strategy.

The Housing Health and Safety board meets monthly. The Corporate Leadership Team had been discussing how information was shared to Members and assurance provided regarding the housing stock and how compliant it was. It was important Members have knowledge of housing legislation changes and receive updates on progress.

Councillor Beavan stated he had every confidence in the team and that it would successfully conclude the refund work. He was also confident the authority would be able to build new housing in the future.

Councillor Rivett echoed that the team had done exemplary work. He asked if there was consideration to the potential for 'scammers' and how would residents be protected from any malicious schemes.

The Head of Housing responded to state specialist legal advice was sought to ensure everything had been done appropriately. There was awareness of vulnerable people within the housing stock and where refunds were due over a certain monetary value home visits would be conducted. The team were working with corporate audit governance and fraud. It was noted that Direct debit payments would be easier to process.

With regard to former tenants, there would be address and ID checks to safeguard and mitigate risks of any fraudulent activity. The refund process was planned to commence late October / early November to ensure all steps were taken to safeguard tenants and the Council.

Councillor Topping thanked the Head of Housing and the wider team for their undertaking such a huge piece of work.

Councillor Beavan moved the recommendation in the report which was seconded by Councillor Ashton

There being no questions or debate the Leader proceeded to the vote and it was unanimously

RESOLVED

1. That the information contained within the report be noted and the actions set out to ensure the Council is compliant with the Regulator of Social Housing Consumer 'Home Standard' be endorsed.

2. That it be noted that the next quarterly update will be presented to January 2024's Cabinet Meeting.

8 Southwold Harbour Management Committee – Draft Budget Monitoring Report Quarter 4 2022/23 and Mid-Year Budget Monitoring Report 2023/24

Councillor Langdon-Morris introduced report ES/1676, the purpose of which was to outline:

1. The draft outturn position for the year ending 31 March 2023, and
2. The mid-year budget monitoring position for 2023/24

The Interim Chief Finance Officer outlined that the terms of reference stated that the committee were required to monitor performance against budget and to report to Cabinet.

Appendix A – Outlined the financial position. There was a budgeted surplus of £100k.

Appendix B – The midyear position was showing as under budget projection for income, however, the forecast for the end of the year will reposition to see a surplus income.

Both reports had been considered by the committee and were approved to be brought to Cabinet. Councillor Langdon-Morris moved the recommendation in the report which was seconded by Councillor Beavan.

There being no questions or debate the Leader proceeded to the vote and it was unanimously

RESOLVED

That the Budget Monitoring Quarter 4 Report for 2022/23 and the mid-year budget monitoring position for 2023/24 as reviewed by the Southwold Harbour Management Committee be noted.

9 Recreational disturbance Avoidance and Mitigation Strategy – Collaboration Agreement - Heads of Terms

Councillor Yule introduced the report ES/1678, which sought authorisation to enter into a Collaboration Agreement with Babergh District Council, Mid Suffolk District Council and Ipswich Borough Council, to take forward existing and long-standing joint working to manage the implementation of mitigation required under the 'Recreational Disturbance Avoidance and Mitigation Strategy', hereafter referred to as 'the Suffolk Coast RAMS'.

The project was moving in to an implementation phase where monies collected from the tariff could be spent on mitigation projects.

There had been a memorandum of understanding in place in the past, however, moving forward it was desired to enter into a more formalised collaborative agreement to which East Suffolk Council will be host authority, which would include managing the day to day activity of the Suffolk Coast RAMS Delivery Officer and taking responsibility for holding the collected the Suffolk Coast RAMS funds. Decisions on mitigation spend would take place by the Suffolk Coast RAMS Executive Group.

Natural England were involved and on board with the proposed way forward.

Councillor Daly stated that the it was good to be on the cusp of spending money and questioned if there was any work planned in the pipeline for spend.

Councillor Yule responded that the first expenditure would be a salary and looking at staffing to move things forward. There was £942k to spend of which £553k could be spent on mitigation.

Councillor Daly sated it would be good to start collecting ideas on mitigation now. Councillor Yule welcomed ideas to be sent directly to her to review.

Councillor Beavan asked if there was anything on light pollution and the affect it had on habitats?

The Planning Manager added that mitigation measures were key elements of the strategy and delivery. There would be rangers appointed, who would be out advising and educating the public about the habitats.

There would also be work conducted on the ground, such as fencing, signage and obtaining educational materials. The details would be picked up when the Delivery Officer was in post.

The Planning Development Manager stated that the nature of mitigation was very specific and addressing recreational impact in protected areas. The predominant issues were poor practice with dog walking and paddleboarding in estuaries where there were protected sites. The work would consider how to educate and inform users of the spaces, to reduce the culminative impact on habitats and protected sites.

Councillor Byatt queried if there was any involvement from Parish Councils?

The Planning Manager responded to state that where mitigation work was taking place there would be opportunity to engage Parish Councils to work alongside and update on activity.

The Planning Development Manager added that there were good stakeholder relationships of which there was a variety and there would be opportunities to include Parish Councils where mitigation work was taking place.

Councillor Yule moved the recommendation in the report which was seconded by Councillor Ashton

There being no questions or debate the Leader proceeded to the vote and it was unanimously

RESOLVED

1. That it be approved for the Council to enter into a Collaboration Agreement with Babergh District Council, Mid Suffolk District Council and Ipswich Borough Council to facilitate the delivery of the Suffolk Coast RAMS.

2. That authority be delegated to the Head of Planning and Coastal Management to agree the Collaboration Agreement.

10 To transfer land on a concessionary basis to Bucklesham Parish council for continued use as allotments

Councillor Ashton introduced the report ES/1679 and outlined the proposal that the Freehold disposal of the allotment site off Green Crescent Bucklesham be passed to Bucklesham Parish Council.

Councillor Ashton highlighted that the Parish Council intend to continue the use as allotments. This area was the last allotment site that East Suffolk manages. The Parish Council had approached East Suffolk regarding the transfer of the land.

Councillor Daly queried the legal part of the transfer document to ensure the continued use as an allotment site.

Councillor Ashton responded to state that is the intention of the Parish Council.

Councillor Langdon-Morris questioned that the site did not currently have a connection to mains water and was there any consideration for investment?

Councillor Ashton responded that many allotments do have a mains water supply, and this should be part of the discussion with Bucklesham Parish Council to see what the plans were and if they had the means to fund themselves or raise funding.

Councillor Rivett highlighted that the report made reference to the Asset Management Strategy which was due to expire and queried if there were plans to update this?

Councillor Ashton responded to state that there were plans to update and in due course this would be shared.

Councillor Byatt observed that it was great to see allotment usage was being encouraged and mentioned a motion in the previous administration which sought to engage with Parish Councils to acquire more allotment land.

Councillor Ashton moved the recommendation in the report which was seconded by Councillor Langdon-Morris

There being no questions or debate the Leader proceeded to the vote and it was unanimously

RESOLVED

1. That it be agreed to transfer the Council's freehold interest in the allotment site to Bucklesham Parish Council.
2. That authority be delegated to the Strategic Director, in consultation with the Cabinet Member with responsibility for Corporate Services - Digital, Customer Services, HR, and Assets to complete the disposal.

11 Exempt/Confidential Items

Before moving into the exempt session Councillor Beavan provided a short statement to outline that the Cabinet would be considering the future of St Peter's Court. He confirmed that letters would be sent to residents the following day regarding the decision reached.

Councillor Beavan stated that the matter would be considered with sensitivity and the Cabinet would be having a robust discussion relating to the detailed report provided.

Councillor Beavan described the building a brief history. He concluded by outlining the options under consideration. He confirmed a decision would not be made on finance alone but would take in to consideration the views and feedback from residents.

Councillor Topping added thanks to the Housing team for their work and for facilitating a recent site visit and tour of St Peters Court.

On the proposition of Councillor Hammond, seconded by Councillor Yule, it was by a unanimous vote

RESOLVED

That under Section 100A(4) of the Local Government Act 1972 (as amended) the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 3 and 5 of Part 1 of Schedule 12A of the Act.

12 Exempt Minutes

- Information relating to any individual.
- Information that is likely to reveal the identity of an individual.
- Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter

arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.

13 Asset Review – St Peters Court, Lowestoft

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

14 10-22 Avenue Mansions, Royal Avenue, Lowestoft

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).

15 To agree to a five-year lease to house the Port Health staff at Felixstowe docks

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).

16 Leasing and management arrangements for Gunton Warren, Lowestoft

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).

17 Match funding for the restoration and redevelopment of the former Lowestoft Town Hall

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.

The meeting concluded at 8.46pm

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Chair



CABINET
Tuesday, 07 November 2023

Subject	Our Direction 2028
Cabinet Member	Councillor Caroline Topping Leader of the Council
Report Author(s)	Kate Blakemore Strategic Director kate.blakemore@eastsoffolk.gov.uk
Chief Executive	Chris Bally Chief Executive Officer chris.bally@eastsoffolk.gov.uk

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	Not applicable.
Wards Affected:	All Wards

Purpose and high-level overview

Purpose of Report:

The East Suffolk Plan 2019-23 was the Council's first ever Strategic Plan and has now reached the end of its term. The purpose of this report is to present the new Council's Strategic Plan, Our Direction 2028, to Cabinet.

Options:

- 1) To recommend to Council the approval of the Strategic Plan, Our Direction 2028
- 2) To make amendments to the Strategic Plan, Our Direction 2028 and recommend to Council the approval of the amended Strategic Plan, Our Direction 2028
- 3) To not approve the Council's Strategic Plan, Our Direction 2028

Recommendation:

A Strategic Plan sets the out the strategic themes and priorities for the Council as part of the Council's Budget and Policy Framework. It is the key strategic document for the Council in setting the direction of East Suffolk Council.

Cabinet is asked to recommend to Full Council the approval of the Strategic Plan, Our Direction 2028, as set out in Appendix A to the report.

Corporate Impact Assessment

Governance:

The delivery of Our Direction 2028 will be supported by a governance framework which will include annual action planning and performance management.

ESC policies and strategies that directly apply to the proposal:

A Strategic Plan sets the out the strategic themes and priorities for the Council as part of the Council's Budget and Policy Framework. It is the key strategic document for the Council in setting the direction of East Suffolk Council for the next four years.

Environmental:

Environmental Impact is one of the four themes outlined within Our Direction.

Equalities and Diversity:

This Strategic Plan seeks to achieve inclusion and equality both within our workplace and across all our Communities in East Suffolk. No negative impact on any of the characteristics protected under the Equality Act 2010 are identified as a result of the new Strategic Plan.

Financial:

Approval of a Strategic Plan is required as part of the Council's Budget and Policy Framework.

Legal:

The Councils constitution outlines the need to have the Councils objective and priorities contained within a central document.

Risk:

The Council's Corporate Risk Register will be updated to reflect any specific risks associated the delivery of Our Direction 2028, in the same way that it does with the current Strategic Plan.

External Consultees:

Multiple - as part of the consultation process for the development of this Strategic Plan

Strategic Plan Priorities

The East Suffolk Plan 2019-23 was the Council's first ever Strategic Plan and has now reached the end of its cycle. Work has therefore been undertaken to update, build on and enhance this plan, and Our Direction 2028 presents four key themes, each with a number of supporting priorities. If approved, it will become the Council's key strategic document, setting the direction of East Suffolk Council over the next four years.

Background and Justification for Recommendation

1 Background

1.1	A Strategic Plan sets the out the strategic themes and priorities for the Council as part of the Council's Budget and Policy Framework. It is the key strategic document for the Council in setting the direction of East Suffolk Council for the next four years.
1.2	The East Suffolk Plan 2019-23 was East Suffolk Council's first ever Strategic Plan and has now reached the end of its cycle. Work has therefore been undertaken to update and build on this this plan and to reflect the ambitions of the new Green, Liberal Democrats & Independent (GLI) Group administration.

2 Introduction

2.1	In developing our new Strategic Plan "Our Direction 2028", work has been ongoing in terms of drafting this document and working collaboratively to reflect and refine it based on feedback from all Members, Officers, stakeholders, and residents.
2.2	Our Direction 2028 is a strategic-level document and therefore it is about the path we are embarking on together, collaboratively, over the next four years; an ambitious approach, creating that golden thread and setting targets to help us deliver what we aim to achieve by 2028. Our Direction 2028 sets out a vision and

	<p>four associated themes, under which several priorities have been defined. The visions and themes are:</p> <p>Vision: Our aim is to promote a bright, green, open, free, and fair future for all East Suffolk</p> <p>Themes:</p> <ul style="list-style-type: none"> • Environmental Impact Delivering positive climate, nature, and environmental impacts through the decisions we make and actions we take. • Sustainable Housing All homes in East Suffolk are safe, suitable, and sustainable, in communities where residents are proud to live. • Tackling Inequalities Improving quality of life across the district by tackling financial, social and health inequalities. • Thriving Economy Enabling residents to benefit from, and contribute to a thriving, economy.
2.3	All four themes are connected and provide the overarching principles for the way in which the Authority will work as a whole – rather than being seen in isolation, the plan aims to present the themes and priorities as the ethos under which decisions will be made and the direction the authority will travel over the next four years.
2.4	Within each theme, key priorities are identified. These statements guide what is important to the Council and provide a steer on the areas which will be focused on within each theme. Our Direction 2028 can be found at Appendix A to this report.

3 Development of the Strategic Plan

	Annual Strategic Plan Progress Report 2023
3.1	The East Suffolk Plan 2019-23 was East Suffolk Council’s first ever Strategic Plan, in nearing the end of its cycle consideration was given to what was achieved over the last year as part of the Council’s annual Strategic Plan report 2023, along with what was achieved over the whole lifetime of the Plan, considering what a new Plan could build on, accelerate and change focus on in terms of the GLI Groups own priorities.
3.2	<p>In summary for 2023 good progress was achieved within the following major projects:</p> <ul style="list-style-type: none"> • Business cases were completed, and funding approved by Department of Levelling up, Housing and Communities (DLUHC) for various elements of the Lowestoft Towns Fund Programme to deliver the transformational

	<p>regeneration objectives for the town with all projects moving to/currently going through detailed design.</p> <ul style="list-style-type: none"> • The first two work packages of the Lowestoft tidal flood defence barrier have progressed including engagement with businesses and community. • UK Shared Prosperity Fund investment plan was approved in November with year one projects all underway. • Our Ease the Squeeze campaigns under the Cost-of-Living programme identified almost £1 million of funding and delivered on-the-ground support including warm rooms, food-related projects and help with financial matters such as budgeting, access to benefits and grants. • A large programme of work to establish a new trading company, transferring services from the Norse Joint Venture has progressed during the 22/23 year. East Suffolk Services Ltd has been established and went live on the 1st June 2023. • The Deben Fields development at the former Deben High School site has progressed, with the demolition phase complete and the development management company appointed. • The Kitchen@Felixstowe (now known as the Sea You café) was completed in May 2022 as part of the Felixstowe Development programme. • All eight Community Partnerships across the district supported and delivered projects against priorities identified at a local level and more than 140 projects were funded in communities as part of our Community Grant Schemes. • Our Digital Towns implementation is complete – installing public wi-fi and footfall counters in eleven market towns across the district. • Refuse vehicles using greener HVO fuel and EV Pool cars are now on stream.
3.3	<p>Areas requiring further work have also been identified, plans have been developed to address these issues which are in summary:</p> <ul style="list-style-type: none"> • New homes delivered across the district as part of our overall delivery of new homes within our local plan are slightly lower than targeted, due to challenges in the wider economy. • Delays to our own Housing Development programme means moving some completions into the next financial year or beyond, however a review of the capital programme is underway and reviews taking place to address delivery. • Housing regulation issues reported, and a plan put in place to fully address all areas. • Our waste collection figures for recycling and composting are lower than targeted, however there are plans in place to address service needs with the implementation of our trading company. <p>The Annual Strategic Plan summary report 2023 can be found at Appendix B of this report.</p>

	GLI Group Priorities
3.4	In forming the administration of the Council following the local elections in May 2023 the GLI Group developed four key themes for East Suffolk, scoping out several priorities under each theme, prior to undertaking a wide range of consultation to enable these themes and priorities to be further finalised and captured within Our Direction 2028.
	Consultation
3.5	Whilst the themes were initially developed by the GLI group, including an initial set of priorities, much has happened in way of consultation with all Members, Officers, residents, and stakeholders to further develop and finalise the themes and priorities outlined in Our Direction 2028.
3.6	<p>This consultation has included:</p> <ul style="list-style-type: none"> • All Member briefing and ongoing discussions across all political groups. • Strategic Plan discussion at Scrutiny and Overview Committee in September 2023. • Corporate Leadership engagement sessions. • Online CEO staff briefings. • Staff engagement roadshows. • Press release and launch of an online survey for residents and stakeholders to complete. • Letters sent to key stakeholders asking for feedback.
3.7	Feedback from staff and Members included clarification questions, suggested improvements in language, merging of and additional priority suggestions, alongside a significant number of ideas for action in terms of how the Plan can be subsequently delivered over the next four years.
3.8	Feedback from residents and stakeholders included a total of 380 online survey responses, with 89% of these responses coming from residents in the district. A summary of these responses is attached as Appendix C to this report and identifies which priorities under each theme are most important for our residents and stakeholders.
3.9	Interestingly areas of the survey also aligned with internal staff and Member feedback regarding additional priorities, clarification of language and ideas for action in terms of delivering this Plan. This feedback has been addressed as part of the finalisation of Our Direction 2028.
	Our Foundations
3.10	Our Direction 2028 is the Council’s blueprint for success over the next four years, and in delivering this Plan we recognise the importance of the solid foundations

	that are critically important to any successful local authority. As such we will remain committed to providing excellent quality services for our residents including the delivery of our core statutory services, always operating within a financially responsible way.
3.11	We will always listen to our residents and commit to engaging with them whenever possible. We will also find innovative ways of doing this, especially for residents that are less likely to engage with us and are harder to reach.
3.12	We will ensure our customers find it easy to do business with the council. On every occasion people interact with the council, it must be as easy as possible and we will always adopt a solution-focussed approach.
3.13	Finally, we will always measure and reflect on our performance, including how we deliver this plan as part of Our Direction 2028. We will ask what our communities think in a variety of different ways, including our regular residents' surveys, and take action when things are not going so well.

4 Governance

4.1	To govern the direction of the authority, using the Strategic Plan as the steering document, work has been undertaken to evolve the current governance framework to continue to provide oversight of overall performance and delivery against the Strategic Plan. This achieves several aims: <ul style="list-style-type: none"> • Oversees the programme of work feeding into each theme. • Steers the activities of the Council to ensure they are delivering to the plan. • Monitors progress of delivery to the key priorities within each theme. • Monitors, understands, and challenges performance. • Monitors risks which may compromise delivery of strategic objectives.
4.2	Governance arrangements will include the development of an annual action plan that will contain the high-level programme of work that the Council will undertake to deliver against its strategic themes and how we will monitor to ensure the Council is moving in the right direction.
4.3	The governance arrangements will also include clear Key Performance Indicators (KPI's) at a strategic level, that will be regularly monitored, reported and available to internal and external stakeholders.
4.4	Progress against this action plan will be reported annually in the form of an annual report.
4.5	Organisationally, to ensure the "golden thread" of the Strategic Plan runs throughout the organisation, annual service planning linked to the themes of the strategic plan, and its underlying governance structure, will be in place and complimented by service-level performance and appraisals.

5 Reason/s for recommendation

5.1	The East Suffolk Plan 2019-23 was East Suffolk Council's first ever Strategic Plan and has now reached the end of its term. Work has therefore been undertaken to update and build on this this plan and to reflect the ambitions of the new Green, Liberal Democrat & Independent (GLI) Group administration.
5.2	Our Direction 2028 is the key document for the Council in setting the direction of East Suffolk Council for the next four years and following on from significant

	consultation and further development and finalisation of Our Direction 2028, this Strategic Plan is being presented to Cabinet for recommendation to Council for its approval.
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Appendices

Appendices:	
Appendix A	Our Direction 2028
Appendix B	Annual Strategic Plan summary report 2023
Appendix C	Online Survey Responses Summary

Background reference papers:	
None.	



EASTSUFFOLK
COUNCIL

OUR

DIRECTION

2028

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Cllr Caroline Topping, Leader

I was incredibly honoured to have been elected as Leader of East Suffolk Council and to be its first female Leader. This is a truly beautiful and vibrant part of the world and I am proud, as a resident, to serve you all.

After many years of Conservative Administration at Suffolk Coastal, Waveney and East Suffolk Councils, our residents voted for change. Our communities have put their trust in us, and we will do our best to deliver what they want us to achieve.

We fully appreciate how worried people have been about tackling the cost-of-living crisis which has hit our communities really hard. People can't find affordable housing; they are worried about their town centres with shops and banks closing, and they are worried about the environmental legacy we are leaving for our children, with the threat of climate change already evident.

Therefore, this Green, Liberal Democrat and Independent Administration, working collaboratively with all Members, staff and important stakeholders will operate on the basis of clear priorities which reflect our shared values. These priorities are presented here in 'Our Direction 2028', our plan for the next four years.

The Council is ready for an exciting and ambitious new phase, and Our Direction has seen the original East Suffolk Plan evolve, with a refreshed and refined approach, reflecting the political ambitions of the new Administration.

Our Direction 2028 is about the path we are embarking on together, collaboratively, over the next four years. We are taking an ambitious approach and have sought the views of local people to create this Plan. We are working with and empowering communities and individuals to conserve what we love about our District, improve services where we need to and adapt to our changing environment to ensure the District is in the best place possible in 2028.

Over the next few pages, we will explain exactly what we are seeking to achieve and the standards to which we expect to be held. It will no doubt be challenging, but also exciting and on behalf of all councillors I can guarantee that we will do our very best at all times.

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Chris Bally, Chief Executive

'Our Direction 2028' comes at a time of great challenge and opportunity for the district and the organisation. East Suffolk Council has made huge strides since 2019, delivering against the Council's first ever Strategic Plan achieving, real progress in the district.

We have welcomed considerable funding to deliver major projects and throughout East Suffolk there are examples of important schemes and activities being delivered by the Council or in partnership with other key stakeholders.

2023 has been a year of significant change, with a new Chief Executive and Administration. However, the energy, resilience and positivity shown in taking this change in its stride and continuing to deliver excellent public services is a testament to all who work for the Council.

Looking ahead, we have an exciting four-year agenda. The new Green, Liberal Democrat and Independent Administration of the Council recognise the progress that has been made, but also know that they have been chosen by the electorate. They want to deliver a renewed focus on the environment and an economy that works for all in the district, addressing inequalities and tackling the housing challenge appropriately across the District.

Alongside this, at our core, is maintaining the quality of services day-in day-out and ensuring the council is governed well and delivers effectively and efficiently. We are also ready to look at things afresh, as demonstrated by the creation of trading vehicles such as East Suffolk Services Limited and East Suffolk Lettings, plus the adoption of technology through our Digital Towns work.

However, we know we cannot do this alone and welcome continued excellent working relations with other councils in Suffolk, health and police partners, the business and voluntary sectors, and central government. This is typified by our innovative Community Partnership model which will develop further to create a thriving network of projects and initiatives.

I am incredibly proud to be the Chief Executive of East Suffolk and proud of the commitment, energy and ingenuity that our officers and teams put into delivering outstanding services around the clock. Excellent planning, building control, environmental health, housing, leisure and so much more only happen because of the people dedicated to serving our communities. They are united in their purpose whether they are directly delivering services or supporting those who are engaged in that delivery to achieve the best for East Suffolk.

OUR DIRECTION 2028

Our aim is to promote a bright, green, open, free, and fair future for all East Suffolk





EAST SUFFOLK IN CONTEXT



Population of around **250373**



Around **487** square miles



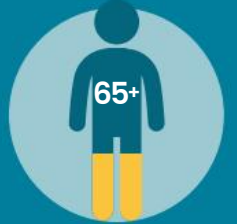
115 square miles of AONB



49 miles of coast line



15.54% 19 or under



27.71% 65 or over



11.3% of our population are affected by income deprivation, higher than the Suffolk average of 10.2%



19,638 people were claiming universal credit in July 23



Approximately **4000** planning applications per year



45% of waste collected sent for recycling or composting



2000 fly tipping incidents per year



13,000 properties pay Government-set business rates, which we administer



We collect waste and recycling, administer Council Tax, and more, from over **127,000** properties in the district



Food hygiene ratings **98.75** at rating 3-5



Over **1 million** ESC-owned leisure centre visits, year to Spring 2023

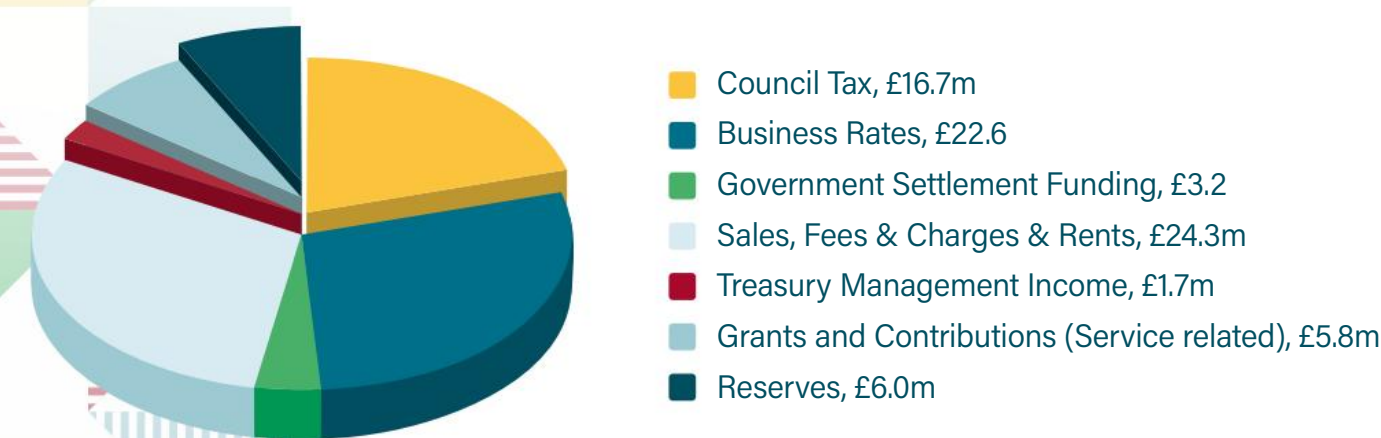


£13.8m in successful grant funding – 94% of applications, year to Spring 2023

How our Council Services are Funded

In 2023/24 East Suffolk Council had a net budget of £80.3m. East Suffolk Council's services are funded from a mix of sources including Council Tax, Business Rates, income from Fees and Charges and a small grant from Government. Between 2015/16 and 2023/24 the amount the Council received from Government fell from £8.04m to £3.23m as part of the Government's austerity programme.

The Council is increasingly reliant on locally generated funds from Council Tax, business rates and fees and charges. The ability to generate income from charges for its services is increasingly important to support the Council's strategic objectives. This provides a third of the total funding to Council.



Where the Money is Spent (net budget £80.3m in 2023/24)





Financial Management

East Suffolk has a good record of budget and financial management and continues to protect front line services. Good financial governance ensure that emerging budget pressures are kept under review during each year, and this has been particularly important following the Covid-19 pandemic, a period of high inflation and the cost-of-living crisis.

We review key contractual arrangements and are very active in securing external grant funding. Meanwhile, the Council held unallocated reserves of £6m at the start of 2023-24, with earmarked reserves of £45m.



Capital Programme

In addition to the revenue budget, the Council has a capital investment programme which supports delivery of the Council's strategic direction and to carry out necessary health and safety works. For 2023/24 the budget programme of capital projects totals £113m, with £73m funded from external grants and a 4-year capital programme of £370m (£260m from external grants) over the period of the Medium Term Financial Strategy.



Housing Revenue Account

Over and above the money spent by the Council as part of its General Fund, the annual income from the Council's housing stock, is in the region of £22m and is ring-fenced for re-investment into the provision of housing services, support for tenants and investment in the existing stock and new housing.

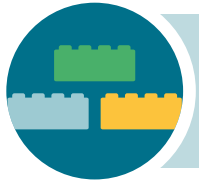


Financial Challenges to 2028

During the period of this Plan, maintaining a balanced budget will be pushed to the limit. The demand for Council services arising from a number of pressures including the cost-of-living crisis will increase and it is likely the Council will face significant challenges to its income streams. Our commitment to reach net zero by 2030 and new legislation including, for example, in areas of housing regulation will put further pressure on budgets.

Following a period of high inflation, the costs for goods and services has increased and supply chain pressure will continue to impact on the Council's capital programme. The implications of the UK leaving the European Union will continue to affect the Council, not least the Port Health Authority as we implement the new Border Target Operating Model.

The absence of multi-year settlements, delays to the Fairer Funding Review and the re-set of the business rates system, does not provide the certainty to plan for financial sustainability. However we understand these challenges and commit to addressing them over the next four years.



Our Foundations

Our Direction 2028 is the Council's blueprint for success over the next four years, and in delivering this Plan we recognise the importance of the solid foundations that are critically important to any successful local authority.

We will continue to provide excellent quality services for our residents, whether it's working with Anglia Revenues Partnership to deliver our revenue and benefits services, ensuring hygiene standards are maintained by our Port Health Team who check that imported foods are safe, through hygiene inspections at your favourite café or providing access to our fabulous beach huts along our coastline.

The delivery of our day-to-day functions will always remain an unwavering priority.

We will always listen to our residents and commit to engaging with them whenever possible. We will also find innovative ways of doing this, especially for residents that are less likely to engage with us and are harder to reach.

We will ensure our customers find it easy to do business with the Council. On every occasion people interact with us, it must be as straightforward as possible and we will always adopt a solution-focussed approach.

Digital Technology plays a key role in how we work as an organisation, and it is vital we continue to invest in the right technology to enable the council and the district to thrive. In doing this, we are also committed to ensuring that those who cannot access digital services themselves are not excluded.

We will use digital technology to ensure our services are efficient, secure and data-led – and we will capitalise on the benefits of greener ways of working, using technology.

Finally, we will always measure and reflect on our performance, including how we deliver this plan as part of Our Direction 2028. This includes undertaking robust internal audits accross all our service areas.

We will ask our communities what they think of us in a variety of different ways, including through our regular residents surveys, and we will always take action when things are not going so well.



Our Values

We want our workforce to be the best they can, delivering the best possible services to those who need us most. Our People Strategy maps out how we want to develop our people, ensuring they have the right skills and training to do their jobs well.

East Suffolk Council has five core staff values which lay the foundation for the way our people work, engendering a common purpose that everyone understands, buys into and embodies in all they do.



Equalities, Diversity, and Inclusion

We are fully committed to Equality, Diversity, and Inclusion in all that we do. We will strive to ensure a supportive and inclusive culture amongst our workforce, promoting diversity and eliminating all forms of unlawful and unfair discrimination.

We will not provide less favourable services, facilities or treatment on the grounds of protected characteristics. The protected characteristics are age, disability, gender reassignment, marriage and civil partnership status, pregnancy and maternity, race (including ethnic origin, colour, nationality and national origin), religion or belief, or sex and sexual orientation. The District Council also includes socio-economic factors in addition to the protected characteristics.

The Council is proud to have signed up to Unison's Anti Racism Charter and we have further reinforced our commitment to Equality, Diversity and Inclusion, by developing a four-year action plan to ensure that it remains integral to all we do.





Delivering positive climate, nature, and environmental impacts through the decisions we make and actions we take.



Continued commitment to net zero by 2030

We are committed to achieving net zero as a Council by 2030, and working collaboratively to deliver this for Suffolk, focussing and investing in this transition while protecting our core services.



Work in partnership to manage coastal adaptation and resilience

In the face of great threats to East Suffolk's coastline, we will work in partnership with stakeholders and communities to manage coastal adaptation and create resilience wherever possible.



Supporting sustainable transport

We will support sustainable transport – delivering our own Cycling and Walking Strategy whilst working hard with our partners enabling people to use public transport and travel in an environmentally sustainable way.



Focus on reduction, re-use and recycling of materials

Through our own practices and by encouraging others, we will focus on the reduction, re-use and recycling of materials, including the eradication of single use plastics.



Restoring ecosystems and biodiversity

We are committed to restoring ecosystems and biodiversity, through rewilding and tree planting, enabling landowners to follow our lead. We will set ambitious biodiversity net gain targets and encourage improvement.



Encourage food self-sufficiency

We will reduce food waste and encourage more local food production, including community growing schemes, to reduce food miles. We will support residents and community groups to develop food practices which move away from chemical control.



Support, promote and implement green tech

We will implement and support decarbonising, electrifying and greening technologies to create energy across the district, contributing to local and national energy infrastructures.



Preserve and maintain the district's beauty and heritage

We will seek to preserve and maintain the inherent beauty and attraction of East Suffolk including its natural landscape and conservation areas, historic environment and cultural heritage, retaining its unique selling points for generations to come.



SUSTAINABLE HOUSING

All homes in East Suffolk are safe, suitable, and sustainable, in communities where residents are proud to live.



Deliver the right housing based on our communities' need

We want to deliver and support the right housing developments in the right locations based on all residents' housing needs, with more affordable homes including social rent and better first-time buyer opportunities.



Promote housing developments which enhance wellbeing and protect the environment

We want housing developments that enhance wellbeing with high quality infrastructure, green spaces; encouraging sustainable transport where possible, using master planning to engage with our residents.



Tackle fuel poverty and support new heating technologies

We will strive to help end fuel poverty and deliver more sustainable housing, including our own stock. We will take advantage of funding opportunities for new heating technologies, including for the installation of solar panels, improving insulation and installing heat pumps.



Reduce and prevent homelessness

We will continue to work hard for those that are at risk of becoming homeless to prevent this from happening, alongside supporting people who are homeless back into suitable accommodation.



Promote community pride in homes and neighbourhoods

We will promote community pride in our homes and neighbourhoods to help people respect and enjoy where they live and to help maintain and improve quality of life standards.



Add to, improve and make better use of our housing stock

By converting unused public buildings into housing units, developing upper floors of retail units, or bringing empty homes back into use we will make sensible use of what we have, to provide suitable housing for our residents.



Encourage more self-build housing in East Suffolk

We will seek to encourage more self-build housing in East Suffolk as a means to create homes in an environmentally sustainable way.



Improving quality of life across the district by tackling financial, social and health inequalities.



Use local data to design and deliver services

We will use local insight and data to target inequalities that exist across our district, ensuring that we adapt the design and delivery of our services accordingly to support communities and individuals appropriately.



Work with partners to better understand need

We will continue to work collaboratively with partners, including those in the voluntary, community, faith, and social enterprises (VCFSE) and public sectors, to understand the needs of our residents, enabling them to help themselves.



Prioritise early help to support residents

We will further develop our Community Help Hub model and other preventative approaches to provide early help, ensuring we engage quickly to better support our residents during difficult times.



Digitally enable our communities to help residents in need

We will address a lack of digital inclusion which can drive inequality to help all our communities better access online services, including those that are designed to support residents when they are in need.



Efficiently deliver benefits and grants to residents

We will ensure residents and businesses understand what benefits and grants they are entitled to and ensure, if provided by us, that they receive exactly what they are entitled to in a timely and efficient manner.



Further develop Community Partnership model

We will continue to develop our Community Partnership model to ensure that it supports our residents, tackles inequalities and strives for a district that is fully inclusive and increases engagement.



Reduce health inequality and improve wellbeing

We will play an active role in reducing health inequalities and improving mental and physical health and wellbeing, ensuring residents have access to services, and ability to choose, that encourage healthy behaviours.



Take action to improve community safety and reduce ASB

We will take action to improve community safety throughout the district and strive to address and reduce anti-social behaviour and its impacts on residents.



Enabling residents to benefit from, and contribute to, a thriving economy.



Empower residents to build the right career skills

We want to work with partners to ensure our residents build and possess the right career skills for current and future employment opportunities across the district.



Encourage creativity and enterprise, and support start ups

We will encourage enterprise, innovation and creativity, in our population to ensure they have the tools to start up and grow their businesses, and we will celebrate all that's made and produced within our district.



Support businesses to eliminate waste and recycle more

We will work with business to decarbonise and be more sustainable, creating the conditions for business longevity, while protecting our precious environment by increasing a product's lifespan to eliminate waste and pollution.



Ensure Local Plans work for local people

We will ensure that our Local Plans will work for local people, as part of a vision to provide them with affordable housing, good public services, and a healthy environment, so that East Suffolk continues to be a great place to live and work.



Encourage investment in East Suffolk's key sectors

We will encourage investment in the key sectors which reflect East Suffolk's strengths bringing employment and prosperity.



Increase the economic viability of our towns

We will encourage place-based development to ensure we increase the viability of our Town Centres and Market Towns, ensuring they provide for our residents, businesses, and visitors, contributing to a thriving economy.



Community wealth building by working with local companies

We will work with local companies, cooperative businesses, and social enterprises, getting maximum benefit from our spending and contracting, to encourage Community Wealth Building and the reinvestment of wealth within East Suffolk for the benefit of our residents.



Ensure our residents can benefit from national infrastructure projects

We will work hard to ensure our residents benefit from Nationally Significant Infrastructure Projects, adopting policies that encourage investment which supports impacted communities.



Support responsible tourism and visitor economy

We will support and seek to strengthen tourism and the visitor economy, while encouraging an understanding of responsible activities which reflect our environmental priorities and ambitions.

HOW ARE WE DOING?

Our Direction 2028 sets out the themes and priorities for East Suffolk Council across the next four years. However, it is important that we are then seen to deliver against these priorities, ensuring real, tangible outcomes for all our communities.

Therefore, we will develop an action plan to measure exactly what we are doing and what we have achieved. It will be clear and transparent, reflecting our determination to make a genuine difference.

To follow our journey, please head to

 www.eastsuffolk.gov.uk/ourdirection2028



East Suffolk Council

Annual Report 2022/23

Summary



This shorter report summarises the performance and delivery of objectives for the 2022/23 financial year, in line with the East Suffolk Council [Strategic Plan \(2020 to 2024\)](#). Our detailed Performance Report provides full, detailed information about all performance measures and action plans.

The Strategic Plan was developed collaboratively in 2019, in the form of a three-day [hothouse](#); drawing together views from a wide range of attendees (councillors, officers and partners) to produce a new Strategic Plan for the newly-formed East Suffolk Council.

The Strategic Plan (2020 to 2024) has five themes, each of which contains a number of priorities, steering the organisation to deliver to the needs of the district. The overarching themes are:



GROWING OUR ECONOMY - Let's build a strong sustainable economy for our future; we want our district to achieve its maximum potential, for the good of everyone in the area.

ENABLING OUR COMMUNITIES - Working together, we will enable our communities to identify opportunities and challenges, we will empower them to make a difference; we will support our communities to enhance the places we live and work for the well-being of all.

REMAINING FINANCIALLY SUSTAINABLE - We will grow and prosper as a council; we will ensure we are well-run; provide value for money and strive for excellence.

DELIVERING DIGITAL TRANSFORMATION - Digital technology can transform the way we work and live; we will use technology to make services efficient and easily accessible to all and assist our communities to embrace and access new technologies.

CARING FOR OUR ENVIRONMENT - We know you are concerned about our environment; we are too, so we will put the environment at the heart of everything we do.

We have embedded our priorities and objectives across the organisation to ensure the Strategic Plan guides everything we do. All services, tasks and projects link through to priorities outlined in the Plan. We have an action plan to deliver against each theme and have established methods to measure our performance as an authority. This will be the last performance report against this Strategic Plan as it has reached the end of its lifecycle and a new plan is in development.

Leading into the 22/23 financial year we established a Core Programme for each theme, presenting the projects and initiatives we are undertaking. We subsequently established a new set of Key Performance Indicators (KPIs) over the course of 22/23, culminating in the publication of [live dashboards for each theme](#) in March 2023, to monitor and measure how we are performing. Please note, work on the development of all KPIs is still taking place and will be amended to reflect the next iteration of the Strategic Plan.

The live dashboards are available at any given time, via our website, providing up-to-date performance information in a transparent way. They have been developed using a product called PowerBI and we are one of only a handful of councils (at the time of writing) utilising this method of publicising performance data in real-time, including trends and year-on-year data where available.

The full Performance Report captures our position in detail for each of the five themes, in turn, at 31 March 2023, giving a breakdown of KPI data and a high level overview of the core programme delivery for the year. The following provides a summary of some significant areas within the full report:

Good progress within the following **major projects** to deliver to the expected outcomes and timelines:

- Business cases completed and funding approved by DLUCH for various elements of the Lowestoft Towns Fund Programme to deliver the transformational economic regeneration objectives for the town with all projects moving to/ going through detailed design.
- The first two work packages of the Lowestoft tidal flood defence barrier have progressed including engagement with businesses and community.
- UK Shared Prosperity Fund investment plan was approved in November with year one projects all underway.
- Our Ease the Squeeze campaigns under the Cost-of-Living programme identified almost £1 million of funding and delivered on-the-ground support including Warm Rooms, food-related projects and help with financial matters such as budgeting, access to benefits and grants.
- A large programme of work to establish a new trading company, transferring services from the current Norse Joint Venture, has progressed during the 22/23 year. East Suffolk Services Ltd has been set up and the aim is for seamless transition of services in the following year.
- The Deben Fields development at the former Deben High School site has progressed, with the demolition phase complete and the development management company appointed.

The following **major projects** have been **completed** to agreed schedules:

- The Kitchen@Felixstowe (now known as the Sea You café) café completed in May 2022 as part of the Felixstowe Development programme.
- All eight Community Partnerships across the district supported and delivered projects against priorities identified at a local level.
- More than 140 projects were funded in communities as part of our Community Grant Schemes
- Plans to ensure our digital infrastructure is robust and resilient have been executed.
- Upgrades and enhancements to major business systems have been completed, including our GIS and finance systems.
- Our Digital Towns implementation is complete – installing public wi-fi and footfall counters in eleven market towns across the district.
- Our PowerBI enhancements have enabled us to publish performance dashboards publicly.
- Refuse vehicles using greener HVO fuel and EV Pool cars are now on stream.

The following areas reported some **issues**; however plans are in place to address:

- New homes delivered across the district as part of our overall delivery of new homes within our local plan are slightly lower than targeted, due to challenges in the wider economy.
- Delays to our own Housing Development programme means moving some completions into the next financial year or beyond, however a review of the capital programme is underway and reviews taking place to address delivery.
- Housing regulation issues reported, and a plan put in place to fully address all areas.
- Our waste collection figures for recycling and composting are lower than targeted, however there are plans in place to address service needs with the implementation of our trading company.

Due to the economic climate and significant changes to major schemes in the current Capital programme, a mid-year revised General Fund Programme was presented to Cabinet and approved by Full Council in September 2022. This re-shaped our capital programme to account for some of the issues outlined.

Key Performance Indicators summary – see full report for detail.

Please note our KPIs are still evolving, this is the first reporting year of the newly established set of KPIs and therefore, in many instances, targets have not been fully set until we have year on year comparable data. More information on each KPI can be found in the full performance report.

Theme	KPI	Target	Actual	Status
Economy	Net number of new dwellings delivered	916	813	
Economy	Net development of employment sites	<i>Figures published later in year</i>		
Economy	Net number of businesses	KPI to be developed further		
Economy	Town Centre and Visitor Footfall*	Implementation	Complete	
Economy	Planning decisions			
	Major apps determined within 13 weeks	60%	87.5%	
	Non-major apps determined within 8 weeks	70%	79.14%	
Economy	Visitor Economy Value	KPI to be developed further		
Economy	Workforce Skills	KPI to be developed further		
Economy	Demonstrate CIL spending	See detail	£1.71m	
Communities	Community Partnerships	See detail	196 projects delivered	
Communities	Reducing community inequalities			
	Customer engagement	See detail	2900	
	Wellbeing projects delivered	See detail	136	
Communities	Community Pride – star rating	TBD	3.66 /5 stars	TBD
Communities	Increasing participation in leisure activities	<i>Figures published later in year</i>		
Communities	Quality of accommodation	KPI to be developed further		
Communities	Access to suitable housing	KPI to be developed further		
Communities	Food Hygiene - Rating of 3 to 5	95%	98.52%	
Communities	Port Health performance to ISO 9001	See detail	1 improvement	
Financial	Budget Gap	See detail	On track	
Financial	Reserve sustainability	See detail	On track	
Financial	Savings achieved	See detail	On track	
Financial	General Fund asset performance ratio	1:1	1:0.68	
Financial	Housing Revenue Account	KPI to be developed further		
Financial	Business Rates collection	£225.47m	£201.27m	
Financial	Council Tax collection	£172.58m	£174.71m	
Financial	Treasury Management	See detail	On track	
Digital	Cyber security breaches	0	0	
Digital	IT incident resolution			
	Resolved within 9 working hours	70%	78.1%	
	Resolved within 1 working week	85%	90.1%	
Digital	Customer satisfaction with online services	4-star rating	4.38 /5 stars	
Digital	Digital Towns delivery*	Implementation	Complete	
Digital	Digital take up of our services	KPI to be developed further		
Digital	Overall Customer Satisfaction	KPI to be developed further		
Environment	East Suffolk Council total emissions	Net zero by 2030	On track	
Environment	Household waste collection			
	% sent for recycling and composting	44.6%	38.9%	
	Residual waste per household (kg)	460.1kg	474.5kg	
Environment	Energy rating of council assets			
	Housing assets (C or above)	See detail	36.2%	TBD
	General Fund Assets (D or above)	See detail	81.43%	TBD
Environment	Fly tipping incidents	TBD	1595	TBD
Environment	Biodiversity net gain	KPI to be developed further		
Environment	Coastal Management	KPI to be developed further		

*KPI for first year focuses on delivery of project, KPI targets will be set in subsequent years

Appendix C

Results and feedback from ‘Our Direction 2028’ consultation

General Analysis

A consultation survey was available online and in hard copy (by request) from 21 September through to 15 October 2023. The survey was promoted on our website and across social media platforms. It was also specifically sent to local stakeholders including Town and Parish Councils.

Total number of survey responses we received was **380** responses.

Respondents can be broken down as follows (more than one value may be selected per respondent):

Living in East Suffolk	291
Working in East Suffolk	108
Representing a parish or town council in East Suffolk	65
Representing a voluntary sector organisation working in East Suffolk	26
Running a business in East Suffolk	39
Representing a public sector partner working in East Suffolk	13
A visitor to East Suffolk	8
Skipped question	53

Overarching Feedback

Across all segments of the consultation, there have been running topics of conversation and feedback in the following areas:

- Maintaining the character of the region.
- Getting the right infrastructure in place for the district.
- Ensuring we are addressing local needs.
- Transport, particularly in rural areas.
- Addressing weeds and litter, ensuring people take pride in their surroundings.
- Questioning what sits at District Council in terms of our responsibilities, and what may be broader responsibilities.

Many of these issues are already covered as part of the additional commentary provided in the full strategic plan document, however because of the consultation, some priorities originally proposed have been reviewed and amended, and included in this appendix within each theme are some examples of how we have used feedback to further shape the plan.

In response to the above feedback outlined across all areas, the following priorities have been added to the Strategic Plan to address some specific common threads:

- **Preserve and maintain the district’s beauty and heritage.**
- **Promote community pride in homes and neighbourhoods.**

Further amendments and additions to the plan are outlined against feedback for each theme below.

Environmental Impact Theme

Q1: What would you consider our most important priorities in our Environmental Impact theme?

(Respondents could select as many options as they wish, percentages reflect the number of respondents selecting that priority)

Supporting sustainable transport	52.37%
Restoring ecosystems and biodiversity	48.68%
Work in partnership to protect our coastline	47.11%
Continued commitment to Net Zero by 2030	43.68%
Support, promote and implement green tech	34.21%
No single-use plastic in council buildings or events	26.84%
Encourage people to grow their own	21.05%
None of the above	8.42%

Q2: Do you feel there are any priorities missing from this theme?

Responses: 178

Responses can be grouped into the following areas:

Waste and Recycling matters	10%
Sustainable housing	9%
Rivers and waterways	8%
Maintaining the character of region	4%
Green energy opportunities	4%
Infrastructure needs	4%
Weeds and litter issues	4%
Education on environmental matters	3%
Sizewell C comments	3%
Questioning whether this is a district council responsibility	2%

As a result of feedback and with additional internal consultation, some of the priorities consulted on have been amended to reflect feedback, such as:

“No single-use plastic in Council buildings or events” has been widened out to include the importance raised by many regarding wider waste and recycling matters, to **“Focus on reduction, re-use and recycling of materials”**.

An additional priority has been added to this theme **“Preserve and maintain the district’s beauty and heritage”** which reflects much of the feedback about maintaining the character of the region.

Sustainable Housing Theme

Q3: What would you consider our most important priorities in our Sustainable Housing theme?

(Respondents could select as many options as they wish, percentages reflect the number of respondents selecting that priority)

Utilise and improve existing housing stock	61.39%
Deliver housing based on our communities' need	53.61%
Reduce and prevent homelessness	44.17%
Listen to our residents to help deliver the best housing	38.89%
Commit to sustainable development practices	38.61%
Tackle fuel poverty new heating technologies	32.50%
Promote housing developments which enhance wellbeing	31.11%
None of the above	3.33%

Q4: Do you feel there are any priorities missing from this theme?

Responses: 127

Responses can be grouped into the following areas:

Affordable housing needs	9%
The right infrastructure	7%
Brownfield/greenfield development	6%
Change of use of redundant buildings into housing	6%
More social housing	6%
Address second homes	5%
More housing in general	4%

Much of this feedback is already taken into account within the expanded commentary of the priorities of this theme, however the following amendments have been made:

“Deliver housing based on our communities’ need”.

“Listen to our residents to help deliver the best housing”.

These two priorities have been amalgamated into a single priority, **“Deliver the right housing based on our communities need”** which includes addressing affordable homes and social renting needs.

Another priority has been slightly amended to read, **“Add to, improve and make better use of our existing housing stock”** which includes changing the use of buildings to provide suitable housing options.

Another priority has been slightly amended to read, **“Promote housing developments which enhance wellbeing and protect the environment”** which encompasses comments around infrastructure needs and brownfield/greenfield development.

Tackling Inequalities Theme

Q5: What would you consider our most important priorities in our Tackling Inequalities theme?

(Respondents could select as many options as they wish, percentages reflect the number of respondents selecting that priority)

Reduce health inequality and improve wellbeing	54.99%
Prioritise early help to support residents	40.17%
Use local data to design and deliver services	38.46%
Efficiently deliver benefits and grants to residents	36.18%
Work with partners to better understand need	35.90%
Further develop Community Partnership model	19.66%
Digitally enable our communities to help residents in need	15.10%
None of the above	10.26%

Q6: Do you feel there are any priorities missing from this theme?

Responses: 102

Responses can be grouped into the following areas:

Clarification or definition needed	10%
Questioning whether this is a district council responsibility	7%
Don't exclude people by using digital means	5%
Education	6%
Getting the right infrastructure in place	6%
Identifying the root cause of issues	4%
Transport needs	3%
Encouraging self help	3%

The feedback from this theme will be used to help provide additional clarification within the commentary of the priorities to ensure meaning is clear. Feedback will also help to inform future comms and awareness of the role a District Council takes in place-shaping for the general prosperity of the district and all residents within it.

Thriving Economy Theme

Q7: What would you consider our most important priorities in our Thriving Economy theme?

(Respondents could select as many options as they wish, percentages reflect the number of respondents selecting that priority)

Increase the economic viability of our towns	55.26%
Ensure Local Plans work for local people	44.15%
Encourage enterprise and support start ups	43.57%
Ensure our residents can benefit from national infrastructure projects	41.52%
Help businesses be more sustainable	36.26%
Celebrate and promote local creativity and enterprise	33.92%
Support businesses to eliminate waste and recycle more	33.04%
Empower residents to build the right career skills	32.16%
Community wealth building by working with local companies	29.53%
None of the above	4.68%

Q8: Do you feel there are any priorities missing from this theme?

Responses: 81

Responses can be grouped into the following areas:

Affordable rates/spaces for businesses	11%
Clarification or definition needed	4%
Keep large employers in the district	4%
Focus on local/community needs	7%
Parking in town centres	7%
Tourism/visitor economy	4%
Public transport	4%
Seeing action/outcomes in town centres	4%

Much of the feedback is addressed as part of the commentary of the priorities within the theme.

As a result of feedback and with additional internal consultation, two additional priorities have been added, “**Encourage Investment in East Suffolk’s key sectors**” and “**Support Responsible Tourism & Visitor Economy**”.



CABINET
Tuesday, 07 November 2023

Subject	East Suffolk Council’s Food and Health & Safety Service Plan 2023-2024
Cabinet Member	Councillor Jan Candy Cabinet Member with responsibility for Community Health
Report Author(s)	Catherine Hickling Lead Food and Safety Officer catherine.hickling@eastsuffolk.gov.uk 07827 820506
Head of Service	Fiona Quinn Head of Environmental Services and Port Health fiona.quinn@eastsuffolk.gov.uk 07385 948900
Director	Nick Khan Strategic Director Nick.khan@eastsuffolk.gov.uk 07748 012901

Is the report Open or Exempt?	OPEN
Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	Not applicable.
Wards Affected:	All Wards

Purpose and high-level overview

Purpose of Report:

The Council is required to produce a service plan for its food and health & safety regulatory functions, in a format prescribed by

- for food and imported food, the Food Standards Agency in its Framework Agreement on Official Feed and Food Controls by Local Authorities, and
- for health & safety, the Health and Safety Executive, as set out in the National Local Authority Enforcement Code – Health & Safety at Work England, Scotland and Wales.

East Suffolk Council operates Suffolk Coastal Port Health Authority (SCPHA) and therefore official controls carried out by SCPHA are also included.

Given close linkages to the Corporate Health & Safety Team, the work of this team is also included.

This service plan combines the above in a single plan which must be submitted for member approval. It identifies the council's performance against the previous service plan (2021/2023), any variance from it and areas for improvement

Options:

The plan may be approved with or without amendments being required.

Recommendation/s:

It is recommended that Cabinet:

1. Notes performance against the service plan for 2021/23, and
2. considers and comments on the service plan for 2023/24, and
3. recommends that full council approves the service plan for 2023/24, with or without amendment.

Corporate Impact Assessment

Governance:

Regular Community Health Briefings will be held with the Cabinet Member with responsibility for Community Health. Performance against targets is reported in the Service Plan for 2023/24, including summaries of annual reporting to the Food Standards Agency Local authority end of year return and the Health and Safety Executive's LA intervention and enforcement activity return.

ESC policies and strategies that directly apply to the proposal:

East Suffolk Strategic Plan 2020-2024

East Suffolk Economic Strategy 2022 – 2027

East Suffolk Environmental Policy to 2023

Environmental:

The service plan includes a section on Caring for our Environment and takes into account East Suffolk's environmental policy objective to be an exemplar in efficient and responsible use of natural resources.

Equalities and Diversity:

An Equality Impact Assessment (Reference: EQIA521830526) has been undertaken for the plan: no mitigation action identified.

Financial:

There are no new financial implications for the council from the proposals within the service plan. Targets and service improvements will be met from budgets already approved for the delivery of the services in 2023/24.

Human Resources:

No resource implications for the recommendation included in this report.

ICT:

No resource implications for the recommendation included in this report.

Legal:

No resource implications for the recommendation included in this report.

Risk:

Delivery of the types of functions set out in the service plan are well established, planned and monitored against the Food Law Code of Practice and relevant national and corporate requirements. The service can flex and adapt in response to changing expectations and demands.

External Consultees:

An online consultation process on a draft of the service plan has taken place, involving business associations and networks, food businesses and publicly via the council's social media channels. No views were received that were unsupportive of the contents of the service plan.

Strategic Plan Priorities

Select the priorities of the Strategic Plan which are supported by this proposal: (Select only one primary and as many secondary as appropriate)		Primary priority	Secondary priorities
T01	Growing our Economy		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
T02	Enabling our Communities		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input type="checkbox"/>	<input type="checkbox"/>
P08	Maximising health, well-being and safety in our District	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P09	Community Pride	<input type="checkbox"/>	<input type="checkbox"/>
T03	Maintaining Financial Sustainability		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P11	Making best use of and investing in our assets	<input type="checkbox"/>	<input type="checkbox"/>
P12	Being commercially astute	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input type="checkbox"/>
T04	Delivering Digital Transformation		
P15	Digital by default	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P16	Lean and efficient streamlined services	<input type="checkbox"/>	<input type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input checked="" type="checkbox"/>
T05	Caring for our Environment		
P20	Lead by example	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input type="checkbox"/>
P22	Renewable energy	<input type="checkbox"/>	<input type="checkbox"/>
P23	Protection, education and influence	<input type="checkbox"/>	<input type="checkbox"/>
XXX	Governance		
XXX	How ESC governs itself as an authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>
How does this proposal support the priorities selected?			
Public health and safety is protected, including through regulatory services.			

Background and Justification for Recommendation

1 Background facts	
1.1	<p>The Food Standards Agency's Framework Agreement and the Health and Safety Executive's National Local Authority Enforcement Code require the council to review its performance against the 2021/23 Food and Health & Safety Service Plan, identify any variance from the plan and areas for service improvement.</p> <p>As well as reviewing past performance, the council is also required to approve a new Food and Health and Safety Service Plan for 2023/24 (Appendix A).</p> <p>The content and layout of the plan follows the Framework Agreement with appendices providing data and more detailed information relevant to it.</p> <p>Review of performance, identification of any variation from the previous plan and areas of required improvement are set out in the review section on pages 52 to 58. A section on caring for our environment is at page 59.</p> <p>Throughout 2021/23 the Food and Safety Team worked conscientiously and at a faster pace to meet the expectations of the FSAs post covid pandemic Recovery Plan. The team achieved a high level of performance against the Recovery Plan, and this is reported in detail on page 24 and in appendix 6 on page 68.</p>
2 Current position	
2.1	<p>Suffolk Coastal Port Health Authority:</p> <p>The final Border Target Operating Model (BTOM) sets out a new approach to controls at the border. This will introduce changes in the rules for bringing food into the UK from the EU after 31 January 2024. Our Port Health Team may see an increase in the number and frequency of checks it performs.</p>
2.2	<p>Food and Safety Team:</p> <p>Recently recruited staff, who are new to the profession, require ongoing support and training. This requires input from more experienced officers. Filling vacant posts continues to be a challenge. Both issues are having an impact on meeting Food Standards Agency targets.</p>
3 How to address current situation	
3.1	<p>Suffolk Coastal Port Health Authority:</p> <p>A report was submitted to Full Council on 27 September 2023 outlining the challenges and opportunities of the final BTOM. SCPHA may need to increase the size of its workforce as the Department for Environment, Food and Rural Affairs (DEFRA) looks to introduce new import controls for EU goods as part of its Border Target Operating Model (BTOM).</p>

3.2	<p>Food and Safety Team:</p> <p>Recently recruited staff are progressing very well and the current level of support provided is expected to reduce over time. Recruitment remains a priority. Service delivery is being supported by temporary contractors. Our environmental health degree apprentices are expected to qualify in approximately two years' time.</p>
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4 Reason/s for recommendation	
4.1	The Council is required to produce and submit a Food and Health and Safety Service Plan for member approval.

Appendices

Appendices:	
Appendix A	Draft East Suffolk Food and Health & Safety Service Plan 2023/24.

Background reference papers:		
Date	Type	Available From
2010	FSA Framework Agreement on Official Feed and Food Controls by Local Authorities.	environment@eastsoffolk.gov.uk
Refer to online document.	HSE National Local Authority Enforcement Code Health and Safety at Work.	https://www.hse.gov.uk/lau/la-enforcement-code.htm
06/06/2023	Equality Impact Assessment Reference: EQIA521830526.	environment@eastsoffolk.gov.uk



EASTSUFFOLK

C O U N C I L

Food and Health & Safety Service Plan 2023/24

Foreword

On behalf of East Suffolk Council, it is my privilege as Cabinet Member for Community Health to present this service plan for Food Safety, Health and Safety and Port Health Services.

At the heart of our community is the health and safety of the people we serve. It is imperative that we provide a robust framework which reflects our unwavering dedication to enabling public health and enhancing the quality of life for all. This plan serves as a comprehensive road map that outlines our commitment to ensuring the highest standards are achieved.

The content of the plan reflects the Food Standards Agency's service planning requirements of us as a local authority and includes our responsibilities for delivering official food controls, both inland and at our seaports, by our Food and Safety Team and the Suffolk Coastal Port Health Authority based in Felixstowe. The health, safety and well-being of our local authority workforce is paramount and for this reason we include the important work of our Corporate Health and Safety Team.

Many of the digital adaptations to our services made during the COVID-19 pandemic have proven so successful that we have retained them as permanent ways of working. By using 'paperless' work procedures and minimising the amount of travel by our staff, we are contributing to a cleaner, healthier environment.

Our colleagues at Suffolk Coastal Port Health Authority (SCPHA) have been working hard to ensure checks on food entering the UK through the Port of Felixstowe, Harwich International Port and the Port of Ipswich are carried out efficiently, and that the UK's food supply chain is protected. Changes in the rules for bringing food into the UK from the EU mean that our Port Health Team may see an increase in the number and frequency of checks it performs after October 2023. In response, a sophisticated update to the system used to track, manage, process and record food imports is currently being developed by SCPHA's IT team, which will ensure food passing through the UK's largest container port continues to reach its destination on time.

I applaud all those who have contributed to the successes set out in this plan. Our achievements would not be possible without the dedication and expertise of our East Suffolk Council and Suffolk Coastal Port Health Authority staff and the commitment of our hard-working businesses, our partner organisations and all those backstage.



Cllr Jan Candy

Cabinet Member for
Community Health

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Acknowledgments

This service plan would not have been possible without the dedication and expertise of Mark Sims, former Food and Safety Manager at East Suffolk Council.

Mark retired in April 2023 following a distinguished 43-year career with Suffolk Coastal, Waveney and East Suffolk Council.

We wish him a very happy retirement.

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1.0 Service Aims

1.1 Aims

Food and Health & Safety

The Food and Safety Team aims:

- To ensure food businesses have adequate arrangements in place to enable safe and hygienic food production and handling.
- To control the spread of infectious diseases through the investigation of cases and outbreaks.
- To secure and maintain a safe and healthy environment in those establishments for which we have health and safety enforcement responsibility.
- To support businesses by providing food export health certification.
- To provide advice and assistance to businesses and consumers.
- To ensure healthier environments where everyone can socialise, relax, travel, shop and work free from any second-hand smoke.

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) aims to uphold the protection of public and animal health, as well as controls on organic products and illegal, unreported and unregulated fishing, as one of the UK's biggest port health authorities. It achieves this by performing essential checks on food, feed and animal-origin products imported to the Port of Felixstowe, Harwich International Port and the Port of Ipswich for entry into the UK. This is in addition to carrying out ship sanitation certification and infectious disease controls, contributing to Britain's biosecurity measures at the border.

SCPHA also aims to continue combatting the spread of African Swine Fever in a joint operation with Border Force, which has seen over one tonne of illegal pork seized from traffic entering the ports of Harwich and Felixstowe.

Corporate Health and Safety

The Corporate Health and Safety Team aims to provide competent advice, guidance, support and training in matters relating to health and safety in respect of all the council's employees, activities and workplaces. This enables the council to comply with its legal obligation to ensure, so far as is reasonably practicable, the health, safety and welfare of all its employees and the health and safety of anyone who might be affected by the council's activities.

Food and Health & Safety

The primary work of the Food and Safety Team is to deliver official food controls and other enforcement activities. It is therefore advisory as well as regulatory. Effective regulation, using digital reports and communication, supports compliant businesses to thrive, which creates a level playing field for business, boosts the economy and provides safe employment in East Suffolk. These factors contribute to the council's Strategic Plan.



Suffolk Coastal Port Health Authority



The work of Suffolk Coastal Port Health Authority (SCPHA) is delivered separately to the inland responsibilities of the Food and Safety Team, however it is still part of the official controls landscape. At the border, official controls dovetail with biosecurity and the wider protection of public and animal health.

Corporate Health and Safety

The Corporate Health and Safety Team works across the whole council to assist teams in every service area to work safely. This enables others to support the council's objectives. Good health and safety culture reduces staff absence and improves the organisation's overall resilience and business continuity.



2.0 Background

2.1 Profile of the Local Authority

The profile of East Suffolk is set out in our Economic Strategy 2022 – 2027.

Located on the east coast of England, East Suffolk is a diverse local economy, with both outstanding economic assets and potential, and in some areas, continuing regeneration challenges.

East Suffolk has a population of 248,000 with 81,000 people living in the north around Lowestoft, 25,000 living in the south around Felixstowe and about 3,000-10,000 living in market towns such as Woodbridge, Leiston, Framlingham, Saxmundham, Beccles, and Bungay, which are distributed across the middle of the district.

Micro and small businesses are found in abundance across the area. There are over 9,500 businesses within East Suffolk and the vast majority of these are small (fewer than 10 employees). In addition, there is a high incidence of self-employment, particularly in the south of the area. Throughout, the role of micro and small businesses in sustaining the fabric of economic life across East Suffolk is critical.

Alongside micro and small businesses, firms that have grown to at least medium size must be acknowledged. They act as anchors for their local communities, support local supply chains and represent opportunities for sustainable growth which can result in creation of employment opportunities for residents. They are often local, family-owned businesses and although not well known outside of East Suffolk, within it, their role is crucial. The area also hosts important economic assets and offers opportunities that are amongst the most significant in the UK.

These include: The Port of Felixstowe - the UK's busiest container port; Adastral Park; BT's Global Research and Development Headquarters; The Centre for Environment, Fisheries and Aquaculture Science (CEFAS) - an executive agency of the Department for Environment, Food and Rural Affairs; The Port of Lowestoft - a key location for the offshore clean energy industry; The East Anglia Array (including East Anglia ONE); and Sizewell (including the proposed Sizewell C - Europe's largest infrastructure project).

The natural capital in the district supports a very distinctive and diverse visitor economy. This includes traditional seaside tourism, major festivals and events, attractions in market/coastal towns, outstanding landscapes, renowned heritage assets and a growing range of quality cultural/heritage activities. However, the economic asset represented by the visitor economy will be compromised if the natural capital represented by the beautiful environment is not protected while being enjoyed. Together, they demand attention and require careful management to develop their full potential in economic terms.

Food and Health & Safety

East Suffolk's historical agricultural and fishing heritage provides a welcome backdrop for many national and international food and drink companies based here. This sector is an important employer in rural areas and includes seasonal and migrant workers. Specialisms include the production and processing of pork, poultry, wines, beer, spirits, chocolate, sauces, yeast, ice cream, smoked fish, shellfish and dairy products. East Suffolk's leisure and visitor economy supports many hospitality, catering and retail food businesses.

Suffolk Coastal Port Health Authority

Primarily based at the Port of Felixstowe, Suffolk Coastal Port Health Authority (SCPHA) upholds the protection of public and animal health at the heart of trade and commerce.

The Port of Felixstowe is located close to the main shipping lanes and major ports of Northwest Europe. This contributes to more than four million twenty-foot-equivalent units (TEUs), 2,000 ships and 40% of Britain's trade passing through the port every year. As well as being the UK's largest container port, Felixstowe is a key gateway for roll-on/roll-off (ro-ro) trade with Europe, with up to three daily sailings to the Netherlands.

SCPHA also provides port health functions for Tendring District Council and Ipswich Borough Council through Harwich International Port and the Port of Ipswich, respectively. Harwich is a major ro-ro port handling more than 250,000 commercial vehicle movements per year. With up to four sailings per day from the Netherlands, the importance of the North Sea trading route to Europe is second only to trade crossing the English Channel. In 2023, SCPHA expects to increase the frequency and degree of health checks performed at Harwich following discussions with Hutchison Ports and Tendring District Council.



Although mainly handling aggregate, grain and forestry products, the Port of Ipswich also receives public health services from SCPHA for the protection of seafarers. This includes the testing of potable water sources.

Corporate Health and Safety

The council provides a wide range of services, manages a diverse estate and employs around 970 members of staff in eleven service areas.

The council owns and manages:



4,500 houses



Parks and gardens



Beaches



A caravan park



Harbours and marinas



Playgrounds



Sports centres

Council employees are involved in:



Property maintenance



Regulatory inspections and enforcement



Sport and community activities



Harbour management



Office-based work

2.2 Organisational Structure

East Suffolk Council operates a Leader and Cabinet structure and the Cabinet Member with responsibility for Community Health is Councillor Mike Ninnmey.

The Corporate Leadership Team comprises the Chief Executive, three Strategic Directors and eleven Heads of Service. The Corporate Leadership structure is shown in appendix 1. The Chief Executive, Chris Bally, has overall responsibility for the efficient management and execution of the council’s functions. The Environmental Services and Port Health service area reports to Nick Khan, Strategic Director.

Fiona Quinn, Head of Environmental Services and Port Health manages the Environmental Services and Port Health service area. The service area has four teams. Each team has a manager responsible for the delivery of their team’s services as shown in Figure 1. The three teams covered by this plan are the Food and Safety Team, Suffolk Coastal Port Health Authority, and the Corporate Health and Safety Team.

Figure 2. Structure of the Environmental Services and Port Health service area

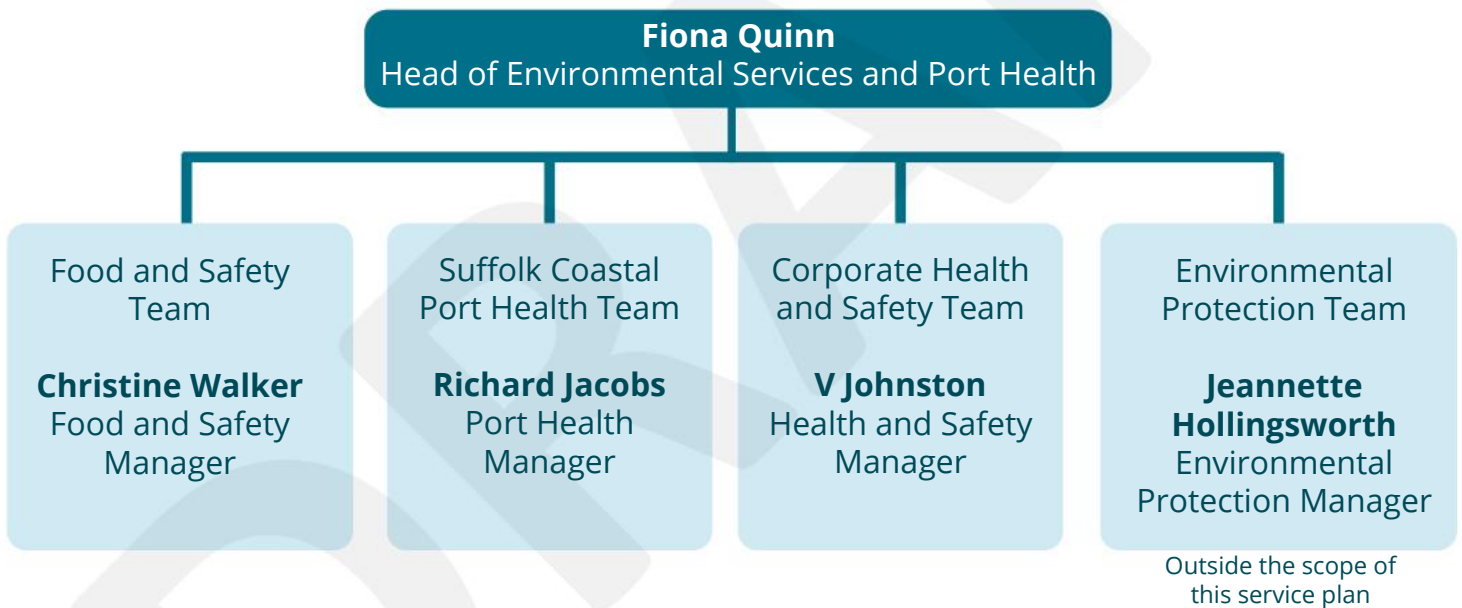


Figure 3. This service plan’s route to adoption by East Suffolk Council



Food and Health & Safety

The Food and Safety Team is managed by the Food and Safety Manager. The team's organisation chart is provided in appendix 2.

The team comprises:

- Food and Safety Manager
- Health and Safety Manager (0.6 FTE)
- Lead Food and Safety Officers
- Food and Safety Officers
- Regulatory Support Officer
- Environmental Health Technical Support Officers.

All members of the team have contributed to the development of this plan, via ongoing discussions and regular team meetings.

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) currently employs just over 100 team members as outlined in appendix 3. Led by the Port Health Manager, the three areas essential to SCPHA's success are spearheaded by the Business Manager, Operations Manager and Compliance Manager.

Overseen by the Compliance Manager, the Technical Leads for products of non-animal origin (NAO) are SCPHA's nominated Lead Food Officers, while the Technical Lead for products of animal origin (POAO) is the Senior Official Veterinary Surgeon.

Operations are made up of several highly trained, multi-disciplinary teams performing health checks at Border Control Posts (BCPs). These comprise Authorised Officers (AOs), Port Health Officers (PHOs) and Official Veterinary Surgeons (OVSSs), in addition to Import Control Assistants (ICAs) led by the Business Support Shift Supervisor, who reports to the Business Manager. Each team is overseen and supervised by a Team Leader reporting to the Operations Manager.

The port health function is enabled by finance, public relations, business relations and training professionals led by the Business Manager. This includes an ICT department of quick-response Service Desk Analysts, led by the Service Desk Team Supervisor, and developers led by the ICT Manager.

SCPHA may need to increase the size of its workforce as the Department for Environment, Food and Rural Affairs (DEFRA) looks to introduce new import controls for EU goods from October 2023 as part of its Border Target Operating Model (BTOM).

Corporate Health and Safety

The Corporate Health and Safety Team is managed by the Health and Safety Manager. The team's organisation chart is provided in appendix 4.

The team comprises:

- 0.4 FTE Health and Safety Manager
- 4 Health and Safety Advisors
 - 1 FTE dedicated to the Housing service area
 - 0.5 FTE dedicated to SCPHA
 - 1.5 FTE supporting all service areas except Housing and SCPHA.



A food trader at the Suffolk Show.



Our team visits events, like the Suffolk Show and Latitude, to ensure that the food being sold is of a high standard.

2.3 Scope of our Responsibilities

Food and Health & Safety

The Food and Safety Team has responsibility for:

- registering and, where appropriate, approving food establishments
- conducting food safety inspections and other interventions of businesses
- implementing an alternative enforcement strategy for food establishments given an intervention rating of category E for food hygiene (refer to appendix 19)
- providing information on food hygiene standards to residents using the Food Hygiene Rating Scheme
- giving advice to food business operators including help on implementing the Food Standards Agency (FSA) Safer Food, Better Business food safety management system
- checking inland imported foods at retail and catering establishments, issuing Food Export Health Certificates and Premises Endorsements for Export
- investigating complaints concerning food, food establishments and food handling practices
- investigating cases of suspected and confirmed food poisoning
- using a range of food safety enforcement actions, including taking emergency prohibition action where conditions present an imminent risk of injury to health, and prosecution



- providing the Lowestoft Port Health Authority service, inspecting ships and issuing Ship Sanitation Certificates
- conducting health and safety interventions at premises for which the council has legal enforcement responsibility. Proactive inspections are used to target the high-risk activities in sectors specified by HSE in the National Local Authority Enforcement Code or where intelligence suggests risks are not being managed effectively

- leading East Suffolk's Safety Advisory Group (SAG) to engage with event organisers to address public safety as a priority
- investigating complaints concerning work premises and practices
- investigating accidents and dangerous occurrences reported under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013
- using a range of health and safety enforcement actions, including taking action to immediately prohibit work activities likely to involve a risk of serious personal injury, and prosecution
- acting as a Responsible Authority under the Licensing Act 2003
- registering persons conducting skin piercing practices and tattooing and the premises used
- investigating cases and outbreaks of infectious disease to control it spreading and identify causes
- ensuring healthier environments where everyone can socialise, relax, travel, shop and work free from any second-hand smoke.

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) is responsible for all aspects of health and safety relating to imported food, feed and products of animal origin, as well as materials in contact with food. This involves:

- physically examining samples of imports for health risks
- verifying the legitimacy of documents, containers and packaging
- rejecting imports that fail health standards
- permanently operating from the Port of Felixstowe's 70 Shed and 72 Shed Border Control Posts (BCPs)
- providing health checks at Harwich International Port, the Port of Ipswich and Mistley Quay as required, with a view to establishing a more permanent presence in Harwich
- checking catch certificates to help prevent Illegal, Unreported and Unregulated (IUU) fishing activities



- upholding plastic kitchenware legislation on imports from China
- ship sanitation certification and infectious disease controls
- inspecting vessels to ensure compliance with international and UK health standards
- food hygiene inspections of docked vessels
- verifying organic produce at the point of importation
- undertaking risk-based monitoring and surveillance programmes using current intelligence
- working closely with Trading Standards, the Food Standards Agency (FSA), the Department for Environment, Food and Rural Affairs (DEFRA), the Animal and Plant Health Agency (APHA) and other agencies to ensure effective monitoring and reporting procedures

SCPHA may need to increase the number and frequency of checks it performs as DEFRA looks to introduce new import controls for EU goods from October 2023 as part of the Border Target Operating Model (BTOM).

SCPHA has developed the sophisticated Port Health Interactive Live Information System (PHILIS) to track vessel arrivals, record health checks, manage correspondence and process imports as quickly as possible. This is outsourced to the majority of Britain's port health authorities, with ongoing support and maintenance provided by SCPHA's IT team. PHILIS communicates with other industry-standard systems such as IPAFFS, Destin8 and CNS Compass to exchange crucial information electronically.

The much-anticipated next evolution of PHILIS, NEOMA, is currently being developed by SCPHA's IT team. This will use cutting-edge technology, such as artificial intelligence, to increase the efficiency of port health operations and cut down on waste.



Corporate Health and Safety

The Corporate Health and Safety Team:

- champions and promotes Health and Safety throughout the council by highlighting areas of good practice to ensure a safe working environment exists for staff and visitors
- develops and reviews health and safety policies, safe systems of work, procedures and guidance to assist the council in complying with its duties under health and safety legislation
- undertakes inspections and audits of premises, plant, equipment, working arrangements and relevant databases to ascertain the effectiveness of the council's health and safety policies and to encourage a positive approach to health, safety and welfare matters
- monitors and report on health and safety performance to the Joint Health & Safety Committee and Corporate Management Team
- attends regular meetings with operational staff and their managers, ensuring all Health and Safety matters are given adequate consideration
- provides advice and guidance on all aspects of health, safety and welfare to assist management, employees and their representatives to meet their duties under health & safety legislation. Considers the suitable provision of tools and equipment to, and by, employees to ensure safe working methods are adopted wherever practicable
- is responsible for reporting on policy changes, new legal requirements or guidance for duty holders and on health and safety performance
- monitors reported incidents, accidents and dangerous occurrences and diseases and support managers to investigate the causes and prevent recurrence
- investigates employee complaints about health and safety standards
- liaises with the Health and Safety Executive during interventions and investigations
- assesses and delivers any corporate health and safety training needs. Is responsible for delivery of formal training and briefings on relevant health and safety issues and for supporting Health and Safety Champions within service areas
- is responsible for maintaining and analysing appropriate incident statistics with the intention of identifying any adverse trends and producing regular statistical reports.

2.4 Demands on the Service

Food and Health & Safety

The food safety and health & safety regulatory service is delivered by a single team of people with a mix of skillsets.

Most of East Suffolk's food businesses fall to East Suffolk Council for the delivery of official controls and other aspects of food safety and hygiene legislation. The council regulates over 2,900 food businesses and the FSA itself regulates an additional six approved establishments in the area, for example slaughterhouses, cutting plants and game handling establishments. Profiles of local authority regulated food establishments in East Suffolk according to risk are provided in appendix 5.

An outline of the projected demands on the food safety service is provided in appendix 6.

The 31 businesses that are 'approved establishments' in the area produce fish, shellfish, meat, poultry, and dairy, including raw cow's drinking milk and eggs.

Adnams PLC, St Peter's Brewery, Birds Eye Limited, Indo-European Foods Limited, Lallemand Baking and Stokes Sauces Limited are large food and drink businesses within East Suffolk and many of them export products. We issue Food Export Health Certificates to many of these businesses and charge fees for this service.



Our officers have developed positive working relationships with our businesses, such as Birds Eye in Lowestoft.

East Suffolk attracts many tourists particularly during the summer months and the council supports events which will boost the local economy. We have a diverse range of businesses operated by and/or associated with ethnic minorities. This includes Chinese, Bangladeshi, Turkish, Portuguese and Polish. Many of these businesses are takeaways, restaurants, retail shops and barbers.

Lowestoft Port Health Authority inspects ships under the International Health Regulations 2005 to ensure ships are controlling health risks. We issue Ship Sanitation Certificates and charge fees for this service.

Health and safety law is regulated either by the Health and Safety Executive (HSE) or the local authority with the split being determined by the main activity carried out at the premises. The council generally enforces health and safety law in workplaces where members of the public have access, such as hospitality, retail, consumer services, leisure activities, places of worship and residential care homes along with offices, warehouses and undertakers. The council enforces health and safety law in around 5,700 enterprises. A significant proportion of these are Micro, Small or Medium-sized Enterprises (SMEs).

Investigations into health and safety incidents at premises where East Suffolk Council is the enforcing authority are not foreseeable and can place huge demands on the Food and Safety Team. In 2022/23 two fatal accident investigations have resulted in two officers spending a considerable proportion of their time collecting evidence, producing reports for, and attending, Coroner's Inquests and preparing prosecution files.

The foodhall at the Suffolk Show.



The Food and Safety Team works with event organisers and others during planning and delivery via the Safety Advisory Group to ensure that persons involved in the events, and the members of public that attend them, are protected from risks to their health or safety. Events attracting up to 80,000 people include the Suffolk Show at Trinity Park, Latitude Festival at Henham Park and First Light Festival in Lowestoft. Some events only come to the team's attention at short notice and require significant intervention which can have an impact on the team's workload.

For easy and 24-hour customer convenience we provide all of our application and notification channels online via [the East Suffolk Council website](#). The Food and Safety Team provides a 24-hour, seven-days a week, 52 weeks a year cover for emergencies.

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) manages competing demands brought on by ever-changing legislation and commercial activities at the ports of Felixstowe, Harwich and Ipswich.

SCPHA fulfils a legal obligation to deliver official controls at the border, which are frequently updated to reflect new or emerging risks. However, the level of enforcement is determined by the nature and volumes of trade arriving in Felixstowe, Harwich and Ipswich, which can fluctuate considerably.

Every imported consignment has potential to present biosecurity issues and must be processed with vigilance by SCPHA, as officers seek to accurately identify and apply required controls. However, given the current scale of trade and potential impacts on the supply chain, SCPHA aims to minimise intervention on compliant importers and focus on non-compliant products wherever possible. This requires a flexible service with stringent training that asks officers to use their operational knowledge and adapt to changing circumstances.

SCPHA's current service is provided between 6:30am and 10:00pm from Monday to Thursday, 6:30am to 9:30pm on Friday and 6:30am to 2:30pm on Saturdays and Sundays. SCPHA may need to increase the number and frequency of its checks, as well as opening hours and staff numbers, as the Department for Environment, Food and Rural Affairs (DEFRA) looks to introduce new import controls for EU goods from October 2023 as part of the Border Target Operating Model (BTOM).

Corporate Health and Safety

The Corporate Health and Safety Team supports the whole council and responds to internal and external demands, both proactively and reactively 24/7.

The number of employees has increased over the past 18 months and there are a number of newly recruited staff and colleagues who have moved posts within the council resulting in a health and safety knowledge gap. This in turn has increased the demands on the Corporate Health and Safety Team to support managers to manage their team and the team's activities safely.

2.5 Compliance and Enforcement Policy

Our Compliance and Enforcement Policy is currently under review. It covers all of the regulatory services delivered by the council, including official controls and those in the wider food safety, health & safety and port health services.

Officers, including those with responsibility for the enforcement of food and health and safety laws, must have regard to the policy when making enforcement decisions.

The policy reflects Government expectations, via the Regulators' Code, towards the regulation of individuals and businesses and endorses the Government's commitment to better regulation, reducing regulatory burdens on business and supporting economic growth.

Our policy sets out the council's commitment to fair, open, transparent, proportionate and intelligence led regulatory services and advocates a staged approach to enforcement using a range of enforcement options available to secure compliance.

Food and Health & Safety

Decisions made in relation to health and safety regulation will also be made in accordance with the **Health and Safety Executive's Enforcement Management Model (EMM)**.

This takes the officer through a logical and demonstrable assessment process to determine an appropriate and consistent level of enforcement, in line with the Compliance and Enforcement Policy.

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) follows regulatory requirements as well as the advice and guidance of national competent bodies. The Compliance and Enforcement Policy is applicable to SCPHA, however port health regulatory framework is prescriptive in many areas.

Corporate Health and Safety

The council is regulated by the Health and Safety Executive who will use the EMM and their own Enforcement Policy Statement. The Corporate Health and Safety Team uses the principles of the EMM to benchmark compliance.

3.0 Service Delivery

3.1 Interventions

Food and Health & Safety

Inspections and other interventions are normally conducted at food establishments using a risk-based approach set out in the Food Standards Agency's Food Law Code of Practice (FLCoP). Establishments may be rated as a higher risk either because of the higher-risk nature of their business or because of the lower standards of food safety present, or both.

Establishments receive an overall risk rating ranging from A (highest risk) to E (lowest risk). Profiles of the food establishments in East Suffolk by risk rating categories A to E are shown in appendix 5, along with the number of new food business registrations received and those businesses that are outside the scope of the Food Standards Agency's Food Hygiene Rating Scheme.

New registrations are for new food businesses that have not had a completed inspection. Establishments in the outside category include premises such as primary producers that do not form part of our risk-based intervention programme.

In 2021/23 we were able to deliver the Food Standards Agency's Recovery Plan by directing staff resources to food safety work. An outline of the projected food safety and health and safety service demands in 2023/24 is shown in appendix 6.

We have 936 Category A to D interventions to complete before 31 March 2024. We anticipate we will receive a further 400 new food registrations requiring full inspection through to 31 March 2024 and there are 69 category E interventions that will be subject to our Alternative Enforcement Strategy, as detailed in appendix 19.

Health and safety interventions are conducted by authorised Inspectors in accordance with guidance issued by the HSE to Local Authorities via the National Code and the LAC 67/2 which determines priorities and expectations.

Following national direction from the Health and Safety Executive businesses are only visited if they are deemed to be high risk based on national accident statistics, labour force surveys and local intelligence. In 2022 a project was undertaken to assess compliance in relation to gas and electrical safety in hospitality as that was deemed a national priority. 22 proactive interventions were undertaken and following two recent fires in food businesses with an electrical origin, the project will be continued in 2023/24 with a proactive awareness-raising campaign in conjunction with formal enforcement when it is necessary to secure compliance.

Crowd safety at events is detailed in LAC 67/2 as a priority for proactive intervention. The management of crowds of people is inherently difficult and the harm that can occur depends on the type of event being run. Safety Advisory Group (SAG) meetings are convened to allow the relevant regulatory agencies (police, fire, ambulance, local authority etc.) to gain intelligence prior to any event to allow for emergency planning and advise each other on any areas of concern. The group will also advise the event organiser (duty holder) of ways in which they can manage the event safely although the group as a whole does not have statutory powers and any regulation of the event will be done using primary legislation.

East Suffolk's SAG has representatives from the district and county councils, emergency services, other relevant agencies according to the type of event and event organisers. SAG members formally meet monthly, to review event applications, meet event organisers and advise on public safety but also review a number of plans without the need for a meeting and will provide constructive feedback to the organisers via the chair. Notes of the advice given are shared promptly with SAG members and event organisers.

Recommendations given by SAG are advisory and presented in a non-adversarial way and it is for the organiser to take such steps that are necessary to ensure an event is managed safely. However individual SAG members may have their own legislative powers that relate to parts of the event and will use their statutory powers if risks will not be mitigated following advice from the Group.

East Suffolk welcomes, encourages and supports organisers of safe events. SAG considers events ranging from local community events run by volunteers to large events attracting thousands of people such as the Suffolk Show, Latitude, First Light and international cycle races.

A member of the Food and Safety Team also chairs the countywide SAG and has worked with the Suffolk Joint Emergency Planning Unit to provide training on their role in SAG to officers via multiagency online training. The SAG chair is a member of the Local Authority Regulators Events Expert Panel (LAREEP) hosted by the Office for Product Safety and Standards (OPSS) and has worked with emergency planning colleagues to provide local training workshops on working effectively in a SAG.

The Food and Safety Team's health and safety regulatory activities are benchmarked with other Local Authorities at the Norfolk and Suffolk Health and Safety Liaison Group which is chaired by a member of the Food and Safety Team.

Suffolk Coastal Port Health Authority

The legislative basis for port health enforcement is prescriptive and dynamic, driving almost all interventions conducted by Suffolk Coastal Port Health Authority (SCPHA). As the Department for Environment, Food and Rural Affairs (DEFRA) looks to introduce new import controls for EU goods from October 2023 as part of the Border Target Operating Model (BTOM), there may be a realignment of legislative requirements for port health. With potential for a more risk-based approach, greater utilisation of the Compliance and Enforcement Policy may become necessary.

Outside of mandated interventions, SCPHA regularly engages in food monitoring and sampling surveillance programmes. Based on intelligence, these can be at the request of the Food Standards Agency and DEFRA, or as a result of in-house requirements. Monitoring and surveillance programmes always aim to provide greater insight into potential, ongoing or emerging threats to food security at the border and enable smarter targeting for the future.

SCPHA's service is resourced based on current and projected levels of required intervention, with the ability to flex to some degree. Appendix 7 provides an outline of SCPHA's current activities.

Corporate Health and Safety

The Corporate Health and Safety Team has a planned programme of work each year that is completed alongside reactive work.

To give assurance that contractors are complying with health and safety law whilst providing services such as waste collection and grounds maintenance, the team audits the council's main contractor that delivers services on behalf of the council. We also audit the procedures departments have in place to ensure the risks are being adequately controlled.

Our Health and Safety Advisors collaborate with team leaders to assess risks and devise safe systems of work.

The Corporate Health and Safety Team reviews event management plans submitted with applications to use East Suffolk Council land for events and advises teams within the council when they engage in running community events such as the national cycle races.

Health and Safety compliance within the council and SCPHA is one of several Corporate Risks that are monitored and reviewed regularly.

3.2 Investigations

Food and Health & Safety

Approximately 450 complaints were received in 2021/23 about food and food premises and these are shown in appendix 14. This was fewer than in previous years, possibly due to the COVID-19 epidemic and in 2023/24 we expect to receive approximately 300 complaints. Our Common Food Complaints Guide contains self-help advice on common food complaints together with a brief explanation and suggestions for when to contact us or take some other best course of action.

Report a complaint about a food business.

In 2021/23 we dealt with 112 health and safety-related complaints and this year it is anticipated we will receive approximately 50 complaints. The Food and Safety Team will investigate instances of poor working practices, injury or illness.

We expect to receive approximately 140 RIDDOR notifications in 2023/24. RIDDOR notifications are investigated in accordance with published criteria, including the [Health and Safety Executive's Incident Selection Criteria guidance](#).

From April 2023, the Food and Safety Team has responsibility for enforcement of smokefree legislation and for dealing with smoking in enclosed and substantially enclosed places. We anticipate receiving complaints about this in 2023/24.

The Food and Safety Team reacts to intelligence from other agencies such as the emergency services, other council departments and third-party complaints.

Competent, authorised officers assess all complaints and reports and prioritise their response in accordance with the risk to public health and safety, published guidance, codes of practice and other relevant criteria. An outline of projected food safety and health and safety service demands in 2023/24 can be found in appendix 6.



Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) does not receive food complaints in the same way as the rest of East Suffolk Council. Protocols for imported goods are based on receipt of intelligence which may then be used to target consignments.

Corporate Health and Safety

Corporate Health and Safety Team supports managers to investigate incidents where someone was or might have been injured as a result of East Suffolk Council's activities.

Investigations are also conducted when internal audits identify deviations from agreed safe working methods.



3.3 Other Service Demands

Food and Health & Safety

The Food and Safety Team handles applications for the registration of premises and personnel for the purpose of skin piercing and tattooing, which must be conducted hygienically. Applications can be submitted via East Suffolk Council's online application process.

Notifications of the planned, licenced and non-licenced removal of asbestos from certain premises are received via the HSE's Extranet online service. This website allows the sharing of information across individuals and organisations involved in regulating health and safety in the UK.

The expected service demand for skin piercing and tattooing registrations and asbestos notifications is shown in appendix 6.

Suffolk Coastal Port Health Authority

Eleven team members from Suffolk Coastal Port Health Authority (SCPHA) across two teams are combatting the spread of African Swine Fever (ASF) in a joint operation with Border Force, which has seen over one tonne of illegal pork seized from traffic entering the ports of Harwich and Felixstowe.

The operation has secured funding from the Department for Environment, Food and Rural Affairs (DEFRA) until March 2024.

Corporate Health and Safety

Members of the Corporate Health and Safety Team will undertake duties as directed to assist the council in responding to a Civil Contingency Act emergency or business recovery event.

3.4 Home Authority Principle and Primary Authority Scheme

The Primary Authority Scheme is intended to ensure that a business with multiple outlets can have the benefit of a single point of contact for advice that supports consistent enforcement across all of its premises.

Food and Health & Safety

The Food and Safety Team uses the Primary Authority Register to identify if a duty holder has a Primary Authority partner and will have regard to the inspection plans and assured advice provided by it in any local interventions.

The Food and Safety Team is not currently a Primary Authority partner to a business but will consider requests from businesses seeking a Primary Authority.

We act as home authority for all businesses where the relevant decision-making base of an enterprise is located within East Suffolk's area.

Contact us at: environment@eastsuffolk.gov.uk

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) has not been approached by any importer organisations to set up a Primary Authority Partnership.

Corporate Health and Safety

Not applicable to the Corporate Health and Safety Team.

3.5 Advice

Advice is provided primarily via the council's websites.

- East Suffolk Council - www.eastsuffolk.gov.uk
- East Suffolk Means Business - www.eastsuffolkmeansbusiness.co.uk
- Suffolk Coastal Port Health Authority - www.porthealth.uk

Our websites provide direct advice, information and online services 24 hours a day, 7 days a week and contribute to the Strategic Plan Priority of Delivering Digital Transformation. This information is available for businesses, employees and visitors along with a contact form which allows people to request advice without having to be redirected from the Customer Services Centre.

Food and Health & Safety

Our food businesses and our other customers regularly seek advice and assistance from us about food safety and health and safety matters. Enquiries that cannot be answered via signposting to our website and other relevant information sources are generally dealt with by email. Appendix 15 shows that in 2021/23 the Food and Safety Team answered approximately 780 requests for food safety and health and safety advice.

Our team offers a free, informal 30-minute telephone or online chat to assist businesses in complying with food and safety regulations.

The team is notified of events via event licence applications, Temporary Event Notices, East Suffolk Safety Advisory Group (SAG), applications to use council land and by other agencies. We use this information to help us target the provision of valuable information about food safety and health and safety.

61 events were notified to the East Suffolk SAG and 15 events were reviewed at SAG meetings attended by the event organisers.

Further information about the role of the SAG and further guidance on running events safely is available on the [Suffolk Resilience website](#).

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) provides and updates comprehensive online guidance about import controls, operational changes and legislative requirements for importers. This is then emailed proactively to a growing list of subscribers and shared on social media.

Advice ranges from overall legislative frameworks to detailed requirements for specific products. Demand for information is expected to rise as the Department for Environment, Food and Rural Affairs (DEFRA) looks to introduce new import controls for EU goods from October 2023 as part of the Border Target Operating Model (BTOM).

SCPHA also hosts a quarterly forum to answer questions directly from importers and regularly writes informative press releases covered by a variety of media outlets. This involves maintaining strong relations with importers, the press and various industry bodies, including the British International Freight Association (BIFA) and Felixstowe Port Users Association (FPUA).

Corporate Health and Safety

The Corporate Health and Safety Team offers advice to all levels within the council e.g., Members, Corporate Leadership Team, managers, team leaders and individual employees.

We use a channel on Microsoft Teams which all staff and councillors have access to. The channel enables staff and members to ask questions and receive communication on health and safety topics. We also use this channel to publish a briefing newsletter on a different topic each month.

We advise the Customer Experience Team on the appropriate steps to be taken to reduce the likelihood of East Suffolk Council employees being exposed to harm as a result of unreasonable behaviours exhibited by customers.

Our team attends the Housing Health and Safety Board and supports the Southwold Harbour Management Committee.

Plus, in 2021/23 we reviewed and offered advice to the council's Asset Management Team on more than 150 applications to hold events on council land.

East Suffolk Council

www.eastsuffolk.gov.uk



No one should be digitally excluded from East Suffolk Council services. We work to Level AA of the Web Content Accessibility Guidelines, the standard many governments use as a benchmark: www.eastsuffolk.gov.uk is usable for everyone.

We aim to ensure our web content and processes are intuitive to make it easy for users to access services. We have online information and transactional services covering business grants and funding, business incentives, business rates, business associations and networks, the environment, business support, East Suffolk Economic Growth Plan, supplying the council, business continuity, land and premises, exporting from East Suffolk, East Suffolk business and community awards, regeneration projects, planning, licensing and waste.

The food safety and health & safety content has our own advice and information and links to other sources. We provide online transactional services which enable our service users to:

- register a food business (via GOV.UK)
- order and pay for printed Safer Food, Better Business (SFBB) packs and diaries
- submit a Food Hygiene Rating Scheme (FHRS) appeal, consent to early publication of rating, request a re-visit, and use their Right to Reply
- submit a food or health incident or complaint
- register premises and/or people for skin piercing, tattooing, electrolysis, acupuncture or semi-permanent make-up
- apply for ship sanitation inspections and certificates at Lowestoft Port
- apply for Food Export Health Certificates, Premises Endorsements and Attestations
- apply for a food business establishment approval
- notify us of cooling towers and evaporative condensers
- pay fixed penalties
- register for a food hygiene training course
- request live bivalve molluscs or shellfish registration documents.



East Suffolk Council



@EastSuffolk



@eastsuffolkcouncil



East Suffolk Council

East Suffolk Means Business

www.eastsuffolkmeansbusiness.co.uk

East Suffolk Means Business content is managed by East Suffolk Council's Economic Development and Regeneration Team.



The team invigorates the local economy through physical regeneration whilst enhancing the local environment to support economic growth and prosperity. They encourage new and existing businesses to survive, revive and thrive, making our district more attractive to residents, visitors and investors alike. The team provide ongoing support to the development of a stronger skill base including skills to future-proof tomorrow's generation, today.

The East Suffolk Means Business website content covers the available support, land and premises, grants and funding, invest in East Suffolk, skills and training, and the key sectors in East Suffolk:

- Agriculture, food and drink
- Marine
- Energy
- Ports and logistics
- IT, Tech and digital creative
- Visitor economy and cultural
- Manufacturing and engineering.



East Suffolk Means Business



@ESMBiz



East Suffolk Means Business

Suffolk Coastal Port Health

www.porthealth.uk

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) provides and updates comprehensive online guidance about import controls, operational changes and legislative requirements for importers. This is then emailed proactively to a growing list of subscribers and shared on social media.

PHILIS and NEOMA

Suffolk Coastal Port Health Authority (SCPHA) has developed the sophisticated Port Health Interactive Live Information System (PHILIS) to track vessel arrivals, record health checks, manage correspondence and process imports as quickly as possible. This is outsourced to the majority of Britain’s port health authorities, with ongoing support and maintenance provided by SCPHA’s IT team. PHILIS communicates with other industry-standard systems such as IPAFFS, Destin8 and CNS Compass to exchange crucial information electronically.

The much-anticipated next evolution of PHILIS, called NEOMA, is currently being developed by SCPHA’s IT team. This will use cutting-edge technology, such as artificial intelligence, to increase the efficiency of port health operations and cut down on waste.



3.6 Sampling

Food and Health & Safety

The Food and Safety Team's Food Sampling Policy, including arrangements for the analysis and/or examination of the samples, is set out in appendix 9.

In 2023/24 we will continue to take samples of water and shellfish for classification and algal toxin monitoring purposes.

We also plan to take 80 samples of ready-to-eat food in accordance with our sampling policy, which is detailed in appendix 9. Microbiological analysis of the samples will be for:

- Aerobic colony count
- E. coli
- Listeria species
- Enterobacteriaceae
- Coagulase-positive Staphylococci
- Salmonella species.

Water samples may be taken when investigating outbreaks of Legionnaires' disease.

Unsatisfactory results are followed up in accordance with associated criteria to ensure the risk to public health is protected.



Suffolk Coastal Port Health Authority

The sampling activities conducted by Suffolk Coastal Port Health Authority (SCPHA) are outlined in appendix 10 and driven by legislative requirements.

Outside of mandated interventions, SCPHA regularly engages in food monitoring and sampling surveillance programmes. Based on intelligence, these can be at the request of the Food Standards Agency and Department for Environment, Food and Rural Affairs (DEFRA), or as a result of in-house requirements. Monitoring and surveillance programmes always aim to provide greater insight into potential, ongoing or emerging threats to food security at the border and enable smarter targeting for the future.

SCPHA uses a number of public analysts for the variety of examinations required of various products. Arrangements are in place for the collection and courier of samples, in addition to regular performance monitoring for laboratories.

Corporate Health and Safety

The Corporate Health and Safety Team does not conduct any sampling directly but advises the Asset Management Team and Housing Maintenance Teams on the control of asbestos, legionella and swimming pool water quality which involves the interpretation of sample results.

We will advise the relevant team on what the sampling results mean for the council and any action that is required.



Protecting the public from ill health through animal contact at animal attractions is a priority for our team.

3.7 Control and Investigation of Infectious Disease and Work-related Health Conditions

Food and Health & Safety

The Food and Safety Team investigates food poisoning notifications and outbreaks to control the spread of illness, having regard to the East of England Health Protection Team's Standard Approach to Investigating Gastro-Intestinal Disease Cases. Appendix 11 shows gastrointestinal disease cases in East Suffolk, April 2022 to March 2023.

In 2022, we consulted with the East of England HPT to request members of the public cooperate with medical personal to receive the necessary medical attention to treat a tuberculosis (TB) infection. Failure to take medication for this illness can cause further spread of this infection to other members of the community. These requests are made to control and prevent the spread of TB which could present a risk of significant harm to human health.

Our team also investigated a possible source of E.coli illness within our area. Confirmed cases of food poisoning reported eating food from several different sources, one of which was a food establishment in our area. Officers worked closely with the East of England HPT, part of the UKHSA.

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) monitors all Maritime Declarations of Health submitted by vessels to ensure appropriate risk assessments are conducted and infectious disease transmissions are minimised. Early intervention and guidance are obtained from the UKHSA.

The current level of reports and incidents concerning infectious diseases are expected to continue given the variety of vessels seen by the ports of Felixstowe, Harwich and Ipswich from across the world.

Corporate Health and Safety

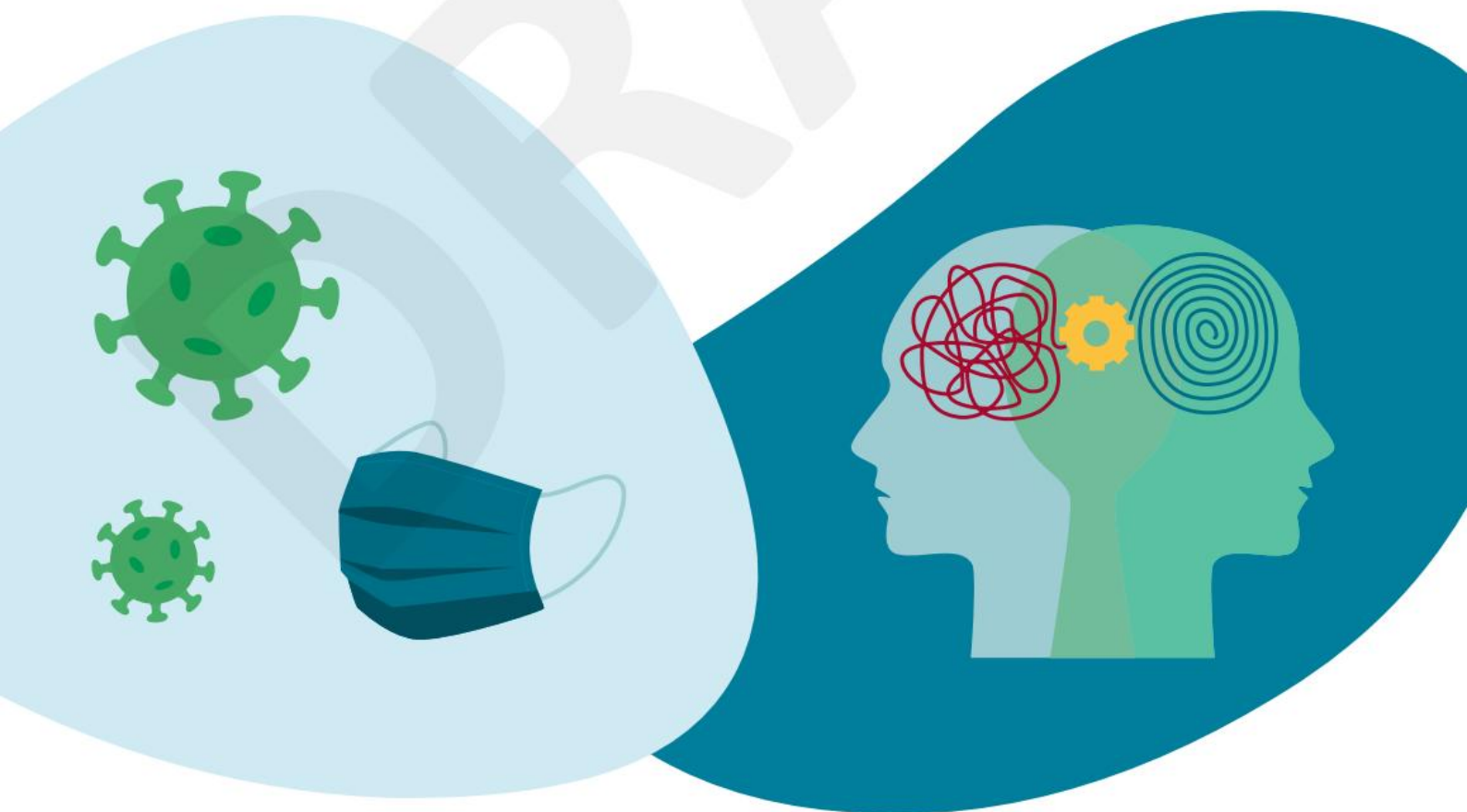
Corporate Health and Safety Team has developed policies in relation to the control of legionella, asbestos, hand arm vibration syndrome (HAVS) and noise.

Routine occupational health surveillance is in place for employees who are exposed to health risks such as working with asbestos, silica dust and powered hand tools.

Mental health and work-related stress are a key priority for the council. The Corporate Health and Safety Team promotes the managers' stress management toolkit and the team stress assessments. These are proactive measures to identify and then modify working practices at an organisational level to reduce the likelihood of people suffering from work related stress. The Human Resources Team leads on the work with individuals who are identified as suffering from work related stress symptoms.

The Corporate Health and Safety Team has worked with individuals to ensure that individuals have appropriate workstations when working from home because of the COVID-19 pandemic. This has involved carrying out detailed display screen equipment assessments, remotely.

Following on from the public health crisis associated with Coronavirus the council has been dealing with numerous outbreaks of Avian Influenza. the Corporate Health and Safety Team has provided advice on the safe handling and disposal of bird carcasses and the appropriate way to work in areas affected by the Avian Influenza outbreaks.



3.8 Incidents

Food and Health & Safety

Incidents may be reported to the Food and Safety Team via external agencies such as the emergency services, FSA, Suffolk Public Health, UKHSA, customer complaints or as a formal report under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR).

We have procedures for responding to FSA food alerts and arrangements in place to respond out of normal office hours.

Health and safety incident investigations will be prioritised according to risk and a decision to conduct a full investigation will be based on the HSE's published Incident Selection Criteria.

Suffolk Coastal Port Health Authority

Incidents relating to food imports are often flagged by national early warning systems or through direct contact with national competent authorities, such as the Food Standards Agency or Department for Environment, Food and Rural Affairs (DEFRA). These notifications are assessed by Suffolk Coastal Port Health Authority's (SCPHA) Technical Leads and the appropriate response is determined. This process is part of SCPHA's normal service with no changes expected.

Corporate Health and Safety

All incidents that relate to health and safety and involve a risk of or actual injury, damage to property or reputation are reported via the internal reporting system.

The Corporate Health and Safety Team responds to significant incidents to prevent further injury and collect evidence, first hand.

All incidents are reviewed by the Corporate Health and Safety Team who will offer support to managers investigating the incident to determine whether the risk controls are adequate.

Incident and insurance claim statistics are reported to the quarterly Joint Health and Safety Committee.

Incidents that meet the criteria for formal reporting under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 are reported to HSE by the Corporate Health and Safety Team.

Health and safety compliance is monitored as a corporate risk and is risk rated periodically by the Corporate Governance Group.

3.9 Liaison with Other Organisations

The service area has wide engagement with third parties, both for regulatory purposes and to provide services in order to deliver regulatory requirements. Appendix 12 maps key liaison organisations.

Food and Health & Safety

The Food and Safety Team is represented at the Suffolk Food Liaison Group, which has links to regional and national food groups to help achieve consistency.

The team participates in FSA FHRs national consistency exercises.

We are also represented on the South East Shellfish Liaison Group. This group shares information and ensures a coordinated approach by its members that include industry representatives, local authorities, FSA, CEFAS and the Environment Agency.

The team is represented at the Norfolk and Suffolk Health and Safety Liaison Group (NSHSLG), which benchmarks the LAE1 intervention return for the Norfolk and Suffolk authorities on an annual basis.

We have representation at national meetings with HSE and liaise with the regional representative on HELA Practitioners Forum.



Wherever possible, our teams train and work together to provide an efficient and effective service. Here, officers are receiving training to undertake ship sanitation inspections.

Suffolk Coastal Port Health Authority

As one of the UK's biggest port health authorities operating from Britain's busiest container port, Suffolk Coastal Port Health Authority (SCPHA) takes a leading industry role through constant dialogue, liaison and representation with various organisations. This includes:

- Department for Environment, Food and Rural Affairs (DEFRA)
- Food Standards Agency
- Animal and Plant Health Agency
- Marine Management Organisation
- British International Freight Association.

SCPHA is also engaged with several Brexit and government initiatives, such as the DEFRA Business Readiness Forum and 2025 UK Border Strategy, and hosts the quarterly Port Health Stakeholder Forum to unite the logistics community for insight into port health. This is in addition to being a founding member of the Major Ports Forum.

Corporate Health and Safety

A member of the Corporate Health and Safety Team attends the Eastern Region Corporate Health and Safety Advisors Group.

Corporate Health and Safety Team members attend two local health and safety group meetings, the Suffolk and North Essex Occupational Safety Group and the Waveney Safety and Environment Group, which are groups comprised of private and public sector health and safety professionals.

Corporate Health and Safety Team individuals are members of the Institute of Occupational Safety and Health (IOSH) or the Chartered Institute of Environmental Health (CIEH) or both.

IOSH and CIEH both provide learning and networking opportunities along with professional publications.

3.10 Promotional and Engagement Work

Food and Health & Safety

The East Suffolk Council website is used to publish information proactively, including downloads and signposts to other websites.

At times other than during site visits, direct contact with businesses is generally via email. The Food and Safety Team works with the Economic Development and Communications Teams to promote key topics and messages using social media and business networks.

To ensure consistent information is provided, where available, we promote publications made available by the FSA and HSE etc. that are intended for businesses or the public.

Examples include helping business operators meet regulations on food hygiene through promoting Safer Food, Better Business packs.



Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) sees frequent media coverage about its work in protecting public and animal health, with its Public Relations & Communications Officer writing regular press releases, arranging interviews, overseeing media visits and creating online content.

Having established itself as a vital part of public and animal health in the eyes of policymakers, importers and the general public, SCPHA aims to bring awareness to the importance of stringent checks at the border through public relations, while continuing to reaffirm its position as a leading authority. This is in addition to an ongoing awareness campaign about its joint operation with Border Force to combat the spread of African Swine Fever in Britain.

The Business Relationship Officer also hosts the quarterly Port Health Stakeholder Forum to unite the logistics community for insight into port health, while the Business Team as a whole regularly visits schools and colleges to educate future generations about the role of port health. This includes a recent partnership with Suffolk New College.

Corporate Health and Safety

The Corporate Health and Safety Team engages with individuals and managers across the council. The Health and Safety Advisors join team meetings for the services they support.

The council has a Health and Safety Committee which meets quarterly and is attended by the Corporate Health and Safety Team, Human Resources Team, Unison and champions who have been nominated by their service area.

The Corporate Health and Safety Team produces a monthly newsletter and is reinstating drop-in sessions in the breakout areas at Riverside, East Suffolk House, Marina Centre and Port Health as well as online for those who are no longer predominantly office based.

Working in conjunction with the Health and Wellbeing group, the team promotes campaigns, opportunities and techniques for keeping colleagues in good physical and mental health.

4.0 Resources

4.1 Financial Allocation

Details of budgetary provision for the service area are included in [East Suffolk's Budget Book 2023/24](#).

Financial provision enables the use of external legal services where appropriate.

Food and Health & Safety

COVID-19 grant funding provided additional resources to carry out COVID-19 work and backfilling up to 31 March 2023. All catch-up work was completed on time and no additional resource is available for this purpose in 2023/24.

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) is entirely self-funding due to the cost-recovery arrangements in place for importers, with no impact being made on the taxpayers of East Suffolk. A full list of charges can be found on the SCPHA website, which are updated yearly to reflect expenses and inflation. Currently, SCPHA's services cost around £5.6m per year to run.

Funding has also been provided until March 2024 by the Department for Environment, Food and Rural Affairs (DEFRA) for two of SCPHA's teams, who are combatting the spread of African Swine Fever (ASF) in a joint operation with Border Force.

Corporate Health and Safety

Corporate Health and Safety Team resources are combined with those of the Food and Safety Team.

Supplying the Council

East Suffolk Council spends around £28 million each year and we are keen to encourage a diverse range of suppliers, both large and small.

As a local council we are not just looking for the biggest companies to supply us, we encourage organisations of all sizes to bid on our tenders. There is something for everyone and we are shaping procurements for all kinds of bidders. [Head to our website for more information.](#)

4.2 Staffing Allocation

Food and Health & Safety

Competent officers are authorised according to the findings of competency assessments based on qualifications, technical knowledge and regulatory experience. Food competencies are assessed in accordance with the FSA's Food Law Code of Practice and Practice Guidance and the Competency Framework.

Our team's current regulatory allocated full time equivalent (FTE) staffing resources are 14.9 FTE, split as follows:

Food Safety enforcement work:

- Total staffing - 11.8 FTE
- Authorised Officers - 9.3 FTE
- Technical Support - 2.5 FTE

Health and Safety:

- Authorised Officers - 2.6 FTE
- Technical Support - 0.5 FTE

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) currently employs just over 100 team members as outlined in appendix 3.

Overseen by the Compliance Manager, the Technical Leads for products of non-animal origin (NAO) are SCPHA's nominated Lead Food Officers, while the Technical Lead for products of animal origin (POAO) is the Senior Official Veterinary Surgeon.

Technical Leads, Official Veterinary Surgeons (OVSS) and Port Health Officers (PHOs) must be sufficiently qualified and authorised according to the Food Law Code of Practice (FLCoP) as key operational decisionmakers. The FLCoP also permits more limited decision-making responsibilities for Authorised Officers (AO) following training and competency assessments, however SCPHA aims to reserve such duties for the most qualified and experienced team members.

Corporate Health and Safety

The Corporate Health and Safety Team is managed by the Health and Safety Manager and comprises:

- Health and Safety Manager (0.4 FTE)
- Health and Safety Advisors (1.5 FTE)
- Health and Safety Officer - Housing Maintenance (1 FTE)
- Health and Safety Officer/Trainer - Port Health (0.5 FTE)

The total staffing allocation is 3.4 FTE.

4.3 Staff Development Plan

Our workforce is at the heart of everything we do. One of the ways we support the development and competence of staff is through ongoing training and development provided in-house and externally.

To meet this challenge, we have created an opportunity for five council employees to be apprentice environmental health practitioners. We believe this was the largest number of environmental health apprenticeships starting together in any local authority in 2021/23. It attracted the attention of the professional body (the Chartered Institute of Environmental Health) and much professional news coverage.

This is developing our staff and helping to address the challenge of recruiting environmental health practitioners in the future. Having started with a September 2021 enrolment on the Environmental Health Practitioner Apprenticeship (Level 6), one member of the Food and Safety Team and one member of SCPHA are working in the professional field whilst studying for a degree at the same time. Other recruits are working within Environmental Protection.

In 2021/23, we responded to the FSA's revised 2021 Competency Framework by reviewing the arrangements we have in place against the framework. Officers with responsibility for carrying out official controls maintain their own competency framework record, which is developed as further knowledge and skills are acquired.

We will continue to work in partnership with our colleagues in SCPHA to meet competency requirements, given that we all carry out official controls.

Environmental Health Practitioner Apprenticeship (Level 6)

The four-year course has been developed through consultation with the Chartered Institute of Environmental Health and the Institute for Apprenticeships, along with employers from a range of public and environmental health related fields.



Two of our current apprentices,
Nikki Crisp and Hannah Gilson

Food and Health & Safety

Authorised officers in the Food and Safety Team are required to demonstrate Continuing Professional Development (CPD) in line with their membership of relevant professional bodies e.g., CIEH and IOSH.

Officers conducting food safety interventions undertake 20 hours of CPD related directly to food safety each year.

Officers subscribe to an online resource provided by a niche company of food consultants specialising in the training of food law enforcement officers.

In 2021, the Food and Safety Team supported four SCPHA staff to obtain their Higher Certificate in Food Control by providing them with case studies and practical experience to complete their competency development portfolio. Two of these staff members now work within the team and have responsibility for carrying out official controls.

The Norfolk and Suffolk Health and Safety Liaison Group holds an annual training day open to all health and safety regulators across Norfolk and Suffolk.

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority's (SCPHA) Technical Trainer develops and delivers programmes with the Technical Leads to keep operational staff up to date with current legislation, best practice and industry standards, while the Business Trainer is responsible for teaching all staff and external parties about SCPHA's IT and business systems.

All newcomers undergo a training schedule suited to their role with continuous development opportunities during their time with SCPHA. Once the trainers and Technical Leads are satisfied with a newcomer's required competencies, authorisation is given for them to take on their duties.

Thousands of courses through Pluralsight, the online education platform, are currently being offered to business and IT team members to promote continuous development, with a view to expanding the offer to all staff depending on its success.

In-line with the Food Law Code of Practice (FLCoP) Competency Framework, SCPHA supports further training opportunities for its staff and recently saw four team members earn the Higher Certificate in Food Control (HCFC). This is in addition to taking on apprentices in environmental health and IT, as well as supporting various team members to complete their environmental health degrees.

Corporate Health and Safety

Corporate Health and Safety Team members undertake CPD in accordance with their membership of the Institute of Occupational Safety and Health (IOSH) and/or the Chartered Institute of Environmental Health.

Team members are encouraged to attend IOSH meetings and webinars.

We use regular in-house learning and development sessions to update knowledge and maintain competency.

The Corporate Health and Safety Team is a member of the Suffolk and North Essex Occupational Safety Group and the Waveney Safety and Environment Group both of which hold monthly meetings with an education element and Corporate Health and Safety Team members are encouraged to attend when relevant.

One member of the Corporate Health and Safety Team has enrolled on a NEBOSH Level 6 Health and Safety Diploma.

East Suffolk Values...



PROUD

Believing in who we are, what we do and where we live.



GOOD VALUE

Delivering outstanding services, smartly and economically.



TRUTHFUL

Honest and clear in all we do.



UNITED

Whoever we work with, we work as one team.



DYNAMIC

Transforming the future with you in mind.

5.0 Quality Assessment and Internal Monitoring

Food and Health & Safety

The Food and Safety Manager and Lead Food and Safety Officers monitor the work of the Food and Safety Team.

The team has documented procedures for all activities and a designated officer is responsible for reviewing and revising the procedures and maintaining an overview of the team's activities in their area of responsibility.

Environmental Health Technical Support Officers carry out the document control function for the team.

The HSE's LAE1 return is benchmarked at the Norfolk and Suffolk Health and Safety Liaison Group.

Customer feedback is invited via online surveys. A summary of the results is provided in appendix 13. More than 95% of the responses said their business was treated fairly, more than 97% said the contact was helpful and over 94% said communication was clear.

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) creates an annual risk-based audit plan to ensure effective and efficient internal processes. This includes a technical audit schedule that tests legislative compliance, as well as best practice and internal policies.

SCPHA is ISO 9001:2015 accredited, which covers imported food controls and is a key performance indicator within East Suffolk Council's performance framework. This saw SCPHA undergo six monthly audits from external auditors to ensure adherence to the quality system.

Opportunities to improve across all areas within SCPHA are sought regularly and fed into reviews to improve knowledge and training provision.

Corporate Health and Safety

The Corporate Health and Safety Team has adopted the principles of HSE's HSG65 for health and safety management Plan, Do, Check, Act.

Incident data for the council and its contractors is reviewed by the Health and Safety Committee.

Corporate Health and Safety has been entered as a risk on the Corporate Risk Register and is monitored via the Corporate Governance Group.

A programme of peer review is being considered by all Suffolk Local Authorities.

PLAN DO CHECK ACT



Mobile food traders, including these ones at the Suffolk Show, are inspected by our Food and Safety Team officers.

6.0 Review

6.1 Review against the Service Plan

Managers are responsible for ongoing reviews throughout the year and key reporting on the delivery of the services to the Head of Service and via briefings with the Cabinet Member for Community Health.

The provision of the council's business as usual tasks and projects are monitored, recorded and reviewed against its Strategic Plan.

Food and Health & Safety Service Plans include reviews and reports about the delivery of services. Service plans are submitted to Full Council for review and adoption. The last Food and Health & Safety Service Plan was adopted for the years 2021/23 and contained a review of the year 2019/20. This service plan reviews years 2021/22 and 2022/23. It will be presented to East Suffolk's Full Council on 22 November 2023.

Food and Health & Safety

Our Key Performance Indicator (KPI) dashboards clearly show how we are monitoring performance and delivering against our priorities within the East Suffolk Strategic Plan. We regularly publish in the Communities Theme dashboard the updated KPI Food Hygiene Rating (% at 3-5) i.e., rated 'generally satisfactory' or better.

East Suffolk Food Hygiene Ratings (to April 2023)	Businesses with rating (number)	Businesses with rating (percentage)
5 - Very good	2023	84.8%
4 - Good	271	11.4%
3 - Generally satisfactory	58	2.4%
2 - Improvement required	20	0.8%
1 - Major improvement required	14	0.6%
0 - Urgent improvement required	1	0.0%

Regulatory food safety activities are reported to the FSA via an End of Year Return. Regulatory health and safety activities are reported to HSE via the LAE1 report. Proactive enforcement interventions conducted as part of a project are evaluated at an early stage to ensure that the project is appropriately targeted at non-compliant businesses.

In 2021/22 and 2022/23 the Food and Safety Team:

- conducted over 98% of the food interventions which were due or overdue in category A to D food businesses
- determined that over 90% of the food businesses inspected were broadly compliant with food safety regulations
- obtained 225 food, water and shellfish samples
- responded to the discovery of illegally imported products of animal origin from by the Police and Suffolk Trading Standards during a multi-agency 'stop and check' campaign in Lowestoft. We removed almost 100kg of illegal meat from the UK food chain and ensured it was disposed of safely
- assisted Suffolk Trading Standards and APHA in detecting and reporting poultry birds being kept outside within an Avian Influenza Prevention Zone
- introduced a new, single set of skin-piercing byelaws across East Suffolk Council.
- liaised with the East of England HPT (part of the UKHSA) to request members of the public cooperate with medical personnel to receive the necessary medical attention to treat a tuberculosis (TB) infection. Failure to take medication for this illness can cause further spread of this infection to other members of the community. These requests are made to control and prevent the spread of TB which could present a risk of significant harm to human health
- submitted quarterly and annual End of Year Returns to the FSA. A summary is provided in appendix 14
- submitted an annual LAE1 return to the HSE. A summary of the activity is provided in appendix 16.



Appendix 15 sets out additional food and health & safety statistics for 2021/23 including:

- skin piercing and tattooing registrations
- health and safety complaints, advice, and assistance
- asbestos notifications
- reports of lifting equipment defects.

The Food and Health & Safety Service Plan reported, as of September 2021, a backlog of 337 newly registered food establishments that had arisen because staff resources had been redeployed to manage the risk of COVID-19 spreading and, having regard to FSA guidance to local authorities, our food safety intervention programme was largely paused except for higher food safety risk concerns. In 2022/23 we moved at a faster pace and conducted 474 food interventions of newly registered food business establishments, eliminating the backlog and ending the year 2022/23 with just 16 new food businesses to inspect.

The Food Hygiene Rating (% at 3-5) KPI was consistently above the 95% target.

In 2023/24 we are continuing to contribute to the Strategic Plan by:

- adopting skin piercing byelaws for East Suffolk based on national model byelaws
- submitted an annual LAEMS return to the FSA. A summary is shown in appendix 16. In line with FSA guidance in response to the COVID-19 pandemic the food intervention programme was reduced. Interventions of higher risk food businesses in categories A and B continued to be a priority. The inspection of lower risk categories was largely paused.

Suffolk Coastal Port Health Authority

The overarching review for the delivery of the service plan is undertaken by East Suffolk Council. Suffolk Coastal Port Health Authority (SCPHA) also runs an ongoing performance monitoring programme to capture more localised feedback.

Corporate Health and Safety

The Corporate Health and Safety Team meets fortnightly and has scheduled reviews of the internal team workplan which feeds into the Strategic Plan.

We report to CLT annually on achievements and matters of concern.

6.2 Identification of any Variation from the Service Plan

Food and Health & Safety

Two new Lead Food and Safety Officer posts have been created to oversee operational management of the Food and Safety Team's functions. The Food and Safety Team Manager now undertakes a more strategic role than previously. A new Regulatory Support Officer post has been created to assist authorised officers.

The Food Safety Level 2 Award in Food and the Healthy Eating Award Scheme remains paused.

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) has experienced significant variance since 2020 while responding to and recovering from the effects of the COVID-19 pandemic.

While trade has begun to return to normal volumes over the last year, SCPHA may see changes to its services as the Department for Environment, Food and Rural Affairs (DEFRA) looks to introduce new import controls for EU goods from October 2023 as part of the Border Target Operating Model (BTOM).

Corporate Health and Safety

The COVID-19 pandemic has resulted in changes in the way services have been delivered across the council. The Corporate Health and Safety Team has been flexible and able to support teams through their new ways of working.

The Annual Cycle process where team leaders were required to submit returns throughout the year to document that they had completed health and safety tasks was a record of activities but was not an effective tool to assist team leaders to successfully manage health and safety. Due to restrictions in the software a request for assistance would not usually be received by the Corporate Health and Safety Team until the end of the year. A new management system has been introduced with the Health and Safety Advisors now working with and alongside team leaders throughout the year.

6.3 Areas of Improvement

To support the use of our on-line forms we will introduce an automatic message telling the customer how they can use alternative contact methods if they have difficulty with completion.

Food and Health & Safety

Ways of working that were developed during the COVID-19 pandemic have been reviewed and those that have been shown to be an improvement have been kept in place. For example, using remote inspection techniques where appropriate, prioritising work according to risk and using the website to signpost businesses and customers to further guidance and self-help tools.

The Food and Safety Team is continuing to introduce and improve document automation to improve the clarity and consistency of Food Safety and Hygiene Intervention Reports and other documentation provided to our customers.

We are continuing to add online forms to our website for our customers to use.

Suffolk Coastal Port Health Authority

The next evolution of Suffolk Coastal Port Health Authority's Port Health Interactive Live Information System (PHILIS), NEOMA, is currently being created by SCPHA's dedicated team of IT developers. This will use cutting-edge technology, such as artificial intelligence, to increase the efficiency of port health operations and cut down on waste.

Currently, PHILIS is outsourced to the majority of Britain's port health authorities, with ongoing support and maintenance provided by SCPHA's IT team. Over time, NEOMA is expected to replace PHILIS in these instances, greatly expanding SCPHA's IT services.

As the Department for Environment, Food and Rural Affairs (DEFRA) looks to introduce new import controls for EU goods from October 2023 as part of the Border Target Operating Model (BTOM), SCPHA may need to undergo a major service development.

Corporate Health and Safety

Corporate Health and Safety Team operates a management process whereby the Health and Safety Advisors are allocated service areas and will support those teams, becoming the "go to" person on health and safety matters for the managers in that department.

The new post created in the Port Health Team to be a dedicated health and safety resource to review and revise the existing procedures and to risk assess and train port health team members has been extended for 12 months. This post sits within the Corporate Health and Safety Team but focuses specifically on SCPHA.

“ A few words from our apprentice, Hannah Gilson

I started working for Suffolk Coastal Port Health Authority in the June of 2016, as a Port Health Assistant. Over the years the role has developed to meet the needs of the ever-changing demands within Port Health and as a result my role is now an Authorised Officer.

I work within a team of fifteen authorised officers, our role is so varied and there are never two days the same. We deal with correspondence from external organisations, examinations on imported goods, document checks and authorisation of selected goods coming into the country. There are times when certain goods do not fall within our remit and on those occasions, they are passed on to the Port Health Officers and the Official Veterinarians within Port Health.

Two years ago, I applied to undertake an apprenticeship programme through Port Health and East Suffolk Council and was lucky enough to be selected after an interview process. The course is a degree, in Environmental Health, provided by Weston College, which I do as a distant learner. The lecturers are highly skilled and have a vast knowledge of the subjects that I am studying. As it is an apprenticeship the lecturers can call upon students to offer up their knowledge as well, which makes the course very current and a great way to learn. The modules that I have studied have been interesting and varied - some of the topics that I have looked at have been outbreak control under the food module, noise pollution under environmental protection, and human anatomy under public health.

Although I rarely make it to Weston-Super-Mare, due to the distance, I have been fortunate enough to undertake the course with four other apprentices from East Suffolk Council, who work in other areas of environmental health. We have at times been able to work together on some of the assignments and have helped each other when it has been needed. I have found this a great help and support knowing that there are others that I can turn to, who are going through the same experience as me and I thank East Suffolk for doing that.

I have come to the end of my second year with two more to go, and over the summer periods when not at college the 'off the job' hours of the apprenticeship still need to be honoured, and Port Health and the Environmental Health Officers from the Food and Safety Team have provided me with lots of opportunities for learning and guidance. Last summer I shadowed some of the Food and Safety Officers on their visits to businesses to assess whether they had complied with food hygiene standards. I have also shadowed Port Health Officers when they have undertaken ship sanitation inspections and sampling goods that I do not usually get to see. I hope to do more shadowing this summer so I can get ready for year three which looks to be as exciting as the other two.

Hannah Gilson

Environmental Health Apprentice





A few words from our apprentice, Nikki Crisp

Back in the summer of 2021, whilst still in the midst of the Covid pandemic, I was offered the opportunity to undertake a Level 6 Apprenticeship in Environmental Health with a view to becoming a fully qualified Environmental Health Practitioner. The apprenticeship would involve learning on the job and studying remotely with Weston College in Weston-Super-Mare. The tutors had become quite adept at remote learning during the pandemic and were offering the course to both full time students and apprentices alike with a commitment to delivering the majority of the course remotely.

My team release me to study one day a week where I attend lectures remotely via Teams, with occasional travel to Weston Super Mare to meet up with the other apprentices on the course to partake in workshops, field studies or intensive classroom learning. Online lectures to date have covered a variety of topics across environmental health law, food safety, microbiology, air quality, noise pollution and a range of public health topics. There's even been some geology and some anatomy and physiology in there so it's a far broader topic than it might seem.

Fast forward two years and I am now halfway through said degree having completed six modules including passing the CIEH professional qualification – the food identification exam, an important step in qualifying as an EHP. It has been quite an intense 2 years - I've also taken on the role of Regulatory Support Officer in my team, so I've been learning new skills and applying my studies to my new role, and vice versa. Year 3 of my apprenticeship will cover topics including housing and health and safety as well as health promotion so lots more learning opportunities to come and interesting assignments to complete.

It can be hard to juggle assignments around a busy job, particularly coming out of the pandemic with the FSA Recovery Plan targets and a backlog of inspections and related work to get through, as well as the challenge of a new role in the team, plus factoring in children and busy family life. That said, remote learning works really well in this respect and affords the opportunity for East Suffolk to 'grow their own' which might not have been possible with face to face training and limited offerings in this part of the country. I don't think I would have been able to commit to the course, and fit it around family life and work, if it wasn't offered in this way. It's hard to believe I'm halfway through the course already, it really has gone so fast.

Nikki Crisp

Environmental Health Apprentice and
Regulatory Support Officer



7.0 Caring for our Environment

Our service area's work supports East Suffolk Council's Strategic Plan commitment to 'put the environment at the heart of everything we do'. In particular, we contribute to the Plan's environment priority areas of 'Leading by example' and 'Minimise waste, reuse materials & increase recycling'.

The current East Suffolk Council Environment Policy will be updated in late 2023; this service plan will aim to incorporate any relevant changes to this policy where required.

Food and Health & Safety

All work is allocated in such a way as to minimise travelling distances.

Team members work from home, avoid unnecessary travel by car and have "paperless" work procedures.

Meetings and training events are conducted online wherever possible.

Alternative enforcement strategies are used, where applicable, reducing the need to visit businesses (refer to appendix 19). Remote interventions are conducted where suitable and appropriate.

Suffolk Coastal Port Health Authority

Suffolk Coastal Port Health Authority (SCPHA) runs a mix of hybrid and electric vehicles when team members need to travel across the Port of Felixstowe and to different operational sites, such as Harwich International Port. Where possible, team members are also given the option to work from home as part of a hybrid pattern, further reducing carbon emissions and improving work-life balance.

Following legal consultation over what can serve as official import notifications, SCPHA is now able to accept digital import documents and significantly cut down on paper-based hardcopies. SCPHA aims to digitise more import documentation over the coming years, with its in-development document processing software, NEOMA, aiding the process greatly by using cutting-edge technology such as artificial intelligence.

Corporate Health and Safety

Corporate Health and Safety Team promotes the efficient and responsible use of the natural environment when giving advice and during policy development.

Our team members work from home, have “paperless” work procedures and avoid unnecessary travel by car.

Corporate Health and Safety Team promoted the use of tablets by all Housing Maintenance operatives (over 80 people) to aid communication, ensure safety information is current and available at all times and to reduce the volume of paper risk assessments and method statements which were previously carried in each vehicle.

Single use personal protective equipment is avoided when other alternatives are available.



We work hard to care for our environment and keep East Suffolk looking its best.

Abbreviations

AO	Authorised Officer
APHA	Animal and Plant Health Agency
BCP	Border Control Posts
BPDG	Border and Protocol Delivery Group
BTOM	Border Target Operating Model
CIEH	Chartered Institute of Environmental Health
COVID-19	Coronavirus disease: an infectious disease caused by the SARS-CoV-2 virus
CPD	Continuing Professional Development
CLT	Corporate Leadership Team
DEFRA	Department for Environment, Food and Rural Affairs
EMM	Enforcement Management Model
EoEHPT	East of England Health Protection Team
FHRS	Food Hygiene Rating Scheme
FLCoP	Food Law Code of Practice
FTE	Full Time Equivalent
FSA	Food Standards Agency
HAVS	Hand Arm Vibration Syndrome
HRFNAO	High risk food of non-animal origin
HSE	Health and Safety Executive
HIP	Harwich International Port
HMI	His Majesty's Inspectorate
HMRC	His Majesty's Revenue and Customs
HSWA	Health and Safety at Work etc. Act 1974
HPT	Health Protection Team
ICA	Import Control Assistant
ICT	Information and Communications Technology

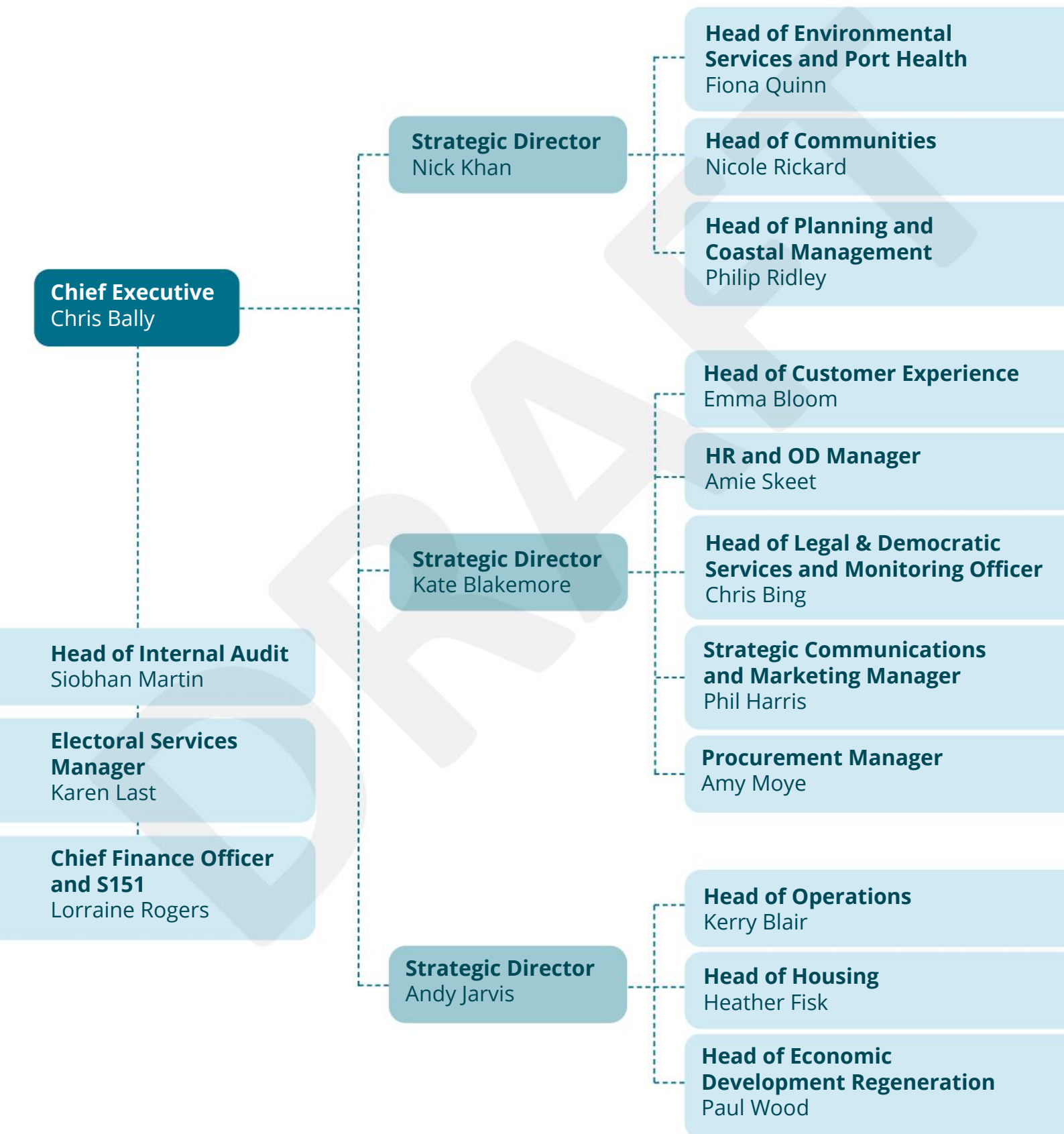
ABBREVIATIONS

IFCA	Inshore Fisheries and Conservation Authorities
IUU	Illegal, Unreported and Unregulated fishing
KPI	Key Performance Indicator
IOSH	Institute of Occupational Safety and Health
LAC 67/2	Local Authority Circular (revision 12) guidance issued under Section 18 of the Health and Safety at Work etc. Act 1974
LAE1	Annual return to the Health and Safety Executive on local authority health and safety intervention and enforcement activity
MMO	Marine Management Organisation
MHRS	Medicines and Healthcare products Regulatory Agency
NAO	Non-Animal Origin
NSHSLG	Norfolk and Suffolk Health and Safety Liaison Group
OVS	Official Veterinary Surgeon
PHO	Port Health Officer
PoAO	Products of Animal Origin
RIDDOR	Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013
RSPH	Royal Society for Public Health
PHA	Port Health Authority
PHSI	Plant Health and Seeds Inspectorate
SAG	Safety Advisory Group
SPDB	Strategic Plan Delivery Board
SCPHA	Suffolk Coastal Port Health Authority
SME	Small or Medium-sized Enterprise
TEU	Twenty-foot equivalent unit
UKHSA	UK Health Security Agency

Appendices

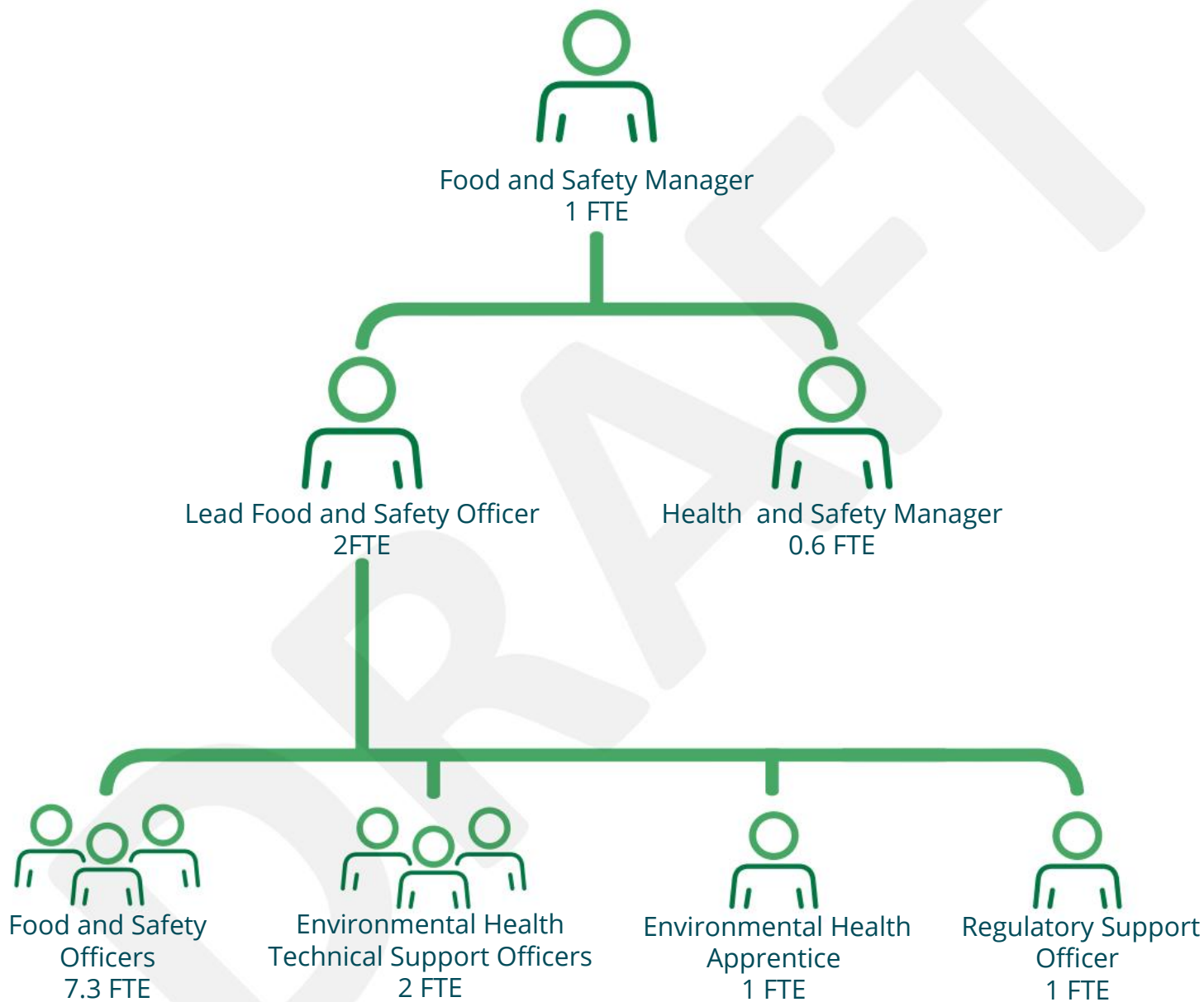
Appendix 1

Corporate management structure.



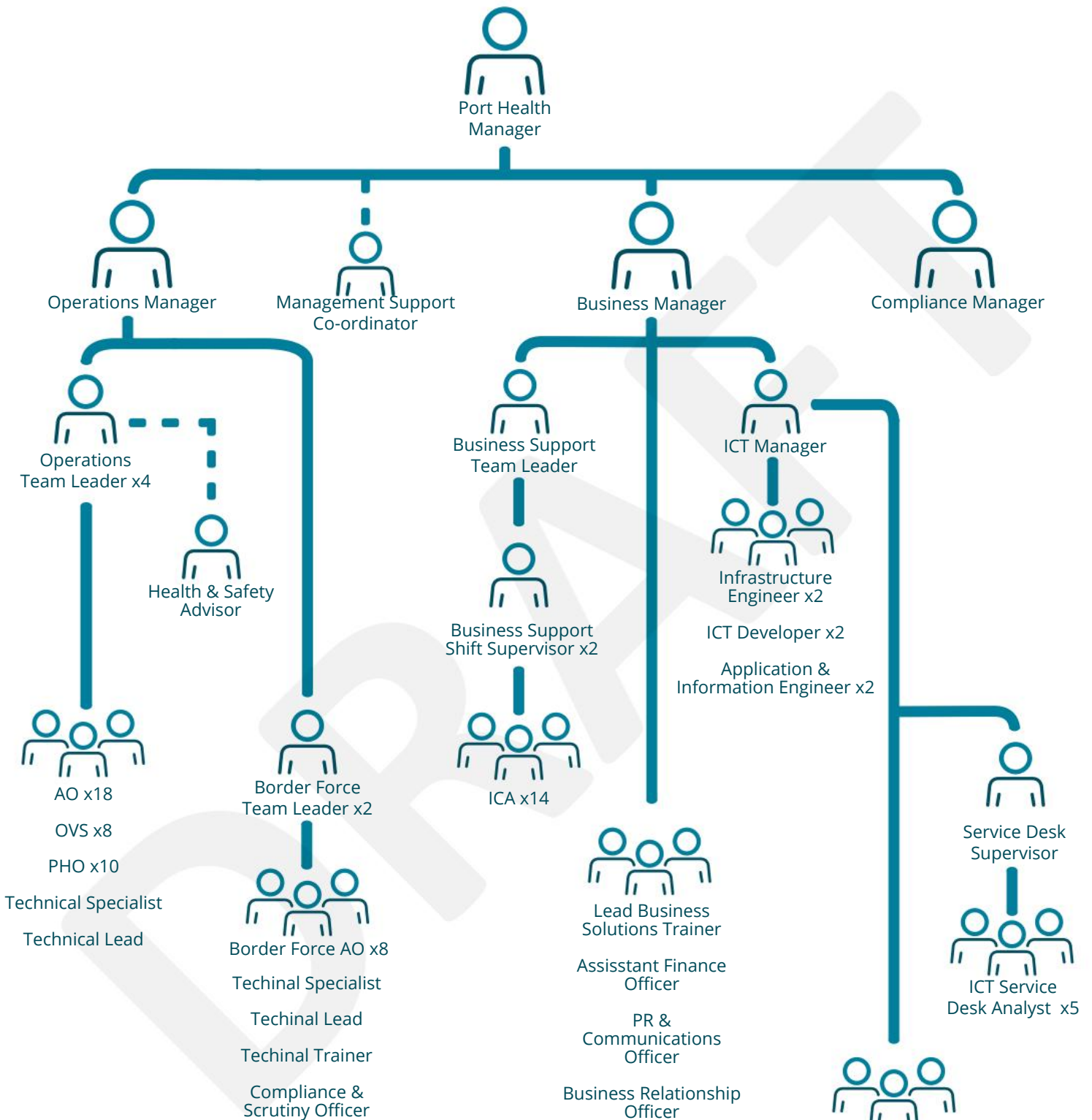
Appendix 2

Food and Safety Team organisational chart.



Appendix 3.

Suffolk Coastal Port Health Authority organisational chart.

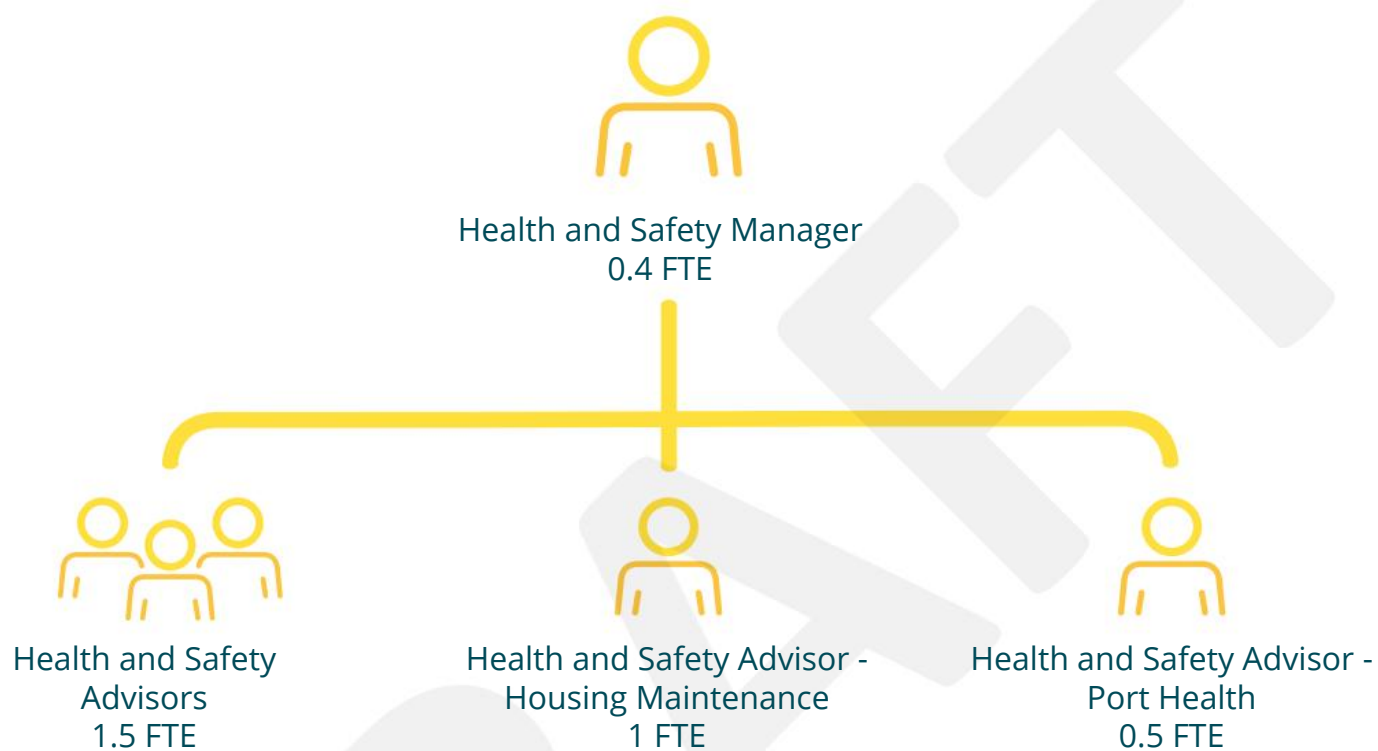


Job title key:

- ICA - Import Control Assistant
- AO - Authorised Officer
- OVS - Official Veterinary Surgeon
- PHO - Port Health Officer

Appendix 4

Corporate Health and Safety Team organisational chart.



Appendix 5

Profiles of food establishments in East Suffolk according to risk at 1 April 2023.

Source: End of year return 2022/23

	A	B	C	D	E	New registrations	Outside	Total
Total in category	2	74	360	1011	1215	16	317	2995*

*This shows an increase of 125 food businesses in East Suffolk from 2021/23.

Appendix 6

Outline of projected food safety and health and safety service demands in 2023/24.

Table 1 - Food hygiene interventions due to 31 March 2024.

Category	Interventions (number)	Estimated time per intervention (hours)	Total time for interventions (number x hours)
A	2	6	12
B	72	6	432
C	222	4.5	999
D	640	3.5	2240
E	69	2.5	172.5
New Registrations*	400	4.5	1800
Total	1405	n/a	5655.5

*estimate

Table 2 - Other food safety and health and safety activities in 2023/24 (estimated).

Activity	Number of Activities	Time per Activity (Hours)	Total time
Lowestoft Port Health Authority Ships sanitation inspections	43	3	129
Revisits - food safety	21	2.5	52.5
Complaints - food	175	2	350
Food, shellfish and water samples	80	3	240
Gastrointestinal disease suspected case notifications anticipated requiring follow up	85	2.5	212.5
Food alerts for action	5	37	185
Requests for food safety advice/assistance	348	1.5	522
Export certificates/premises endorsements	50	2	100
Skin piercing registrations - premises	20	5	100
Skin piercing registrations - personal	40	3.5	140
Asbestos Notifications	15	3.5	52.5
Health and safety priority topic awareness raising work	2	40	80
Health and safety advice/assistance	50	7	35
Health and safety complaints	56	3	2
Lifting Operations and Lifting Equipment Regulations - reports of defects involving an existing or imminent risk of serious personal injury	5	7	35
Smokefree enforcement	1	2	2
Freedom of Information/Environmental Information Regulations requests	20	10	200
Authorised officer Continuing Professional Development	20	12	240
Health and safety priority topic enforcement work, public events, Temporary Event Notices, pavement licences, imported food, other enforcement, report writing, myConversations, procedure updating, officer training and development, peer review, team meetings, student training, providing information and returns to government departments, auditing, media enquiries, service plan preparation, website updating, recruitment, working groups etc.			Work to be Prioritised

Appendix 7

Suffolk Coastal Port Health Authority's outline of current and projected service demands.

Please note that all figures are approximations.

Port of Felixstowe consignments (April 2022 to March)

	Current	Projected 2024 increase based off current BTOM info	Total including projection
Products of Animal Origin (PoAO)	19,502	9,171 to 57,200	28,673 to 76,702
High risk food of non-animal origin (HRFNAO)	5,462	0	5,462
Illegal, Unreported and Unregulated fishing (IUU)	3,397	250	3,647
Plastic	535	NYK	NYK
Organic	950	NYK	NYK

Harwich International Port consignments (April 2022 to March 2023)

	Current	Projected 2024 increase based off current BTOM info	Total including projection
Products of Animal Origin (PoAO)	0	9,404 to 76,800	9,404 to 76,800
High risk food of non-animal origin (HRFNAO)	45	0	45
Illegal, Unreported and Unregulated fishing (IUU)	250	600	850
Plastic	0	NYK	NYK
Organic	1	NYK	NYK

Total consignments (April 2022 to March 2023)

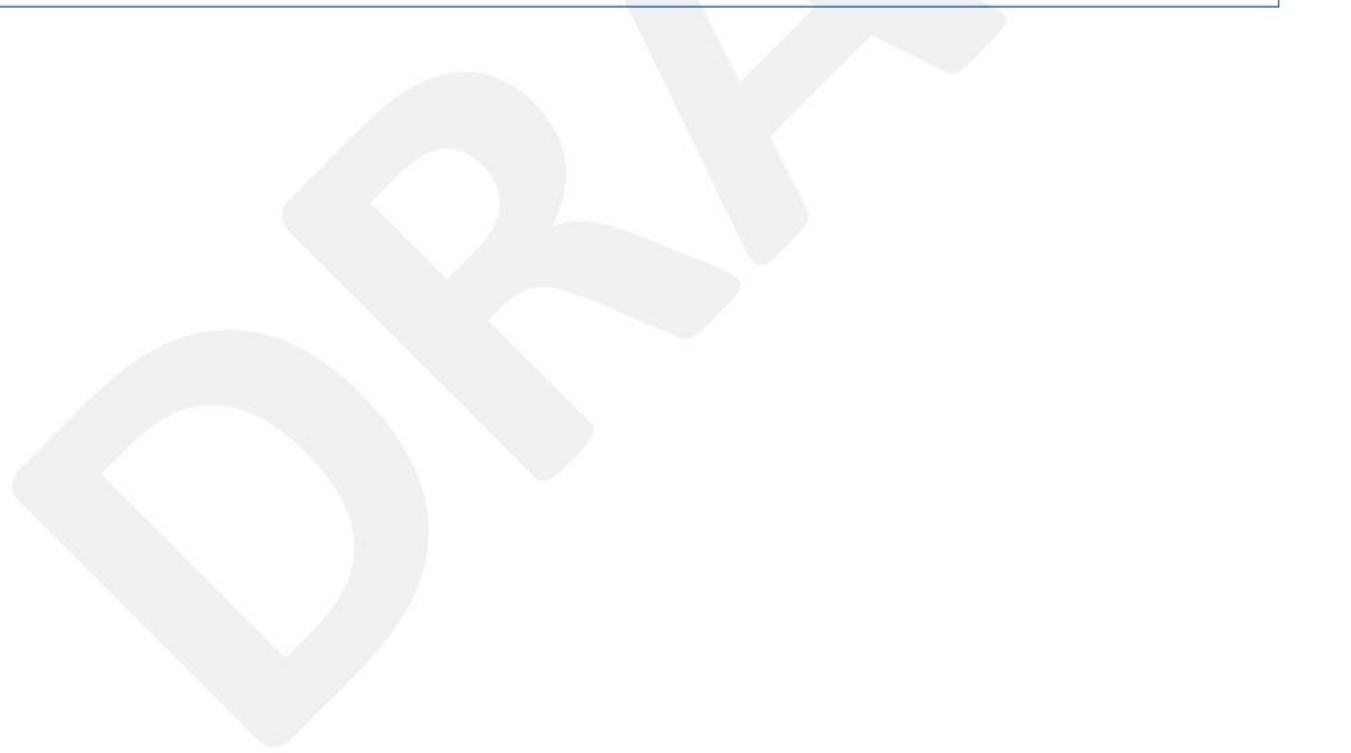
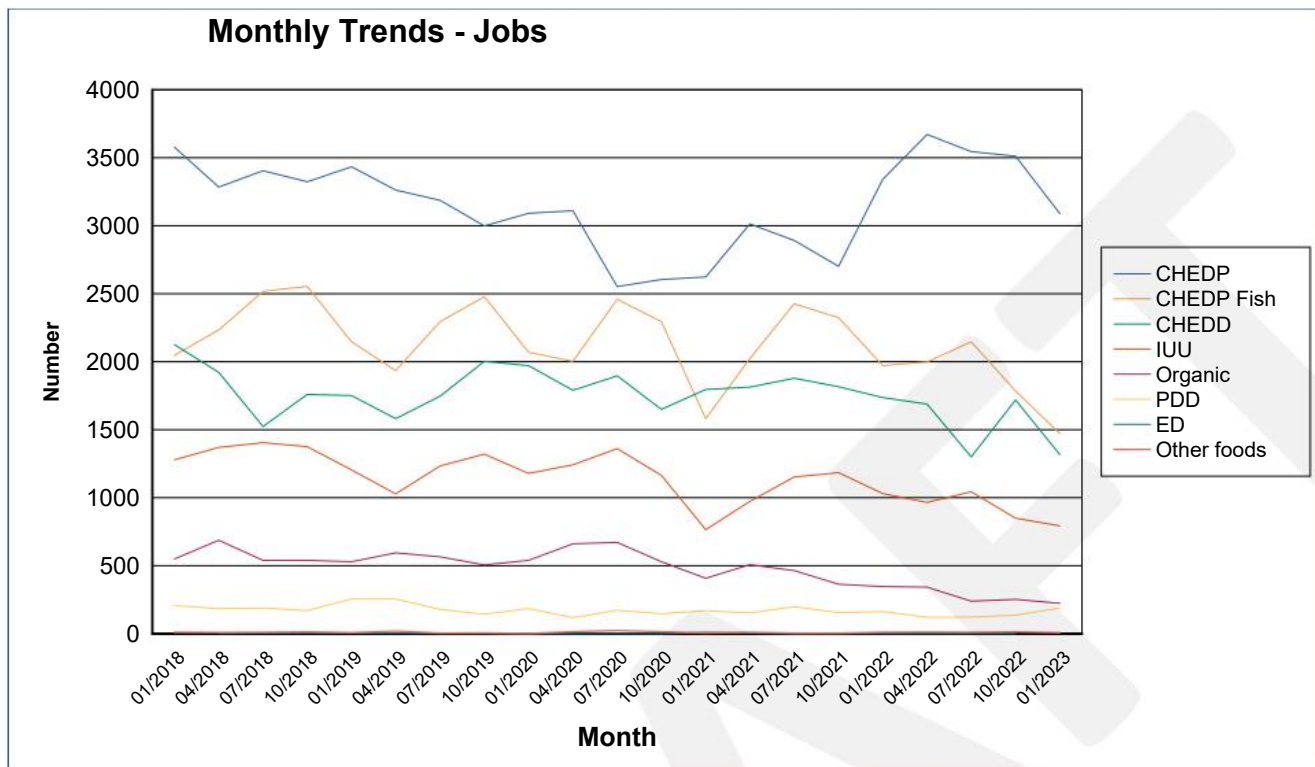
	Current	Projected 2024 increase based off current BTOM info	Total including projection
Products of Animal Origin (PoAO)	19,502	18,575 to 134,000	38,077 to 153,502
High risk food of non-animal origin (HRFNAO)	5,507	0	5,507
Illegal, Unreported and Unregulated fishing (IUU)	3,647	850	4,497
Plastic	535	NYK	NYK
Organic	951	NYK	NYK

NYK: Not yet known

Appendix 8

Suffolk Coastal Port Health Authority outline of service activities.

Suffolk Coastal Port Health Authority service activities (April 2022 to March 2023)	Products of Animal Origin (POAO)	Products of Non- Animal Origin (NAO)
Checks performed at point of entry into the UK		
Number of food consignments entering the Port	24,782	26,641
Percentage of manifests checked	100%	100%
Document checks for food consignments	24,396	25,418
Identity checks for food consignments	12,394	1,367
Physical checks for food consignments	3,382	1,280
Document checks for food consignments at external temporary storage facilities	0	0
Identity checks for food consignments at external temporary storage facilities	0	0
Physical checks for food consignments at external temporary storage facilities	0	0
Rejected food consignments	142	77
Reasons for rejection		
Microbiological contamination	0	4
Other contamination	0	2
Composition	1	31
Labelling	44	3
Other	97	35
Rejected consignments subject to:		
Destruction	67	48
Special treatment or processing	0	3
Re-dispatch	75	22
Repurpose excluding human consumption	0	4
Sampling activities		
Samples taken for microbiological examination	62	60
Unsatisfactory samples from microbiological examination	6	6
Samples taken for chemical/compositional analyses	352	1,097
Unsatisfactory samples from chemical/compositional analyses	5	68
Other samples taken	59	85
Other unsatisfactory samples	3	5
Formal enforcement		
Notices served	142	77
Voluntarily surrendered goods	145	0



Appendix 9

Food Sampling Policy - Food and Safety Team.

This food sampling policy is made available to businesses and consumers in accordance with the Food Law Code of Practice. We recognise the contribution sampling can make to the protection of public health and food law enforcement functions. We are committed to providing the resources necessary to carry out a sampling programme. Trained Authorised Officers are responsible for undertaking our food sampling functions and we have a food sampling programme for microbiological and algal toxin purposes. Food sampling is prioritised to concentrate upon one or more of the following criteria:

- foods which are produced within East Suffolk
- the risk ratings of the premises
- any local, regional or national coordinated sampling studies
- shellfish classification and algal toxin monitoring.

The majority of samples taken are for the purpose of monitoring, surveillance and intelligence gathering. Samples may be formal, informal or both according to circumstances. They are taken in compliance with the relevant Code of Practice and consideration of our Compliance and Enforcement Policy. Official laboratories as designated by the FSA are used for samples obtained during the sampling programme.

The UKHSA laboratory, London, the council's Public Analyst(s), CEFAS laboratories at Lowestoft and Weymouth and other accredited laboratories are used for the analysis of samples.

The FSA funds sampling credits used for the analysis of food samples submitted to the Food, Water & Environmental Microbiology Laboratory (UKHSA), London. Algal toxin examinations carried out by CEFAS are carried out at no charge to the local authority. The local authority has a budget to fund the analysis of shellfish classification samples as this is not funded by the FSA.

Samples may be taken during manufacturing/production processes, for the purposes of ensuring food safety and for ensuring the effectiveness of the critical controls in the process. Sampling may include swabs taken from surfaces where they are sent to an official control/accredited laboratory. The food business operator will be notified of the result of any such sample analysis or examination.

We do not currently act as the Primary Authority for any food business, but we act as the home authority for businesses where the relevant decision-making base of an enterprise is located within East Suffolk's area. Where sampling identifies a problem with food manufactured outside the districts, the relevant primary, home or originating authority will be notified, and a copy of the certificate of analysis or examination forwarded to them.

Food sampling will not normally be undertaken as a constituent part of a food safety intervention. It may take place if, during the intervention, the authorised officer identifies a particular problem that needs further investigation.

Samples of food received as a food complaint may require microbiological examination, chemical analysis or expert identification.

Where a particular premises or food produced in the District is implicated with a case or cases of foodborne disease, food samples may be taken and submitted for examination, for the purpose of identifying any likely source of infection and controlling any risk to public health.

Food samples may be taken and submitted as part of a special investigation e.g., in response to a food hazard warning, or to other intelligence received about potential food safety issues.

The sampling of shellfish and river water in commercial shellfish production areas is conducted in coordination with the FSA and CEFAS for the purpose of maintaining the necessary classifications for those areas and for monitoring the risk of algal toxins. Shellfish and river water is sampled from shellfish beds and their associated depuration plants.

Appendix 10

Suffolk Coastal Port Health Authority outline of sampling activities 2021/22 and 2022/23.

PASS - Wolverhampton	707
Food & Environmental Research Agency	255
SGS Cambridge Limited	533
Kent Scientific Services	134
UKHSA	99
Other	157
Total	1,885

Appendix 11

Gastrointestinal disease confirmed cases in East Suffolk 2021/22 and 2022/23.

Table 1 – Gastrointestinal disease confirmed cases in East Suffolk, April 2021 to March 2023.

Source: East of England HPT, UKHSA

Laboratory reports	2021/22	2022/23
E coli O157 VTEC	6	0
Salmonellosis	18	32
Giardiasis	9	9
Shigella dysentery	2	3
Total	45	52

Table 2 – Gastrointestinal disease confirmed cases in East Suffolk, April 2021 to March 2023, rate per 100,000 population.




Source: East of England HPT, UKHSA

Laboratory reports	2021/22	2022/23
E coli O157 VTEC	14.81	0.00
Salmonellosis	44.42	78.98
Giardiasis	22.21	22.21
Shigella dysentery	4.94	7.40
Total	111.06	145.61

Appendix 12

Key liaison organisations, including:

- government departments, agencies and public bodies
- operational and service delivery organisations
- other organisations and working groups.

	- Food and Safety Team
	- Suffolk Coastal Port Health Authority
	- Corporate Health and Safety Team

			
Animal and Plant Health Agency	✓	✓	
Associated British Ports	✓	✓	
Border and Protocol Delivery Group		✓	
Border Force		✓	
BSI – British Standard Institute		✓	
Business Associations	✓	✓	
Cabinet Office		✓	
Campden BRI	✓		
Care Quality Commission	✓		
Chambers of Trade and Commerce	✓		
Chartered Institute of Environmental Health	✓	✓	
Commercial bodies, traders (imports / agents), liaison groups, trade bodies		✓	
Courts and Tribunals Judiciary (including Coroner and Coroner's Office)	✓		
DEFRA Imports and Exports Division	✓	✓	
DEFRA International Trade Division		✓	
Department for Business, Energy & Industrial Strategy	✓		
East of England Ambulance Service NHS Trust	✓		✓
East of England Health Protection Team, part of the UK Health Security Agency	✓	✓	
Eastern Region Corporate Health and Safety Group			✓
East Suffolk Council's Corporate Teams e.g. HR, finance legal services, licensing, planning and building control	✓		
Environment Agency	✓		
Fire and Rescue Service	✓		✓
Food and Environmental Research Agency		✓	
Food Standards Agency	✓	✓	
Food, Water and Environmental Microbiology Services, part of the UK Health Security Agency	✓	✓	

			
Forestry Commission		✓	
Health and Safety Executive	✓		✓
His Majesty's Inspectorate		✓	
His Majesty's Revenue and Customs		✓	
Home Office Security Industry Authority	✓		
Inshore Fisheries and Conservation Authorities	✓		
Institute of Occupational Safety and Health	✓		✓
Laboratory of the Government Chemist		✓	
Local authorities and port health authorities	✓	✓	✓
Marine Management Organisation	✓	✓	
Maritime and Coastguard Agency	✓	✓	✓
Medicines and Healthcare Products Regulatory Agency		✓	
National Health Service	✓		✓
New Anglia Growth Hub	✓		
Norfolk and Suffolk Health and Safety Liaison Group	✓		
Office for Standards in Education, Children's Services and Skills (Ofsted)	✓		
Plant Health and Seeds Inspectorate		✓	
Public Analysts	✓	✓	
South East Shellfish Liaison Group	✓		
State Veterinary Service		✓	
Suffolk and North Essex Occupational Safety Group			✓
Suffolk Constabulary	✓		✓
Suffolk Food Liaison Group	✓		
Suffolk Joint Emergency Planning Unit	✓		
Suffolk Public Health	✓	✓	
Suffolk Resilience Forum	✓		
Suffolk Safeguarding Partnership	✓		
Suffolk Trading Standards	✓	✓	
Waveney Safety and Environment Group			✓

Appendix 13

Customer satisfaction in 2021/22 and 2022/23.

Business satisfaction responses: 75 in 2021/22* and 133 in 2022/23						
		Strongly agree	Agree	Neither agree/disagree	Disagree	Strongly disagree
I felt my business was treated fairly	2021/22	78.67%	17.33%	1.33%	1.33%	1.33%
	2022/23	79.70%	18.80%	0.00%	0.75%	0.75%
I felt the contact was helpful	2021/22	75.68%	21.62%	1.35%	0.00%	1.35%
	2022/23	84.21%	14.29%	0.00%	1.50%	0.00%
Communication was clear	2021/22	76.32%	18.42%	5.26%	0.00%	0.00%
	2022/23	82.71%	15.79%	0.00%	0.75%	0.75%

*SurveyMonkey was paused in 2021/22 due to the COVID-19 epidemic.

Appendix 14

Summary of food interventions, enforcement actions and compliance data for East Suffolk in 2021/22 and 2022/23.

Source: End of Year Return

Food safety interventions	2021/22	2022/23	
<p>Total % of interventions achieved by premises category. Interventions include inspections and audits, verification and surveillance, sampling visits, advice and education visits, and information/ intelligence gathering.</p>	A	100%	100%
	B	97%	100%
	C	90%	99%
	D	93%	98%
	E	36%	26%
	New Registrations	260 (number)	474 (number)
Other activity	2021/22	2022/23	
% food businesses broadly compliant with legislation	92%	97%	
No. of establishments subject to:			
Written warnings	852	606	
Improvement Notices	0	0	
Emergency Prohibition Notices	0	0	
Prohibition Orders	0	0	
Voluntary closures	1	1	
Seizure, detention and surrender of food	0	0	
Remedial Action Notices	0	0	
Prosecutions	0	0	
Simple cautions	0	0	
Suspension/ revocation of approval	0	0	
Samples taken	87	138	
Complaint investigations - food	139	116	
Complaint investigations - hygiene of premises	99	90	

Appendix 15

Food safety and health and safety additional statistics for 2021/22 and 2022/23.

Activity	2021/22	2022/23
Service requests		
Food safety advice/assistance	349	346
Food registrations/changes to registrations	434	372
Ship sanitation certificates	56	19
Food Export Health Certificates and Attestations	13	49
FHRS safeguards		
Revisit requests	20	22
Right to Reply requests	0	0
Appeals - upheld	0	0
Appeals - not upheld	1	2
Appeals - over 21 days	0	0
Early publication of FHRS rating	4	2
Skin piercing registrations		
Skin piercing registrations - premises	13	21
Skin piercing registrations - personal	30	40
Health and safety advice/assistance/complaints		
Health and safety advice/assistance	34	50
Health and safety complaints	54	58
Asbestos		
Asbestos Notifications (ASB5)	33	1
Lifting Operations and Lifting Equipment Regulations reports		
Lifting Operations and Lifting Equipment Regulations - reports of defects involving an existing or imminent risk of serious personal injury	2	6
Freedom of Information/Environmental Information Regulations requests		
Freedom of Information/Environmental Information Regulations requests	62	20
Events notifications requiring assessment and, where necessary, further investigation/comment		
Public events	88	177
Temporary event notices and pavement licences	483	623
Event premises licences	110	116

Appendix 16

LAE1 local authority health and safety return summary 2021/22 and 2022/23.

LAE1 criteria	2021/22	2022/23
Proactive inspections	50	22
Non-inspection interventions	18	15
Any other targeted contact (not face to face) to educate, advise or engage duty holders	86	148
Reactive visits	61	36
Revisits following earlier intervention	0	1
Improvement Notices	0	2
Deferred Prohibition Notices	0	0
Immediate Prohibition Notices	0	3
Simple cautions	0	0
Prosecutions resulting in conviction	1	0

Appendix 17

Summary of food interventions data for East Suffolk 2021/22 and 2022/23.

Food safety interventions	Premises category	Interventions carried out in 2021/22	Carried forward	Interventions carried out in 2022/23	Carried forward
Total number of interventions carried out by premises category.	A*	10	0	8	0
	B*	96	3	80	0
	C*	332	26	226	3
	D	844	109	428	14
	E	238	234	197	274
	New registrations*	260	80	474	11

*Food Standards Agency priorities required by COVID-19 Recovery Plan.

Interventions include inspections and audits, verification and surveillance, sampling, advice and education visits, and information/intelligence gathering.

Appendix 18

Corporate complaints received in 2021/22 and 2022/23.

Corporate complaint statistics: 1 April 2021 to 31 March 2023					
		Total complaints	Justified	Unjustified	To be determined
Food and Safety Team	2021/22	4	0	4	0
	2022/23	0	0	0	0
Suffolk Coastal Port Health Authority		<p>To solve customer concerns swiftly, SCPHA accept complaints about its services directly via email. These complaints are investigated by staff independent to the import(s) in question.</p> <p>If the customer is not satisfied after an investigation has concluded, they are directed to the East Suffolk Council complaints system, with potential for review from another service area if required.</p>			
Corporate Health and Safety Team	2021/22	0	0	0	0
	2022/23	0	0	0	0

Appendix 19

Food and Safety Team Alternative Enforcement Strategy for low-risk food establishments.

This Alternative Enforcement Strategy (AES) sets out the arrangements adopted by East Suffolk Council for conducting official controls at food establishments rated as low risk in accordance with the Food Standards Agency's Food Law Code of Practice (FLCoP) and Practice Guidance.

Low-risk food establishments are defined as those with a category E food hygiene rating, as detailed in Annex 1 of the FLCoP.

The AES is not used for food establishments subject to approval under Retained EU Law Regulation No 853/2004 or those which export food. Establishments subject to approval or those exporting food, including those with a category E food hygiene rating, are subject to official controls at a frequency appropriate for their food hygiene rating in accordance with Annex 1 of the FLCoP.

Food establishments with a category E food hygiene rating, which are not broadly compliant with relevant food legislation, are subject to official controls until they achieve a broadly compliant standard. An establishment is considered broadly compliant if it achieves a minimum food hygiene rating of 10/10/10 for the level of (current) compliance for hygiene/structure/confidence in management and control procedures, as detailed in Annex 1 of the FLCoP.

All newly registered (and unrated) food business establishments are subject to an initial inspection in accordance with Chapter 4 of the FLCoP. These establishments are risk rated in accordance with Annex 1.

The AES does not preclude official controls of low-risk establishments: full inspections, partial inspections and/or audits of low-risk establishments may be undertaken where these are East Suffolk Council's preferred intervention option. Official control interventions may be conducted at establishments subject to the AES where there has been:

- a consumer complaint
- planning or building regulation applications
- an infectious disease notification
- changes in activities or management
- a non-return of a questionnaire
- insufficient information returned by questionnaire
- a food alert requiring action.

Questionnaires are sent to appropriate category E establishments within 28 days of the due date for the intervention. Upon return, completed questionnaires are assessed by an Authorised Officer (AO) for any significant changes to the establishment's arrangements and/or activities including:

- changes of food business operator and/or management
- changes in food operations such that the inherent risk or hygiene risk to public health may have increased
- major changes to the structure/layout of the premises.

Where questionnaires are not returned by the establishment within 28 days or require further investigation to establish whether significant changes have occurred, the AO will contact the premises by email or by undertaking a monitoring or surveillance visit to obtain the required information.

The risk rating of category E food establishments is reviewed by an AO after every episode of surveillance in accordance with the AES. Where there are no changes, the AO will enter the same risk-rating onto the database, thus ensuring the establishment remains on the food hygiene intervention programme. The FSA's Food Hygiene Rating for the food establishment remains unchanged.

Official control interventions will be conducted in low-risk establishments in accordance with Chapter 4 of the FLCoP and in any or all of the following circumstances:

- insufficient information has been returned on the AES questionnaire
- significant changes to the food establishment have occurred
- the risk appears to have changed.

Surveys and project-based interventions of low-risk establishments are conducted in accordance with national, regional and local needs, initiatives and priorities.

Records of all AES activities are maintained on East Suffolk Council's food and safety database and the information gathered is used to maintain up to date records of all low-risk food establishments.



CABINET
Tuesday, 07 November 2023

Subject	Draft Medium Term Financial Strategy and Quarter 2 Budget Monitoring for 2023/24
Cabinet Member	Councillor Vince Langdon-Morris Cabinet Member with responsibility for Resources and Value for Money
Report Author(s)	Lorraine Rogers Acting Chief Finance Officer and Section 151 Officer Lorraine.rogers@eastsoffolk.gov.uk Georgina Peck Finance Business Partner/Acting Finance Planning Manager Georgina.peck@eastsoffolk.gov.uk Danielle Patterson Finance Business Partner/Acting Finance Planning Manager Danielle.patterson@eastsoffolk.gov.uk
Head of Service	Lorraine Rogers Acting Chief Finance Officer and Section 151 Officer Lorraine.rogers@eastsoffolk.gov.uk
Director	Chris Bally Chief Executive Chris.bally@eastsoffolk.gov.uk

Is the report Open or Exempt?	OPEN
-------------------------------	------

Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	N/A
---	-----

Wards Affected:	All Wards
------------------------	-----------

Purpose and high-level overview

Purpose of Report:

To approve an updated draft Medium Term Financial Strategy (MTFS), taking account of new and revised risks in order for the Council to set a balanced budget that delivers its priorities for the period under review 2024/25 to 2027/28.

This report also provides Cabinet with an overview of the Council's projected financial performance for the financial year 2023/24 in respect of the General Fund, Reserves, Housing Revenue Account (HRA) and the Capital Programme.

Options:

The consideration of the MTFS by Members at an early stage of the budget process is essential, especially in order to commence actions to achieve a balanced budget and sustainable medium-term position. Setting a balanced budget for the coming year is a statutory requirement, therefore no other options are considered appropriate.

Recommendation/s:

1. That the draft Medium Term Financial Strategy attached as **Appendix A** be approved.
2. That it be approved that members and officers develop proposals to set a balanced budget for 2024/25 and beyond.
3. That the Council's financial position in **Appendix B** for the period April to September 2023 together with projections of the full year outturn and reserve balances be noted.

Corporate Impact Assessment

Governance:

As set out in the Council's Finance Procedure Rules, the Chief Finance Officer is responsible for preparing and submitting reports on revenue budget forecasts to Cabinet. This report to Cabinet is intended to facilitate monitoring of the Council's financial performance.

The draft MTFS provides the framework for initial detailed budget discussions for the forthcoming financial year. This builds towards securing a balanced budget for 2024/25 which will be considered by Full Council at its meeting on 21 February 2024.

ESC policies and strategies that directly apply to the proposal:

- East Suffolk Strategic Plan
- East Suffolk Medium Term Financial Strategy
- Capital Programme
- Housing Revenue Account
- East Suffolk Treasury Management Strategy and Treasury Management Policy
- Annual Governance Statement
- Finance Procedure Rules
- Financial Management Code

Environmental:

There are no environmental impacts related to this report.

Equalities and Diversity:

An Equality Impact Assessment is not applicable at this stage of the draft MTFS. The purpose of this report is to provide Members with an update on the MTFS as of November 2023. This assessment will be completed on the finalisation of the budget for approval in February 2024 and the results taken into consideration.

Financial:

Detailed financial analysis and commentary is included in **Appendix A** and **Appendix B**.

Human Resources:

There are no HR implications directly arising from this report.

ICT:

There are no ICT implications identified.

Legal:

There are no legal implications identified.

Risk:

Part of the process of delivering a robust medium-term strategy to enable the Council to manage its affairs soundly, is to have regard to both external and internal risks, and to identify actions to mitigate those risks. MTFS key principles and a risk analysis together with mitigating actions are provided in **Appendix A1**.

External Consultees:

Budget-related consultation questions now form a standing part of the permanent residents survey which is live via the Council's website. A summary of responses as at early December 2023 will be reported to Cabinet as part of its consideration of the draft budget in January 2024.

Strategic Plan Priorities

Select the priorities of the Strategic Plan which are supported by this proposal: <i>(Select only one primary and as many secondary as appropriate)</i>		Primary priority	Secondary priorities
T01	Growing our Economy		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<input type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
T02	Enabling our Communities		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input type="checkbox"/>	<input type="checkbox"/>
P08	Maximising health, well-being and safety in our District	<input type="checkbox"/>	<input type="checkbox"/>
P09	Community Pride	<input type="checkbox"/>	<input type="checkbox"/>
T03	Maintaining Financial Sustainability		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P11	Making best use of and investing in our assets	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P12	Being commercially astute	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input checked="" type="checkbox"/>
T04	Delivering Digital Transformation		
P15	Digital by default	<input type="checkbox"/>	<input type="checkbox"/>
P16	Lean and efficient streamlined services	<input type="checkbox"/>	<input type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
T05	Caring for our Environment		
P20	Lead by example	<input type="checkbox"/>	<input type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input type="checkbox"/>
P22	Renewable energy	<input type="checkbox"/>	<input type="checkbox"/>
P23	Protection, education and influence	<input type="checkbox"/>	<input type="checkbox"/>
XXX	Governance		
XXX	How ESC governs itself as an authority	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>How does this proposal support the priorities selected?</p> <p>By ensuring the robustness of the Medium-Term Financial Strategy and adequate reserves and balances for the Council. The MTFs underpins and supports the delivery of the strategic direction of East Suffolk.</p> <p>The report forms an important element of good governance, ensure financial sustainability and putting the Council's assets to good use. It highlights areas of financial risk which will impact on the Council's Medium Term Financial Strategy (MTFS).</p>			

Background and Justification for Recommendation

1 Background facts	
1.1	The MTFS sets the strategic financial direction for the Council. It sets out the key financial management principles, budget assumptions and service issues.
1.2	<p>The MTFS provides a framework for the detailed budget setting process to ensure that resources are managed effectively and are able to deliver the aspirations of the Council as set out in the Strategic Plan. It provides a sound basis for planning and decision making, and is reviewed and updated at the following key points in the year:</p> <ul style="list-style-type: none"> • November/December – as a framework for initial detailed budget discussions for the forthcoming financial year. • January – an update to include additional information received at a national level and corporate issues identified through service planning and the detailed budget build. • February – with the final budget for the new financial year.
1.3	<p>The key underlying principles of the MTFS are:</p> <ul style="list-style-type: none"> • securing a balanced budget with reduced reliance on the use of reserves and general balances to support its everyday spending; • setting modest increases in Council Tax when appropriate; and • delivering service efficiencies and generating additional income where there are opportunities to do so.
1.4	In February 2023, the Council approved a balanced budget for the 2023/24 financial year and set the Band D rate of Council Tax. During the first six months of the year, variations to the approved General Fund budget have been made by Cabinet and Council to enable the Council to respond to changing circumstances.

2 Current position	
2.1	<p>Economic Outlook: The national economic background affects the costs the Council incurs, the funding it receives, and the demand for services as residents are affected by economic circumstances.</p>
2.2	The twelve-month Consumer Price Index (CPI) inflation to September 2023 remained unchanged from August at 6.7%. For local government, the September CPI is important because it will be used to index the business rates multiplier, and to uplift Revenue Support Grant (RSG) and the baselines within the Business Rates Retention System (BRRS). The Bank of England projects for CPI inflation to fall to around 5% by the end of year and to return to the 2% target by Quarter 2 of 2025.
2.3	At its meeting on 20 September 2023, the Bank of England’s Monetary Policy Committee (MPC) voted by a majority of 5-4 to maintain the Bank Rate at 5.25%. Four members of the Committee preferred an increase of 0.25% to 5.5%. The next meeting of the MPC to review the bank rate is 2 November 2023.
2.4	<p>Local Government Finance: Recent media coverage has highlighted the financial challenges faced by many councils across the country to address funding shortfalls over the medium-term.</p>

	Government funding for councils has increased in recent years, but a combination of high inflation and rising demand for services places unprecedented pressure on local authority budgets. Longer-term funding certainty is required, alongside promised reform of the funding system which has been delayed for several years, and is unlikely to be implemented before 2026/27, a shift from 2025/26 a year ago.
2.5	On 5 September the Chancellor announced that the Autumn Statement 2023 will be held on Wednesday 22 November. It will be an opportunity for the government to update its plans for the economy based on the latest forecasts from the Office for Budget Responsibility (OBR). The Autumn statement is expected to focus on reducing inflation which remains high at three times the Bank of England's 2% target. An increase to the national living wage is also anticipated.
2.6	A policy statement is expected to precede the 2024/25 Provisional Settlement. This statement along with the Autumn Statement will provide much of what to expect in advance of the Provision Settlement. Recent Provisional Settlements have been released between 16 and 20 December, and always before Christmas so it is reasonable to assume the same timeframe for this year.
2.7	This update of the MTFS assumes no change to funding settlements from the February 2023 position, with the exception being Revenue Support Grant (RSG). Last year this grant was increased by September CPI and it is assumed this will be followed for 2024/25. This is an additional £0.060m to the budget for next year.
2.8	Business Rates: In October all Suffolk councils agreed to continue a pooling arrangement for 2024/25, which would allow them to retain a larger proportion of their share of growth by reducing the overall levy rate for Suffolk to £nil. Suffolk County Council is the administering authority for the Pool and collates the NNDR1 returns of all of the Suffolk authorities. The MTFS currently includes a Pooling Benefit estimate for 2024/25 of £1.0m. This will be reviewed later in the budget process and following the completion of the NNDR1 return for 2024/25 in January. The MTFS does not include any Pooling Benefit beyond 2024/25 reflecting uncertainty in the system going forward.
2.9	The MTFS assumption is that the Council will continue to retain 100% Business Rates income from Renewables.
2.10	Business Rates income for 2024/25 is based on the NNDR1 return. All Business Rates estimates included in the MTFS will be updated following the completion of the return at the end of January 2024. This will include the split between Section 31 Grant and actual rates income.
2.11	Council Tax: Council Tax is one of the Council's most important and stable income streams, funding approximately 40% of the net budget requirement of the Council. For Shire District Councils in two-tier areas, the referendum limit for 2023/24 was increased from 2% to 3%, but the £5 threshold remained. The current MTFS assumes a Council Tax increase of the higher of 2% or £5.
2.12	The increase in the tax base for East Suffolk is currently estimated to be 677.81 (0.75%) Band D equivalent properties, increasing the overall tax base for East Suffolk from 90,340.92 to 91,018.73 for 2024/25. This equates to around £0.123m of additional Council Tax income to the Council based on the current District Band D Council Tax of £181.17. The 2024/25 Council Tax Base will be reported to Cabinet on 5 December 2023.

2.13	Council Tax Premium on Second Homes - The Government is proposing that billing authorities will have the power to charge a 100% premium on second homes or empty dwellings. The Levelling-Up and Regeneration Bill would give billing authorities the power to charge a 100% premium on “dwellings occupied periodically”. At its meeting on 25 January 2023, Full Council approve this in principle, subject to the Bill receiving Royal Assent. At the time of this report this Bill has not yet been passed. Authorities have to give council-taxpayers 12 months’ notice of the premier, which can only be given once the Levelling-Up Bill has received Royal Assent. The earliest this could now be implemented is 2025/26. The current MTFS does not take account of this potential additional income for East Suffolk Council, which is estimated in the region of £0.70m.
2.14	<p>MTFS Forecasts 2024/25 to 2027/28:</p> <p>At this time in the budget process there are still a number of moving elements. This update captures estimates of initial pressures and income or savings that have been identified. These will be developed further through the budget process. The following are key areas of the budget which are yet to be finalised and can have significant movements on the budgets.</p> <ul style="list-style-type: none"> • Staffing costs • Utility costs • Partnerships and ESSL • Capital programme • Business rates income • Fees and Charges income • Announcement of the Local Government Settlement for 2024/25 • Use of reserves.
2.15	In the Budget report to Full Council in February 2023 the MTFS reported an annual General Fund budget gap for 2024/25 of £3.51m and rising to £6.41m by 2026/27. The current update forecasts this annual gap increasing to £4.60m in 2024/25 and rising to £7.93m by 2027/28. Further details are provided in Appendix A2 and Appendix A3 . Cost pressures are mainly being driven by the pending pay award for the current year, as reported in Quarter 2 and inflationary pressure. Staffing costs represent approximately 50% of the Council’s direct costs. Additional income is being recognised from Council assets; however this is largely offsetting a loss of income from rental income affected by economic conditions and parking services.
2.16	<p>Quarter 2 Budget Monitoring:</p> <p>Appendix B provides the Quarter 2 budget monitoring report for 2023/24, covering the General Fund, the Housing Revenue Account and the Capital Programme. At Quarter 2 the forecast outturn for the General Fund is £0.945m overspend with the pending pay award being the main contributor. Fluctuations in income from fees and charges are also noted, with income from treasury management activities being favourable. Cashflow needs will be re-assessed in Quarter 3 and it is likely that additional investment income can be reported in the second half of the year.</p>
2.17	The Housing Revenue Account (HRA) is forecasting a net cost position of £0.515m higher than budgeted. This is due to inflationary pressures, pay award and digital transformation costs. The HRA does also benefit from a share of the investment income to the Council.

2.18	The capital programme is currently being revised as part of the budget process and will be a key update for the MTFS and Quarter 3 to capture revenue implications of changes to the programme.
2.19	Reserves and Balances: The total balance of General Fund Earmarked Reserves was £48.57m as of 1 April 2023, and the current projected balance at the end of the April 2027 is £36.37m. This does not yet include any revisions to capital reserves or use of reserves to fund budget gaps in the current or over the MTFS period. The General Fund balance remains at £6m, with no planned use over the current MTFS.
2.20	The detailed budget process includes an assessment of risk, the adequacy of General Fund balances and a review of earmarked reserves. This review evaluates the need to create and/or change earmarked reserve levels and to release reserves which are no longer required, thereby becoming a one-off resource for the Council. As part of this year's review it will include a refresh of the reason for/purpose of each reserve, and how and when they can be used.

3 How to address current situation

3.1	The Council has a statutory duty to deliver a balanced budget for the forthcoming year and Full Council will consider this budget at its February 2024 meeting.
3.2	The Finance team continues to work with Officers and the Corporate Leadership Team throughout the budget setting process which will lead to continual updating of the MTFS until a balance budget is achieved.
3.3	Earmarked reserves intended to balance year-to-year fluctuations such as the In-Year Savings Reserve and the Business Rates Equalisation Reserve will be utilised if necessary to mitigate any further financial risks arising in the second half of 2023/24 and to ensure that the outturn position is balanced. The use of reserves will be taken into consideration as necessary to achieve a balance budget position for 2024/25 whilst ensuring a financially sustainable and robust level of reserves is maintained. One of the key underpinning financial principles of the MTFS is to not use the Council's Reserves (and other one-off resources) as a primary method to balance ongoing pressures in the budget.

4 Reason/s for recommendation

4.1	As set out in the Council's Finance Procedure Rules, the Chief Finance Officer is responsible for preparing and submitting reports on revenue budget forecasts to Cabinet.
4.2	To approve an updated draft MTFS, taking account of new and revised risks in order that the Council will be able to set a balanced budget that delivers its priorities for the period under review 2024/25 to 2027/28.

Appendices

Appendices:	
Appendix A	Medium Term Financial Strategy (November 2023 update)
Appendix B	Quarter 2 Budget Monitoring Report

Background reference papers:	
None.	



EAST SUFFOLK COUNCIL

**MEDIUM TERM FINANCIAL STRATEGY
2024/25 – 2027/28**

NOVEMBER 2023

1 INTRODUCTION

- 1.1 The **Medium Term Financial Strategy** (MTFS) sets the strategic financial direction for the Council. It sets out the key financial management principles, budget assumptions and service issues.
- 1.2 The MTFS provides a framework for the detailed budget setting process to ensure that resources are managed effectively and are able to deliver the aspirations of the Council as set out in the Strategic Plan. It provides a sound basis for planning and decision making, and is reviewed and updated at the following key points in the year:
- November/December – as a framework for initial detailed budget discussions for the forthcoming financial year.
 - January – an update to include additional information received at a national level and corporate issues identified through service planning and the detailed budget build.
 - February – with the final Budget for the new financial year.
- 1.3 The MTFS underpins the strategic plan and vision for East Suffolk, focussing on five key themes.
- 1.4 The MTFS provides an integrated view of the Council’s finances, recognising that the allocation and management of its human, financial and physical resources play a key role in delivering its priorities and ensuring that the Council works effectively with its partners locally, regionally and nationally.
- 1.5 The key underlying principles of the MTFS are:
- securing a balanced budget with reduced reliance on the use of reserves and general balances to support its everyday spending;
 - setting increases in Council Tax when appropriate; and
 - delivering service efficiencies and generating additional income where there are opportunities to do so.
- 1.6 Part of the process of delivering a robust MTFS to enable the Council to manage its affairs soundly, is to have regard to both external and internal risks, and to identify actions to mitigate those risks. MTFS key principles and a risk analysis together with mitigating actions are provided in **Appendix A1**.
- 1.7 Sections 2 to 4 provide an update on the financial challenge facing the Council, taking into account the economic factors, the local government finance environment, and the Council’s key funding streams. Sections 5 to 7 outline how the Council will respond to the challenges, as expressed in terms of its Budget and strategies towards reserves and capital.

2 PUBLIC FINANCES

- 2.1 On 5 September the Chancellor announced that the Autumn Statement 2023 will be held on Wednesday 22 November. It will be an opportunity for the government to update its plans for the economy based on the latest forecasts from the Office for Budget Responsibility (OBR). The Autumn Statement is expected to focus on reducing inflation

which remains high at three times the Bank of England’s 2% target. An increase to the national living wage is also anticipated.

- 2.2 Recent media coverage has highlighted the financial challenges faced by many councils across the country to address funding shortfalls over the medium-term. Government funding for councils has increased in recent years, but a combination of high inflation and rising demand for services places unprecedented pressure on local authority budgets. Longer-term funding certainty is required, alongside promised reform of the funding system which has been delayed for several years now.

3 ECONOMIC INDICATORS

- 3.1 The OBR economic and fiscal outlook and forecast will be published on 22 November and will provide an independent judgement about the economic and fiscal prospects and impact of the Government’s policies.
- 3.2 The current economic environment is one of high inflation and interest rates. The national economic background affects the costs the Council incurs, the funding it receives, and contributes to the demand for services as residents are affected by economic circumstances.

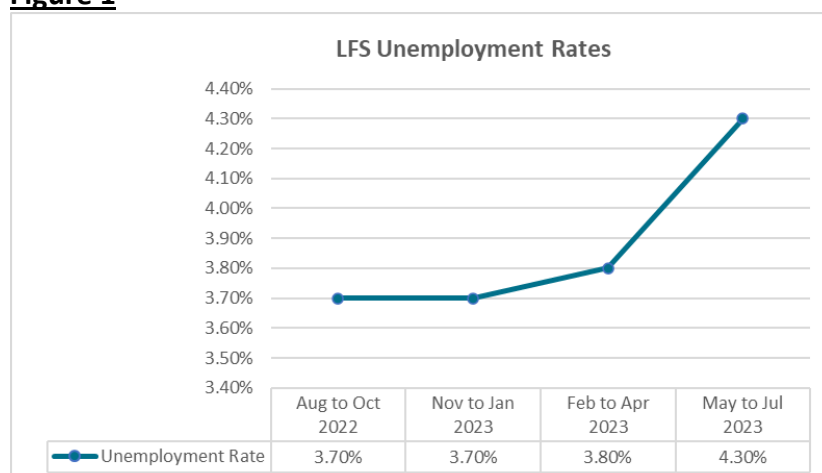
Gross Domestic Product (GDP)

- 3.3 Data released by the Office for National Statistics (ONS) in September, estimates GDP to have increased by 0.2% in Quarter 2 2023 (April to June). In output terms, growth was driven by the production sector, reflecting falling input costs. There was an increase in household consumption from spending on housing, utilities, transport, recreation and culture. There was also an increase in government spending, particularly in the areas of health, public administration and defence.

Unemployment

- 3.4 As per the ONS Labour Force Survey (LFS), the UK unemployment rate rose to 4.3% in the three months to July 2023 compared to 3.8% in the previous three months. This latest figure is also 0.3 percentage points higher than pre-pandemic levels. **Figure 1** below show the three months LFS since October 2022 to July 2023.

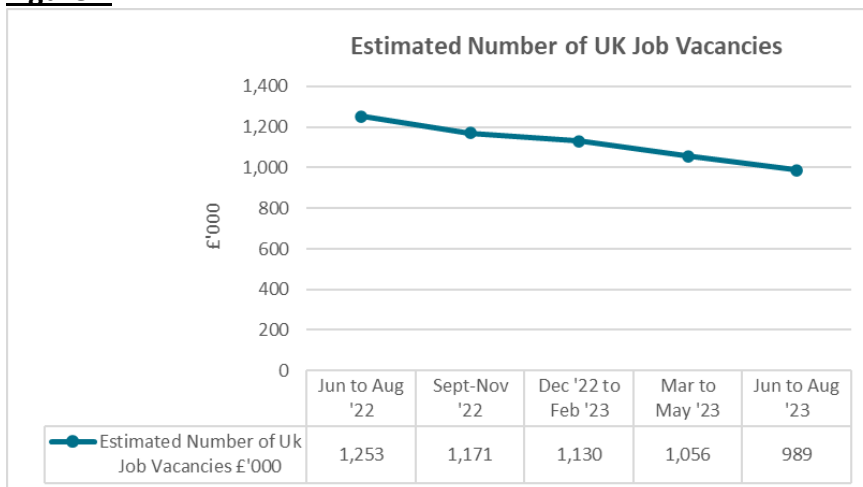
Figure 1



Source: ONS September 2023

3.5 As per the ONS, in June to August 2023 the estimated number of job vacancies in the UK was 989,000. This is down by over 260,000 a year ago but remains 188,000 above pre-pandemic levels (January to March 2020). See **Figure 2** below.

Figure 2



Source: ONS September 2023

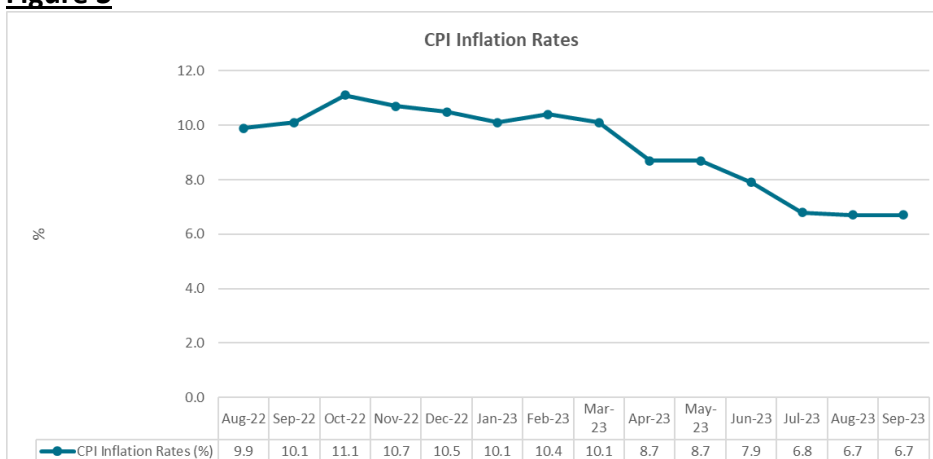
Consumer Pricing Index (CPI)

3.6 Twelve-month CPI inflation to September 2023 remained unchanged from August at 6.7%. The largest downward contribution came from food and non-alcoholic beverages, where prices fell on the month for the first time since September 2021, and furniture and household goods, where prices rose by less than a year ago. prices. Rising prices for motor fuel made the largest upward contribution to the change in the annual rates. The Bank of England projects for CPI inflation to fall to around 5% by the end of year and to return to the 2% target by Quarter 2 of 2025. **Figure 3** below shows the CPI rates from July 2022 to date.

3.7 For local government, the September CPI is important because it will be used to index the business rates multiplier, and to uplift Revenue Support Grant (RSG) and the baselines within the Business Rates Retention System (BRRS).

3.8 The Governments inflation target for the bank of England currently remains at 2%.

Figure 3



Source: ONS September 2023

Bank Interest Rate

- 3.9 At its meeting on 20 September 2023, the Bank of England’s Monetary Policy Committee (MPC) voted by a majority of 5-4 to maintain the Bank Rate at 5.25%. Four members of the Committee preferred an increase of 0.25% to 5.5%. The next meeting of the MPC to review the bank rate is 2 November 2023.

4 LOCAL GOVERNMENT FINANCE

- 4.1 The introduction of the Local Business Rates Retention System in 2013/14, together with the Government’s programme of fiscal consolidation since 2010, have combined to both reduce the level of funding available to the Council, and to shift the balance of funding significantly away from central to local sources.
- 4.2 The Spending Review 2021, which covered 2022/23 to 2024/25 was broadly positive for local government, with funding better than expected. Increased funding was largely front loaded with growth in grant funding in 2022/23 and no further general increases in the following two years. There were various smaller allocations within the core funding announcement, including £200m for the “cross-government Supporting Families programme”, £37.8m for cyber security and £34.5m for “strengthen local delivery and transparency”.
- 4.3 On 12 December DLUHC published a policy statement on Local Government Finance Settlement 2023/24 and 2024/25. This set out and set out the intention for Business Rates, Council Tax, and settlement grants. The Policy Statement also noted reserve balances held by some local authorities have increased significantly in recent years, and local authorities are encouraged to consider using reserves to maintain services under the current inflationary pressures.
- 4.4 A policy statement is expected to precede the 2024/25 Provisional Settlement. This statement along with the Autumn statement will provide much of what to expect in advance of the Provision Settlement. Recent Provisional Settlements have been released between 16 and 20 December, and always before Christmas so it is reasonable to assume the same time frame for this year.
- 4.5 **Core Funding Streams** – this includes the Revenue Support Grant and the Rural Services Delivery Grant.

Revenue Support Grant (RSG)

- 4.6 For 2023/24 two grants have been rolled into RSG. This is the Local Council Tax Administration Grant (£0.268m) and the Family Annexe Council Tax Grant (£0.061m). Both Grants are currently received by the Council separately and are not new grants. It is currently assumed that the RSG grant (excluding the rolled in grants) will increase at September CPI (6.7%) on the current level of £0.374m for 2024/25. This is additional income to next year of £0.060m. For the purpose of update the MTFS in November, it will be assumed that the grant will continue on the basis as in the current MTFS until further information is available.

Revenue Support Grant	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
MTFS (November 2023)	(703)	(400)	(343)	(347)	(347)

Rural Services Delivery Grant (RSDG)

- 4.7 The Rural Services Delivery Grant (RSDG) is a government grant recognising cost pressures associated with service delivery in rural sparse areas. The 2023/24 Final Settlement unexpectedly increased this grant to £0.291m from £0.260m. The assumption for future years is to remain at the 2022/23 level for 2024/25, followed by a 1% increase thereafter until further information becomes available.

Rural Services Delivery Grant	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
MTFS (November 2023)	(291)	(260)	(263)	(265)	(265)

- 4.8 **Non-Core Funding Streams** - the below grants are non-core funding streams and they are usually seen as temporary or one-off. This potentially gives the Government scope to make changes to funding distributions.

Funding Guarantee Allocation

- 4.9 For 2023/24 the Government announced repurposing the Lower Tier Services Grant (£0.311m for East Suffolk) and a proportion of the expired New Homes Bonus legacy payments to ensure that all councils would see at least a 3% increase in Core Spending Power before any decisions about organisational efficiencies, use of reserves or Council Tax levels. The LTSG was abolished and repurposed towards a new funding stream, the Funding Guarantee Allocation, in recognition of the inflationary pressures across local authorities. For 2023/24 the Council received an allocation of £1.512m and the current MTFS assumes a continuation of this funding.

Funding Guarantee Allocation	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
MTFS (November 2023)	(1,512)	(1,519)	(1,519)	(1,519)	(1,519)

Services Grant

- 4.10 This was a new one-off grant in 2022/23 to provide funding to all tiers of local government in recognition of the vital services, including social care, delivered at every level of local government. It also included funding for local government costs for the introduction of the Health and Social Care Levy but which was reversed in November 2022. This funding continued in 2023/24 but at a reduced level from £0.477m to by £0.280m. The current MTFS assumes this funding will continue in some form when the local government finance system is reformed.

Services Grant/Transition Funding	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
MTFS (November 2023)	(280)	(269)	(269)	(269)	(269)

Business Rates – Business Rates Retention and Fair Funding Review

- 4.11 In February 2016 a Fair Funding Review was also announced, which will affect how funding is allocated and redistributed between local authorities. Implementation of this review has been delayed and is now unlikely to be implemented before 2026/27, a shift from 2025/26 at the last budget setting round.
- 4.12 Implementation of the Fair Funding Review is likely to include a ‘reset’ of the business rates system, which would involve assigning a new baseline funding level and subsequent new tariff or top-up values. Reset of the system and the establishment of new funding formulae could result in East Suffolk Council losing some of the financial advantage that it has under the current system. As a result of the delay in implementing Business Rates reforms, the Council has benefited from additional years under the current regime including 2022/23. This base assumption has been rolled forward in the MTFs and the figures presented in paragraph 4.16 below.

Business Rates

- 4.13 Since 2013/14, business rates income has tended to be characterised by a high degree of volatility and uncertainty. Variances between estimated and actual business rate income are realised in the form of deficits or surpluses on the business rates element of the Collection Fund. For each year, the amount of business rates income credited to the General Fund is the amount estimated on the National Non-Domestic Rate (NNDR1) return to Government submitted in January in the preceding year, including a calculation of the estimated Collection Fund deficit or surplus to be charged to the General Fund. As a result, in practice, variances between business rates estimates and actual figures are reflected as an element of the Collection Fund deficit or surplus two years after they take place. The figure for the 2024/25 Collection Fund deficit will be calculated later in the budget process.
- 4.14 **Suffolk Pool** – In October all Suffolk councils agreed to continue a pooling arrangement for 2024/25, which would allow them to retain a larger proportion of their share of growth by reducing the overall levy rate for Suffolk to £nil. Suffolk County Council is the administering authority for the Pool and collates the NNDR1 returns of all of the Suffolk authorities. The MTFs currently includes a Pooling Benefit estimate for 2024/25 of £1.0m. This will be reviewed later in the budget process and following the completion of the NNDR1 return for 2024/25 in January. The MTFs does not include any Pooling Benefit beyond 2024/25 reflecting uncertainty in the system going forward.
- 4.15 Business Rates income for 2024/25 is based on the NNDR1 return. All Business Rates estimates included in the MTFs will be updated following the completion of the return at the end of January 2024. This will include the split between Section 31 Grant and actual rates income.
- 4.16 As referred to earlier, the Business Rates system may be subject to reform beyond 2025/26 with the changes potentially not impacting as seriously as previously forecast. In light of the impending reform, the approach that has been taken is to roll forward the estimates for 2023/24 through to 2027/28, with the exception being a tapering of the Pooling Benefit estimate. This is to reflect a cautious approach to the overall Business Rates income position in the latter years of the MTFs. Inflation in the system and the interaction between business rates income and the 2023 Revaluation adjustment improved the

position for 2023/24, and it is uncertain if there will be some clawback in 2024/25. This position will not become clear until the NNDR1 for 2024/25 is completed in January 2024. To plan for mitigating this, surplus income (£2.46m) from Business Rates, over and above addressing the budget gap for the year, has been transferred to the Business Rates Equalisation Reserve. The MTFS assumption is that the Council will continue to retain 100% Business Rates income from Renewables, and this has been reflected in the table below. It is also worth noting that even if the current treatment of existing Renewables is revised, new Renewable hereditaments will be coming online during the MTFS period.

Business Rates Income	2023/24	MTFS	MTFS	MTFS	MTFS
	£'000	£'000	£'000	£'000	£'000
Business Rates Income	(6,852)	(6,852)	(6,852)	(6,852)	(6,852)
Business Rates Renewables	(1,560)	(1,560)	(1,560)	(1,560)	(1,560)
Total Business Rates Income	(8,412)	(8,412)	(8,412)	(8,412)	(8,412)
Share of Pooling Benefit	(2,000)	(1,000)	0	0	0
Section 31 Grant	(10,677)	(10,677)	(10,677)	(10,677)	(10,677)
Total Income Relating to Business Rates	(21,089)	(20,089)	(19,089)	(19,089)	(19,089)

Council Tax

- 4.17 Council Tax is one of the Council's most important and stable income streams, funding approximately 40% of the net budget requirement of the Council. For Shire District Councils in two-tier areas, the referendum limit for 2023/24 was increased from 2% to 3%, but the £5 threshold remained. And provided some additional flexibility for Council Tax increases for 2023/24. It is not yet known if this referendum increase will apply for 2024/25 and this is not assumed in the current MTFS.
- 4.18 **Council Tax Base** – The CTB1 Council Tax Base Return was submitted to Government on 2 October 2023.
- 4.19 The increase in the tax base for East Suffolk is currently estimated to be 677.81 (0.75%) Band D equivalent properties, increasing the overall tax base for East Suffolk from 90,340.92 to 91,018.73 for 2024/25. This equates to around £0.123m of additional Council Tax income to the Council based on the current District Band D Council Tax of £181.17. The 2024/25 Council Tax Base will be reported to Cabinet on 5 December 2023.
- 4.20 **District Band D Council Tax 2024/25** – An increase of £4.95 for 2024/25 would equate to a District Band D Council Tax for East Suffolk of £186.12 and generate approximately £0.450m of additional income for East Suffolk. Total income to the Council from Council Tax would be £16.94m.
- 4.21 Based on the above data, the table below sets out the current estimated Council Tax income based on the referendum limits of 2% or £5, whichever is higher and is included in the MTFS.

Council Tax Income	2023/24 £'000	Estimate 2024/25 £'000	Estimate 2025/26 £'000	Estimate 2026/27 £'000	Estimate 2027/28 £'000
Council Tax Income - Base	(15,688)	(16,367)	(16,941)	(17,461)	(17,985)
Growth in Tax Base	(232)	(123)	(68)	(70)	(72)
Council Tax Increase	(447)	(451)	(452)	(454)	(456)
Total Council Tax Income	(16,367)	(16,941)	(17,461)	(17,985)	(18,513)
Council Tax Band D	£181.17	£186.12	£191.07	£196.02	£200.97
Council Tax Base	90,340.92	91,018.73	91,382.80	91,748.34	92,115.33
Growth/Reduction(-) in Tax Base	1.48%	0.75%	0.40%	0.40%	0.40%
Council Tax Increase £	£4.95	£4.95	£4.95	£4.95	£4.95
Council Tax Increase %	2.81%	2.73%	2.66%	2.59%	2.53%

Assumptions from 2024/25: Council Tax increases of 2% or £5, whichever is the higher.

- 4.22 The February 2023 MTFS for 204/25 had assumed growth to the tax base of 0.40% compared to the current estimate of 0.75%. This additional growth of 0.71% is about £0.060m of additional income. From 2025/26 a cautious approach continues to be taken to growth in the overall tax base and this is forecast to fall for the remainder of the MTFS period. This is a combination of completion of development sites levelling off, and prudent assumptions regarding LCTRS reliefs and collection rates. The below table shows the November update to the MTFS.

MTFS - Council Tax Income	2023/24 £'000	Estimate 2024/25 £'000	Estimate 2025/26 £'000	Estimate 2026/27 £'000	Estimate 2027/28 £'000
MTFS February 2023	(16,367)	(16,882)	(17,400)	(17,922)	(17,922)
MTFS November 2023	(16,367)	(16,941)	(17,461)	(17,985)	(18,513)
MTFS Update November 2023	(0)	(59)	(61)	(63)	(591)

- 4.23 **Council Tax Collection Fund** – The current estimate for the Council Tax Collection Fund for 2024/25 is a surplus of £0.987m, with East Suffolk’s share equating to £0.127m. The remaining balance of the surplus is shared by Suffolk County Council and the Police and Crime Commissioner for Suffolk.
- 4.24 The Collection Fund is monitored closely throughout the financial year and the Collection Fund position will be confirmed in January 2024.
- 4.25 **Council Tax Premium on Second Homes** - The Government is proposing that billing authorities will have the power to charge a 100% premium on second homes or empty dwellings. The Levelling-Up and Regeneration Bill would give billing authorities the power to charge a 100% premium on “dwellings occupied periodically”. At its meeting on 25 January 2023, Full Council approve this in principle, subject to the Bill receiving Royal Assent. At the time of this report this Bill has not yet been passed. Authorities have to give council-taxpayers 12 months’ notice of the premier, which can only be given once the Levelling-Up Bill has received Royal Assent. The earliest this could now be implemented is 2025/26.
- 4.26 Given the number of second homes in Suffolk, this 100% council tax premium should represent a significant addition to the income stream from Council Tax. This is estimated to yield additional income of just under £11.2m in Suffolk, the bulk of which is in East Suffolk. In East Suffolk, over £7.6m could be generated – around £5.9m for Suffolk County Council,

over £1m for Suffolk Police, and over £0.70m for East Suffolk Council. The current MTFS does not take account of this potential additional income for East Suffolk Council.

New Homes Bonus (NHB)

- 4.27 The Government established the New Homes Bonus (to provide an incentive for local authorities to encourage housing growth in their areas. NHB is funding allocated to councils based on the building of new homes and bringing empty homes back into use. The intention for the New Homes Bonus is to ensure that the economic benefits of growth are returned to the local authorities and communities where growth takes place.
- 4.28 In recent years there has been much uncertainty as to the future of NHB, with the last three years (2020/21 to 2023/24) being a one-year settlement.
- 4.29 In the MTFS 2023/24 is currently assumed to be the last year for new NHB allocations for 2023/24. However there has been no consultation as previously announced and so it is possible that NHB will continue for a further year. This will hopefully become clear in the policy statement and/or the Autumn Statement.
- 4.30 The Council uses NHB funding to support specific community related projects and initiatives across East Suffolk. This is balanced against the overriding need to retain financial sustainability. NHB funding is transferred to the NHB reserve and released when required. The primary use of the funding is for the East Suffolk Community Partnerships and the Enabling Communities Budgets, totalling approximately £1m per annum. In November 2022, Cabinet considered and approved a paper to continue the Enabling Communities Budgets until March 2027 and for the Community Partnerships to continuing until 2024/25, with a further two years subject to NHB funding being available. This is reflected in the updated position on the NHB Reserve below. It can be seen that no further funding is anticipated and insufficient funding would remain beyond March 2027 to continue both of these initiatives.

NHB Reserve	Forecast 2023/24 £'000	Forecast 2024/25 £'000	Forecast 2025/26 £'000	Forecast 2026/27 £'000	Forecast 2027/28 £'000
Opening Balance	(5,438)	(4,026)	(2,643)	(1,356)	(294)
Add: Allocation Received	(447)	0	0	0	0
Less: Proposed Use	1,859	1,382	1,288	1,061	0
Closing Balance	(4,026)	(2,643)	(1,356)	(294)	(294)

5 MEDIUM TERM FINANCIAL POSITION

MTFS Forecasts 2024/25 to 2027/28

- 5.1 The Finance team works with Service Areas to review their budget requirements and budget monitoring is an ongoing process between Finance, Service Areas, and the Corporate Leadership Team. This work leads to continual updating of the MTFS for the Council. As of November 2023, key areas of the budget that are yet to be finalised include;

- Establishment (staffing) costs
- Utility costs

- Partnerships and ESSL
- Capital programme
- Business rates income
- Council Tax income
- Fees and Charges income
- Announcement of the Local Government Settlement for 2024/25
- Use of reserves.

5.2 At the Quarter 2 Budget Monitoring Report highlights the items in the table below as having potential revenue budget implications for this financial year and over the MTFS period. Some areas cannot yet be quantified or quantified with a degree of certainty, i.e., figures are currently being worked on and/or insufficient information available.

Budget Area to be Monitored	Areas Impact	Nature of Impact	Timing of Impact
Asset Management Rent Review.	Council income budgets from assets.	Potential to increase the income to the Council. This will need to be quantified and captured in the update of the Council's MTFS.	Current year and going forward.
Capital Programme.	Revenue implications from capital programme revisions.	Additional revenue costs to the General Fund - direct revenue financing, use of reserves, capital charges to revenue, revenue costs to support delivery of capital projects and income generation from capital projects.	Current year and future years.
ESSL.	General Fund, HRA and capital programme.	Service investment for ESSL. Council budgets to be updated to reflect management fee to ESSL and some services brought back in-house. Recognition of service investment and improve plan for ESSL and costs pressures in the operations environment, e.g. pay awards and inflation.	Current year and future years.
Inflation.	General Fund, HRA and Capital Programme.	Increasing costs.	Current year and future years.
National pay award for 2023/24 is not yet agreed.	Council staffing costs.	Current budget assumption is for a 4% increase for Council staffing. Based on pay offer by the National Employers this would be an additional cost pressure to the Council of approximately £0.600m.	Current year and future years.
Norse.	Profit share income.	Settlement of 2022/23 profit share (Accrued £0.560m) and April-June 2023/24 (Budgeted £0.074m). The position will be assessed further within Quarter 3 following the impacts of the possible pending pay award but is forecast as a £0.271m loss.	Current year.

Budget Area to be Monitored	Areas Impact	Nature of Impact	Timing of Impact
Parking Services.	Income from Parking Services.	Parking Services income is currently down against the budget in Quarter 2, in the areas of parking charges and Fixed Penalty Notices.	Current year and potentially going forward.
Recruitment difficulties.	Particular area of specialism.	Agency and contract costs may be required which can be more costly. Current forecasts show this being absorbed in existing budgets.	Ongoing.
Treasury Management Investment income.	General Fund and HRA income.	With the bank of England continuing to increase the base rate, this is likely to lead to more favourable returns on treasury management investments. The position will be assessed in Quarter 3.	Current year and potentially the next 2-3 years.
Workforces pay pressure/grade inflation.	Council staffing costs.	Increased staffing costs. Annual staffing vacancy allowance in the budget is at risk.	Ongoing.

5.3 The MTFS was last updated in February 2023. A summary analysis of the key movements as of November 2023 is shown in the following table. This table is supported by **Appendix A2** **Appendix A3**. As noted in paragraph 5.1 above, there is continual updating of the MTFS and there are key areas of the budget still to be finalised which are not included in this update.

MTFS Updates	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Additional Cost	1,380	1,888	1,181	1,797
Additional Income	(720)	(333)	(333)	(863)
Reduced Income	587	595	595	595
Use of Reserves	(153)	(747)	0	0
Net Total	1,094	1,403	1,443	1,529

5.4 The updated MTFS position resulting from these movements as of November 2023 is shown below.

MTFS Position	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
MTFS February 2023 Budget Gap/(Surplus)	3,511	6,008	6,405	6,405
Net Total of MTFS Updates (Appendix A2)	1,094	1,403	1,443	1,529
MTFS November 2023 Budget Gap/(Surplus)	4,605	7,411	7,848	7,934

Budget Planning Assumptions

5.5 The Council's financial planning assumptions are summarised below:

Budget Area	Assumption
Inflation	
<i>Goods & Services</i>	3% for budgets which are subject to inflation and where inflation is built into contracts.
<i>Utilities (Electricity)</i>	2023/24 80% of 2022/23 budgets, future years maintain at the 2023/24 budget.
<i>Utilities (Gas)</i>	2023/24 20% increase on 2022/23 revised estimates, future years maintain at the 2023/24 budget.
<i>Utilities (water & Sewage)</i>	2023/24 11% increase, 2024/25 5% increase, 2025/26 and 2026/27 1% increase. Commercial rates are set in April. Assumptions based on the CPI forecasts as per the Bank of England Monetary Policy Report November 2023.
Fees & Charges	3% increase to be applied for 2024/25 where appropriate.
Staffing Costs	2023/24 Current offer of an additional £1,925 on all SCP 1 and above, 2024/25 3% increase, plus incremental progression, 2025/26 onwards 2% increase, plus incremental progression. 2% per annum of staffing costs for vacancy allowance.
Investment Income	2.75% Call Account (average as of September 2023), (2.15% Sept 2022) 5.19% Money Market Fund (September 2023), (1.73% Sept 2022) 3.80% Property Fund (average as of September 2023), (3.4% Sept 2022) 4.05% Diversified Income Fund (September 2023), (4.05% Sept 2022)

Goods & Services – Inflationary Pressures

- 5.6 The Council’s financial strategy has previously assumed for a number of years that any inflationary pressures incurred on goods and services expenditure are contained within existing budgets, or through more efficient spending. The exceptions being utility costs, rates and specific contract increases.
- 5.7 It is now recognised that this approach is becoming more challenging with inflation remaining high. Budget headings are therefore being reviewed as part of the process for this year where annual inflationary increased are evident. For example, subscriptions and software licensing where it is proposed a 3% increase will be applied. As mentioned in Section 3, there is an expectation for inflation to gradually fall over the next two year but higher base costs will be part of the Council’s budgets going forward due to the current inflationary pressures. The impact of inflation is most evident in the Capital Programme and the Council’s Operation services.
- 5.8 Contracts have been inflated based on the specified inflation indices within each individual contract. Retendering of contracts is part of the Council’s strategy for cost reduction and to ensure best value.

Fees and Charges

- 5.9 Fees and Charges are based on the Council’s agreed principles of increasing existing fees and charges on a market forces basis, whilst remaining consistent with the Council’s Strategic plan and relevant Governments legislation.
- 5.10 Prior to 2022/23, the Council adopted a standard approach, increasing fees and charges in line with price inflation as a minimum uplift. However, given the heightened inflation levels, this approach was not applied for the review of 2023/24 or 2024/25 fees and

charges, with a reduced rate of 3% recommended for 2024/25, in line with future rate predictions, ensuring the Council remains competitive and affordable to its stakeholders.

- 5.11 Charges are reviewed considering local demand, along with reflecting changes in the cost of delivering the services, factoring changes that have either already occurred, or are expecting to occur over the next financial year, with cost recovery aimed to assist in balancing the overall cost pressures. Unless statutory restrictions apply, the Council aims to use all resources available, which includes reviewing opportunities to introduce new fees as appropriate. Proposed fees and charges for 2024/25 will be considered by Cabinet on 2 January 2024.

Interest Payable and Receivable

- 5.12 **Interest Payable** - The budget for debt interest over the current MTFS period totals £1.587m. This has not been revised in this update of the MTFS. The existing loans are all fixed rate loans and therefore not susceptible to market increases. Where the capital programme requires future additional borrowing, the budget will be updated as and when projects are completed and actual borrowing is known.
- 5.13 **Interest Receivable** – The total budget for investment income over the MTFS period is currently over £3m and is based on the current investment portfolio of short and long-term investments.
- 5.14 Short-dated cash rates are around 5.2% for 3 month rates (4.1%, 6 April 2023) and 12-month rates around 5.55% (4.4%, 6 April 2023). The rates on the Treasury's Debt Management Account Deposit Facility (DMADF) currently range between 5.17% and 5.25% (4% to 4.1%, 6 April 2023).
- 5.15 The Council's investment portfolio in the short term is looking healthy with the prospect of increased returns on investments. In the current year it is expected that actual investment income will exceed the budget of £1.6m, by at least £0.500m. For this MTFS update it is assumed that this will continue to some extent into 2024/25 and this is forecast at an additional £0.200m of income. This will be reviewed during the budget setting process in Quarter 3, at which point the MPC will have met in November.

Establishment Costs

- 5.16 Establishment costs total approximately are the single largest revenue cost for the Council and represents 50% of its total direct expenditure.
- 5.17 **Public Sector Pay** –The 2023/24 pay offer by the National Employers is a £1,925 (pro rata for part-time employees) increase on pay points 2 to 43. This is yet to be agreed but has been incorporated into this update of the MTFS. It is estimated that this will exceed our current budget assumption of 4%, equivalent to £0.600m and will impact each year of the MTFS. The pay award assumption for 2024/25 is 3% and 2% thereafter. A 1% pay award represents an increase of approximately £0.370m to the General Fund.
- 5.18 **Actuarial Valuation** - The latest triennial actuarial valuation of the assets and liabilities of the Suffolk County Pension Fund was completed on 31 March 2022. The Fund's Actuary have reported the actuarial funding position for the Pension Fund of 107%, an increase of

8% since the last valuation exercise in 2019. This is the first time that the Fund has reached 100% funding.

- 5.19 The Pension Fund specifically relating to East Suffolk Council is 110% funded, an increase from 99% at the time of the last review on 31 March 2019. The triennial review also sets the employer contribution rates for the next three years – 2023/24 to 2025/26. This was set at 25% and provided 88% probability of success that over 20 years the Pension Fund will remain or achieve 100% funded.

Other Pressures

- 5.20 In formulating its detailed spending plans, the Council has also taken account of past performance and the previous year's outturn position.
- 5.21 Ranging from increased demand for services or changes in national policy, the Council's MTFS will be adjusted to reflect the financial implications of these changes. The budget monitoring work is ongoing with the Finance Team working with service areas to review their budget requirements. This work will continue to update the MTFS through to January 2024.

East Suffolk Services Limited (ESSL)

- 5.22 East Suffolk Council created ESSL to operate as a Local Authority Trading Company (LATCo) following a thorough review of its partnership with Norse which ended on 30 June 2023. Some functions and staff have transferred to the Council, and ESC budget estimates and profiles for 2024/25 and beyond are currently based on data of the previous partnership. With the new arrangement now in operation the Council and ESSL will work together to improve the services delivered to residents maintaining financial efficiency. Over the budget setting process the Council and ESSL will be working together to build more detailed budget information and it is expected for updates to feed into the MTFS after Quarter 3 of the current year.

6 RESERVES AND BALANCES

- 6.1 In order to manage its financial affairs soundly, the Council needs to hold an appropriate and necessary level of reserves and balances. These allow it to:
- a) manage its cash flows economically and avoid temporary borrowing pending receipt of income due during the year;
 - b) deal promptly and efficiently with emergencies if they occur, as this year;
 - c) take previously unseen opportunities to secure benefits that may arise during the year;
 - d) mitigate reliance on volatile sources of funding;
 - e) set money aside for known events but where the timing or precise amount required is not yet certain; and
 - f) accumulate monies to meet costs that it would be unreasonable for taxpayers to meet in a single year.

- 6.2 In addition to the General Fund Balance, the Council keeps a number of earmarked reserves on the Balance Sheet. Some are required to be held for statutory reasons, some are needed to comply with proper accounting practice, and others have been set up voluntarily to earmark resources for future spending plans or potential liabilities.
- 6.3 The Council has continued to develop its prudent financial management arrangements, through the development of earmarked reserves to mitigate potential future risks. As issues arise, the potential requirement for an earmarked reserve is considered. New earmarked reserves are formally considered as part of the detailed budget process, to ensure that risks identified are adequately mitigated, and throughout the annual budget monitoring process as risks arise or become clearer.
- 6.4 The detailed budget process includes an assessment of risk, the adequacy of General Fund balances and a review of earmarked reserves. This review evaluates the need to create and/or change earmarked reserve levels and to also release reserves which are no longer required, thereby becoming a one-off resource for the Council. As part of this year's review it will include a refresh of the reason for/purpose of each reserve, and how and when they can be used.
- 6.5 A risk assessment of the General Fund Balances informs the Chief Finance Officer's view of the adequacy of reserves to provide assurance to the budget. Having regard to the financial risks surrounding the budget planning process; the Council maintains the level of General Fund balances at around 3%-5% of its budgeted gross expenditure (in the region of £130 million for East Suffolk). This would equate to maintaining a General Fund balance for East Suffolk, in the region of between £4m and £6m. As of 1 April 2023, the opening General Fund balance of East Suffolk stood at £6m.
- 6.6 Further use of the General Fund balance will be evaluated against an assessment of risk, to ensure financial sustainability for the Council is maintained, whilst supporting the strategy direction and ambitions of the Council. The current update of the MTFs does not include any use of the General Fund balance.
- 6.7 One of the key underpinning financial principles of the MTFs is to not use the Council's Reserves (and other one-off resources) as a primary method to balance the ongoing pressures in the budget. Earmarked reserves are used for specific one-off purposes to support the delivery of corporate objectives and to mitigate risks.
- 6.8 The opening balances for 2023/24 are subject to external audit review and could therefore change.
- 6.9 The total balance of General Fund Earmarked Reserves was £48.57m as of 1 April 2023. Earmarked Reserves are categorised into the following groups;
- **Grants/Funding Carried Forward** – this is external funding the Council has received for specific purposes and is drawn down from reserves when spend is incurred.
 - **Planned Future Revenue Spending** – Council funding has been set aside for specific service areas and/or projects.
 - **Planned Future Capital Spending** – this is revenue funding set aside to provide funding for the capital programme.

- **Risk Based** – Council funding has been set aside for unforeseen budget pressures and fluctuations in budget areas of volatility. The Business Rate Equalisation Reserve is the main reserve within this group. This reserve is held to manage fluctuations in Business Rates income, due to the timing of accounting treatments. The balance on this reserve as of April 2023 was £15.2m.

6.10 The projected balances on reserves will continue to be reviewed and updated throughout the budget process. The table below shows the current projections for the General Fund Earmarked Reserve over the MTFS, categorised as above. This summary does not include use of reserves to address the updated budget gaps as presented in **Appendix A2**. If the budget gap identified at this early stage of the MTFS for 2024/25, is still present at the end of the budget process, then use of the In-Year Savings Reserve and the risk based reserves will be made to balance the budgets.

East Suffolk General Fund Reserves	Opening Balance 1st April 2023	MTFS April 2024	MTFS April 2025	MTFS April 2026	MTFS April 2027
	£'000	£'000	£'000	£'000	£'000
Earmarked Reserves:					
Grants/Funding Carried Forward	6,107	3,961	3,845	3,793	3,742
Planned Future Capital Spending	1,161	1,012	1,155	1,347	1,539
Planned Future Revenue Spending	16,637	13,394	11,435	9,861	8,729
Port Health	3,699	1,881	1,198	1,212	1,210
Risk Based	19,799	21,133	21,118	21,138	21,148
Covid Reserve	1,165	0	0	0	0
Total Earmarked Reserves	48,568	41,381	38,751	37,351	36,368

7 CAPITAL STRATEGY

7.1 The Capital Strategy gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services in East Suffolk, along with an overview of how associated risk is managed and the implications for future financial sustainability. The Capital Strategy for the period 2024/25 to 2027/28 will be considered by the Audit & Governance Committee and Cabinet before approval by Full Council in February 2024. Capital planning is about financial investment on the purchase of new assets, the creation of new assets and enhancing and/or extending the useful life of existing assets. The Council aims to achieve the optimum balance between the future needs of East Suffolk, including the need to drive growth, whilst ensuring affordability in the short and long term. Key principles include:

- Developing asset and capital strategies that facilitate a long-term approach to decision-making.
- Ensuring that assets are only held as needed to achieve Council objectives.
- Maximising efficiency in the management and use of assets.
- Ensuring that pressure to achieve short-term savings does not compromise the value of assets through lack of investment.

- Ensuring that capital investment is targeted where it will achieve the greatest long-term benefit.

- 7.2 Enhancing the management of the Council's existing asset base and looking beyond the traditional medium-term financial planning horizon is a major priority. A refresh of the current Asset Management Strategy, which was approved in July 2019, is about to commence and will need to link with the MTFS.
- 7.3 For the purposes of setting the budget for 2024/25 and medium-term financial planning, the current rolling Capital Programme is being updated to reflect existing projects and the latest capital investment plans for the period 2024/25 to 2027/28 are included.

Capital Programme

- 7.4 The Capital Programme including both General Fund and HRA elements is subject to the scrutiny process and formally adopted by Full Council each year. The decision to accept individual projects onto the Programme is driven by the overriding requirement to support the priorities communicated in the East Suffolk Strategic Plan, providing they are affordable.
- 7.5 As well as adequately maintaining the asset base, a range of other important factors are considered when deciding upon the allocation of General Fund resources. Consideration is given to:
- Legislation – the need for capital investment due to changes in legislation, including those with health and safety implications.
 - Resource Availability – the sustainability of the Capital Programme is a primary consideration and integral to the MTFS.
- 7.6 Where required, capital projects are supported by a detailed business case, which demonstrates a set of clear objectives and measurable benefits, as well as detailed financial implications. This includes the on-going revenue implications of a capital project, to ensure these are built into the MTFS revenue assumptions.
- 7.7 Major capital projects are delivered by dedicated project managers within the Council, with leadership and oversight provided by the Corporate Leadership Team.
- 7.8 The 2023/24 to 2027/28 Capital Programme is continuing to be reviewed and revised as part of the normal budget setting process. An updated Programme for the MTFS period will be presented to Cabinet on 2 January 2024, Scrutiny Committee on 18 January 2024, and then Cabinet and Full Council on 6 and 21 February 2024 respectively.

EAST SUFFOLK MEDIUM TERM FINANCIAL STRATEGY - KEY PRINCIPLES

1 PRIORITIES, AIMS AND OBJECTIVES

- 1.1 The **East Suffolk Strategic Plan** provides the overarching vision for East Suffolk. In fulfilment of the Plan, the Council makes use of significant resources to achieve its aims including money, people, property and technology. In order to allocate resources to competing demands, achieve effective and efficient use of its resources, best value and ultimately achieve its vision, the Council has several strategies and plans which give a clear sense of direction and underpin the deployment of those resources. The Long Term and **Medium Term Financial Strategies** sit under the **Strategic Plan**, and combined with other strategies and plans, they support and embrace the strategic direction of East Suffolk.

2 STRATEGY OBJECTIVES

- 2.1 The Council's MTFS aims to ensure the provision of the best quality services possible within the resources available. To do so it must maximise the use of its resources to ensure they are used efficiently and effectively to support the development of longer term sustainable objectives.
- 2.2 The specific objectives of the MTFS are to:
- a) ensure that the Council sets a balanced, sustainable budget year by year, so that forecast spending does not exceed forecast resources available to it;
 - b) plan for a level of Council Tax that the Council, its residents and Government see as necessary, acceptable and affordable to ensure that it has the financial capacity to deliver the Council's policies and objectives;
 - c) redirect resources over time to adequately support and resource the priorities of the both the Council and the wider community; and
 - d) maintain sufficient reserves and balances to ensure that the Council's long-term financial health remains sound.

3 STRATEGY PRINCIPLES

- 3.1 The principles set out below provide a framework within which the Council will develop its detailed financial plan over the medium term.

General

There are a number of overarching principles that will apply across the Council's detailed financial accounting, planning and monitoring:

- a) that the Council's budgets, financial records and accounts will be prepared and maintained in line with approved Accounting Standards, the CIPFA Code of Practice on Local Government Accounting, the CIPFA Prudential Code and the relevant sections of the Council's Constitution and Finance Procedure Rules;

- b) prior to setting a budget, the Council will always analyse potential risks and ensure these are minimised in line with its Risk Management Strategy;
- c) that the Council's Corporate Management Team will review the budget proposals for reasonableness and adherence to corporate policies and objectives prior to the budget being submitted to Cabinet;
- d) the Council will monitor its revenue and capital budgets effectively. Monitoring will be undertaken quarterly by Heads of Service together with their portfolio holders, and integrated quarterly monitoring reports will be reported to Cabinet. In cases where significant financial and service performance deviates from that planned, action plans setting out corrective action will be drawn up by Heads of Service / Portfolio Holders and reported to Cabinet as appropriate;
- e) that the Council's Corporate Leadership Team will take appropriate steps to continue to maintain and improve the accuracy and quality of data that it uses throughout the Council thereby ensuring that budget and other decisions are taken on a sound basis; and
- f) the Council will seek to maximise external contributions towards revenue and capital spending for example through bidding for specific grants, attracting levered funding, participating in new funding streams and engaging in further strategic partnering opportunities where appropriate.

General Fund (Revenue)

3.2 In relation to its revenue budgets the Council will:

- a) set a balanced budget each year that will be constructed to reflect its objectives, priorities and commitments. In particular, the budget will influence and be influenced by the Strategic Plan, the Organisational and Development Strategy, Capital and Asset Management Strategies, the Risk Management Strategy, its Comprehensive Equality Scheme and its Consultation and Engagement Strategies;
- b) within the constraints of the resources available to it, set a sustainable budget each year that meets on-going commitments from on-going resources. The Council will continue to aim to maintain its level of general balances when it sets its revenue budget each year now that a prudent level of balances has been achieved;
- c) seek to identify annual efficiency savings through business process improvement, shared service initiatives, service best value reviews and benchmarking and strategic partnering opportunities within and across county borders;
- d) review the appropriateness of service delivery between the Council, parishes and other partners;
- e) increase existing fees and charges on a market forces basis whilst having regard to the Council's policies and objectives. As a minimum fees and charges should be increased by price inflation. The Council will also review opportunities to introduce new fees as appropriate; and

- f) within Government guidelines, set a level of Council Tax that the Council, its residents and Government see as necessary, acceptable and affordable to deliver the Council's policies and objectives.

Capital

3.3 When considering capital investment, the Council will:

- a) maximise the generation of capital receipts and grants to support its planned investment programmes
- b) enhance its capital investment by applying specific grants and contributions, capital receipts, earmarked reserves and revenue contributions, with any balance being met by external borrowing
- c) not recognise capital receipts until there is certainty that the receipt will materialise, and these will not be earmarked against specific developments without express Cabinet approval
- d) allocate its capital resources in line with its Capital Strategy and Asset Management Plan whilst recognising that other priorities may emerge that may require those plans to be amended and resources to be diverted
- e) annually review and prioritise capital schemes in accordance with Council objectives having regard to:
 - i) the business case for any given project; asset management planning
 - ii) affordability in line with the application of the Prudential Code.

Balances and Reserves

3.4 In relation to its balances and earmarked reserves, the Council will:

- each year maintain a level of General Fund balances which takes account of the strategic, operational and financial risks facing the Council.
- have regard to the financial risks surrounding the budget planning process, including those associated with the structural deficit, inflationary pressures, interest rates, partnerships, the treatment of savings, new burdens and demand led expenditure.
- review its earmarked reserves, to ensure the rationale for holding the reserves and the amount of the reserves, remain consistent with their purposes and their approach to risk management; and
- return reserve balances no longer required to the General Fund as appropriate.

Treasury Management and Investment

3.5 The Council will:

- a) having regard to risk, maximise investment income and minimise borrowing costs within the overall framework set out in the Council's annual Treasury Management and Investment Strategy; and
- b) secure the stability of the Council's longer-term financial position rather than seeking to make short-term one-off gains which may lead to higher costs in the long term.
- c) having regard to risk, seek to diversify its investment portfolio; maximise investment income; and deliver economic development objectives through the Asset Investment Strategy (in development).

4 OTHER CONSIDERATIONS

4.1 The Council's spending will have regard to:

- a) the base budget position for the current financial year, adjusted for in year grant changes;
- b) the Council's medium term priorities;
- c) the refocusing of service expenditure through transactional, shared services and other efficiencies to support the achievement of its medium term priorities and satisfy Government funding changes;
- d) demographic and welfare changes;
- e) the impact of the current pandemic;
- f) consultation outcomes;
- g) fiscal matters including:
 - price inflation.
 - the effect on the level of General Fund balances and reserves.
 - the impact of any changes to the capital programme on the potential costs of borrowing.
 - triennial revaluation of the pension fund.
 - ongoing commitments, arising in part, from initiatives that have previously been funded from specific grants.
 - achieving budgeted savings from outsourcing, shared services and service reviews.
 - the likely passporting of some Government departmental savings targets to councils.

RISKS	PROBABILITY HIGH (H) MEDIUM (M) LOW (L)	IMPACT HIGH (H) MEDIUM (M) LOW (L)	MITIGATING ACTIONS
<p style="text-align: center;">Strategic Risks</p> <p>The absence of a robust Medium Term Financial Strategy could adversely affect the Council’s budget and resource planning and projections.</p> <p>Failure to understand changing community needs and customer expectations can result in the Council providing levels of service which are not appropriately aligned to the needs of communities and customers.</p> <p>Local Government funding is under continuous pressure and review. Failure to respond to these funding pressures may adversely impact on the Council’s ability to service delivery.</p> <p>Budget pressures arising from housing, economic, social and other demographic changes.</p> <p style="text-align: center;">Financial</p> <p>Uncertain medium term sustainability of incentivised income areas subject to Government policy, economic factors, and revaluation e.g. Brexit, business rates and New Homes Bonus.</p>	<p style="text-align: center;">L</p> <p style="text-align: center;">M</p> <p style="text-align: center;">H</p> <p style="text-align: center;">H</p> <p style="text-align: center;">H</p>	<p style="text-align: center;">H</p> <p style="text-align: center;">H</p> <p style="text-align: center;">H</p> <p style="text-align: center;">H</p> <p style="text-align: center;">H</p>	<p>Continually monitor and refine the strategy in line with changing influences. Updates to the Corporate Leadership Team and Cabinet.</p> <p>Continuously engage with key stakeholders and take advantage of existing consultation methodologies. Continue to monitor and more closely align service levels to demand and need.</p> <p>Take advantage of the Council’s growth opportunities to reduce dependency on government funding. Align service delivery to funding levels, improve exist strategy to minimise risk.</p> <p>Take advantage of technological advancements to understand and reduce unit costs, monitor demand for services and proactively manage resourcing requirements, invest in schemes to promote skills and developments.</p> <p>Constantly monitor information and update risk appraisals and financial projections. Provide timely briefings and updates to Members/ key stakeholders to facilitate decision making. Adopt prudent budgeting approach not placing undue reliance on uncertain funding sources.</p>

RISKS	PROBABILITY HIGH (H) MEDIUM (M) LOW (L)	IMPACT HIGH (H) MEDIUM (M) LOW (L)	MITIGATING ACTIONS
Uncertainty surrounding the Government's change agenda including, business rates and welfare reform over the medium term.	H	H	Constantly monitor information from Government and update risk appraisals and financial projections. Provide timely briefings and updates to Members/ key stakeholders to facilitate decision making. Lobby through the LGA as appropriate.
Budget pressures from demand led services and income variances reflecting the wider economy.	H	H	Monitor pressures throughout the budget process and take timely actions.
Interest rate exposure on investments and borrowing.	H	M	Review cash flows, ensuring the Council has a flexible and forward looking Treasury management policy.
<p style="text-align: center;">Information</p> <p>The Council itself has no influence over the outcome of some of the other bigger assumptions such as formula grant, national pay awards, interest rates, inflation and statutory fees and charges.</p>	H	M	Key assumptions made are regularly reviewed from a variety of sources. Forecasts are updated as necessary.
<p style="text-align: center;">Operational</p> <p>The Council has entered into strategic partnerships and contracts and is therefore susceptible to economic, social and demographic changes.</p>	L	M	Effective negotiation, sound governance arrangements and reviews of partnerships performance.
There is a potential risk to the Council if there is a financial failure of an external organisation, providing services to the public on behalf of the Council.	L	M	Ensure rigorous financial evaluations are carried out at tender stage. Consideration of processes to ensure annual review of the successful organisation and review any external auditor comments.

RISKS	PROBABILITY HIGH (H) MEDIUM (M) LOW (L)	IMPACT HIGH (H) MEDIUM (M) LOW (L)	MITIGATING ACTIONS
<p data-bbox="421 244 517 272">People</p> <p data-bbox="125 323 672 352">Loss of key skills, resources and expertise.</p> <p data-bbox="398 560 546 588">Regulatory</p> <p data-bbox="125 639 813 700">Changes of responsibility from Government can adversely impact on service priorities and objectives.</p> <p data-bbox="398 756 546 785">Reputation</p> <p data-bbox="125 836 813 896">Loss of reputation if unforeseen resource constraints result in unplanned service reductions.</p>	<p data-bbox="931 323 949 352">H</p> <p data-bbox="931 639 949 668">L</p> <p data-bbox="931 836 949 865">L</p>	<p data-bbox="1160 323 1178 352">M</p> <p data-bbox="1160 639 1178 668">L</p> <p data-bbox="1160 836 1178 865">H</p>	<p data-bbox="1312 284 2063 504">Continue to invest in staff developments, service continuity measures. Monitor succession planning. Keep staff consulted and informed. Ensure employment terms and conditions are competitive and development needs identified through 'My Conversation' programme with staff are satisfied.</p> <p data-bbox="1312 600 2033 660">Sound system of service and financial planning in place. Lobby as appropriate.</p> <p data-bbox="1312 794 2063 896">Identify and implement robust solutions in response to changes. Consult widely. Seek to achieve a prudent level of balances and reserves.</p>

MTFS Update	2024/25				Total over	
	£'000	£'000	£'000	£'000	MTFS period	Comments
Forecast Budget Gaps February 2023	3,511	6,008	6,405	6,405		
Additional Cost						
Coastal Protection	138	9	18	28	193	Repairs & Maintenance works for Coastal Protection to catch up with health and safety work programme.
Contaminated Land	50	0	0	0	50	Environmental Protection investigative works for sites identified.
Economic Regeneration	153	747	0	0	900	ESC contribution to the restoration and redevelopment of former Lowestoft Town Hall into a community, heritage and events space to be funded from the business rates equalisations reserve.
Establishment approved changes.	339	382	413	419	1,553	Establishment approved changes.
Pay Award 2023/24	600	600	600	1,200	3,000	Additional cost over and above current budget assumptions.
Estimated Inflation pressure	100	150	150	150	550	3% for budgets which are subject to inflation.
	1,380	1,888	1,181	1,797	6,246	
Additional Income						
Miscellaneous Property	(83)	(83)	(83)	(83)	(332)	Increase in occupancy over the original budget for Business Centres.
Admin Buildings	(100)	(100)	(100)	(100)	(400)	New lease agreement for ESH Annex.
Industrial Estates	(24)	(24)	(24)	(24)	(96)	Fountains Way Ind Estate now fully let.
Martello Café	(45)	(45)	(45)	(45)	(180)	New lease agreement.
Council Tax Income	(187)	(60)	(60)	(590)	(897)	Slight growth in tax base for 2024/25 and collection fund surplus, and roll forward of budget for 2027/28.
Investment Interest Income	(200)	0	0	0	(200)	Anticipating investment rates to remain high.
Seashore Village Beach Hut Income	(21)	(21)	(21)	(21)	(84)	New beach village in Felixstowe.
Government Grants	(60)	0	0	0	(60)	Estimated increase in Revenue Support Grant based on September 12 month inflation rate.
	(720)	(333)	(333)	(863)	(2,249)	
Reduced Income						
Miscellaneous Property	337	345	345	345	1,372	Reduction in property lease income due to administration of Wilko being the main contributor to this.
Car Parking Income	250	250	250	250	1,000	Income relating to penalty charge notices and off-street parking.
	587	595	595	595	2,372	
Use of Reserves						
Business Rates Equalisation	(153)	(747)	0	0	(900)	Restoration and redevelopment of Lowestoft Town Hall into a community, heritage and events space.
	(153)	(747)	0	0	(900)	
Net Total of MTFS Updates November 2023	1,094	1,403	1,443	1,529	5,469	
Forecast Budget Gaps November 2023	4,605	7,411	7,848	7,934		

	Original MTFS (Feb-23) 2024/25 £	MTFS Updates (Nov-23) 2024/25 £	Forecast MTFS (Nov-23) 2024/25 £	Original MTFS (Feb-23) 2025/26 £	MTFS Updates (Nov-23) 2025/26 £	Forecast MTFS (Nov-23) 2025/26 £	Original MTFS (Feb-23) 2026/27 £	MTFS Updates (Nov-23) 2026/27 £	Forecast MTFS (Nov-23) 2026/27 £	Original MTFS (Feb-23) 2027/28 £	MTFS Updates (Nov-23) 2027/28 £	Forecast MTFS (Nov-23) 2027/28 £
Net Cost of Service	46,635,700	1,541,000	48,176,700	47,005,500	2,210,000	49,215,500	47,014,700	1,503,000	48,517,700	47,014,700	2,119,000	49,133,700
Non-Cost of Service Expenditure Adjustments												
Direct Revenue Financing (DRF)	905,000		905,000	805,000		805,000	805,000		805,000	805,000		805,000
Revenue provision for the repayment of debt (MRP)	2,754,900		2,754,900	3,397,800		3,397,800	3,922,700		3,922,700	3,922,700		3,922,700
Recharges to the Housing Revenue Account (HRA)	(1,420,900)		(1,420,900)	(1,431,100)		(1,431,100)	(1,461,700)		(1,461,700)	(1,461,700)		(1,461,700)
Bad Debt Provision	(9,300)		(9,300)	(9,300)		(9,300)	(2,900)		(2,900)	(2,900)		(2,900)
Other Accounting Adjustments	25,000		25,000	25,000		25,000	25,000		25,000	25,000		25,000
REFCUS Expenditure	(2,721,400)		(2,721,400)	(2,721,400)		(2,721,400)	(2,721,400)		(2,721,400)	(2,721,400)		(2,721,400)
Other Operating Expenditure												
Town & Parish Precepts	7,094,800		7,094,800	7,094,800		7,094,800	7,094,800		7,094,800	7,094,800		7,094,800
Levies	250,500		250,500	250,500		250,500	250,500		250,500	250,500		250,500
Financing and Investment Income and Expenditure												
Interest Payable	282,000		282,000	282,000		282,000	282,000		282,000	282,000		282,000
Interest Receivable	(1,410,000)	(200,000)	(1,610,000)	(1,410,000)		(1,410,000)	(1,410,000)		(1,410,000)	(1,410,000)		(1,410,000)
HRA Share of Interest Payable & Receivable	160,200		160,200	200,400		200,400	200,400		200,400	200,400		200,400
Other Financing Charges	386,300		386,300	386,300		386,300	386,300		386,300	386,300		386,300
Non-Specific Grant Income												
New Homes Bonus	0		0	0		0	0		0	0		0
Other non-ringfenced grants	0		0	0		0	0		0	0		0
Capital Grants	(400)		(400)	(400)		(400)	(400)		(400)	(400)		(400)
Net Budget Expenditure before Reserve Movements	52,932,400	1,341,000	54,273,400	53,875,100	2,210,000	56,085,100	54,385,000	1,503,000	55,888,000	54,385,000	2,119,000	56,504,000
Net Movements on Reserves												
General Fund Balance												
Revenue Earmarked Reserves												
Use of Reserves for Services/Projects/Corporate	(2,536,800)		(2,536,800)	(1,591,300)	(747,000)	(2,338,300)	(1,176,200)		(1,176,200)	(1,176,200)		(1,176,200)
Use of Covid-19 Reserve	(32,400)		(32,400)	0		0	0		0	0		0
Reserve Balances Not Required	0		0	0		0	0		0	0		0
Use of Reserves to Balance the Budget	0		0	0		0	0		0	0		0
Capital Reserves	92,000		92,000	192,000		192,000	192,000		192,000	192,000		192,000
Net Budget Expenditure After Reserve Movements	50,455,200	1,341,000	51,796,200	52,475,800	1,463,000	53,938,800	53,400,800	1,503,000	54,903,800	53,400,800	2,119,000	55,519,800

MTFS Updates as at November 2023 - Budget Summary

APPENDIX A3

	Original MTFS (Feb-23) 2024/25 £	MTFS Updates (Nov-23) 2024/25 £	Forecast MTFS (Nov-23) 2024/25 £	Original MTFS (Feb-23) 2025/26 £	MTFS Updates (Nov-23) 2025/26 £	Forecast MTFS (Nov-23) 2025/26 £	Original MTFS (Feb-23) 2026/27 £	MTFS Updates (Nov-23) 2026/27 £	Forecast MTFS (Nov-23) 2026/27 £	Original MTFS (Feb-23) 2027/28 £	MTFS Updates (Nov-23) 2027/28 £	Forecast MTFS (Nov-23) 2027/28 £
Financed By:												
Council Tax Income (District Council)	(16,882,000)	(60,000)	(16,942,000)	(17,400,000)	(60,000)	(17,460,000)	(17,922,000)	(60,000)	(17,982,000)	(17,922,000)	(590,000)	(18,512,000)
Council Tax Income (Town & Parish Precepts)	(7,094,800)		(7,094,800)	(7,094,800)		(7,094,800)	(7,094,800)		(7,094,800)	(7,094,800)		(7,094,800)
Council Tax Surplus/Deficit on Collection Fund	0	(127,000)	(127,000)	0		0	0		0	0		0
Business Rates Income (incl. Section 31 Grant)	(20,089,000)		(20,089,000)	(19,089,000)		(19,089,000)	(19,089,000)		(19,089,000)	(19,089,000)		(19,089,000)
Business Rates Surplus/Deficit on Collection Fund	0		0	0		0	0		0	0		0
Business Rates - Enterprise Zone	(490,300)		(490,300)	(490,300)		(490,300)	(490,300)		(490,300)	(490,300)		(490,300)
Lower Tier Services Grant	0		0	0		0	0		0	0		0
Services Grant	(269,000)		(269,000)	(269,000)		(269,000)	(269,000)		(269,000)	(269,000)		(269,000)
Revenue Support Grant	(339,500)	(60,000)	(399,500)	(342,900)		(342,900)	(346,300)		(346,300)	(346,300)		(346,300)
Rural Services Delivery Grant	(260,300)		(260,300)	(262,900)		(262,900)	(265,500)		(265,500)	(265,500)		(265,500)
Funding Guarantee Allocation	(1,519,000)		(1,519,000)	(1,519,000)		(1,519,000)	(1,519,000)		(1,519,000)	(1,519,000)		(1,519,000)
Total Financing	(46,943,900)	(247,000)	(47,190,900)	(46,467,900)	(60,000)	(46,527,900)	(46,995,900)	(60,000)	(47,055,900)	(46,995,900)	(590,000)	(47,585,900)
Budget Shortfall / (Surplus)	3,511,300	1,094,000	4,605,300	6,007,900	1,403,000	7,410,900	6,404,900	1,443,000	7,847,900	6,404,900	1,529,000	7,933,900

East Suffolk Council
Quarter 2 Budget Monitoring Report
For the period 1 April 2023 - 30 September 2023

Quarter 2 Budget Monitoring Report

For the period 1 April 2023 - 30 September 2023

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Quarter 2 Budget Monitoring Report

1. General Fund

1.1 Quarter 2 Budget Monitoring Overview

The summary in **Figure 1** below presents a comparison of the original budget for 2023/24 and the projected outturn. The Approved Budget changes presented represent budget changes approved by Cabinet and Council since the Original Budget was approved in February 2023, plus additional staffing changes via the Request For Resources approvals. Variances to the Approved Budget are in-year impacts (costs and savings) which have been identified to date. As of Quarter 2, the projection for year end is an increase against the Original Budget of just under £0.900m. The main factor being the uncertainty with the pending pay award for the current year. It is also forecast for income to be less than budgeted in some areas due to current economy conditions, but this is offset by additional income expected from treasury investments and action taken by the Council. Further details on the variances are provided in **Appendix B1**.

Figure 1 – Quarter 2 General Fund Budget Variances

Quarter 2 General Fund 2023-24 Budget Forecasts						
Key Changes	Original Budget 2023/24 £'000	Approved Budget Changes (Non Staffing) £'000	Approved Budget Changes (Staffing) £'000	Approved Budget 2023/24 £'000	Forecast Variance to Approved Budget Changes 2023/24 £'000	Forecast Outturn 2023/24 £'000
Senior and Corporate Management	2,630		4	2,634		2,634
Economic Development and Regeneration	2,393	45	2	2,440		2,440
Financial Services and Other Financial Transactions	64		(17)	47	270	317
Revenue and Benefits	3,130			3,130	(34)	3,096
Digital and Programme Management	3,461		(5)	3,456		3,456
Internal Audit Services	673		20	693		693
Human Resources	1,068		73	1,141		1,141
Legal and Democratic Services	2,940		15	2,955		2,955
Planning and Coastal Management	4,932	17	(14)	4,935		4,935
Customer Experience Strategic Management	2,523			2,523		2,523
Operations	15,062	141	179	15,382	251	15,633
Communities	3,211	433	257	3,901		3,901
Environmental Services and Port Health	3,077		131	3,208	50	3,258
Housing Services	5,071			5,071		5,071
Cross Cutting Items:						
23/24 Pay Awards (ESC Employees)				0	600	600
Direct Staffing and Contract - establishment changes				0	(300)	(300)
Inflation				0	60	60
Net Cost of Service	50,234	636	645	51,515	897	52,412
Non-Cost of Service Expenditure Adjustments (e.g. DRF,MRP)	(1,160)			(1,160)	179	(981)
Other Operating Expenditure (e.g. Parish Precepts, Levies)	7,346			7,346		7,346
Financing and Investment Net Income and Expenditure	(808)			(808)	(250)	(1,058)
Non-Specific Grant Income (e.g. NHB, Section 31 Grant)	(483)			(483)		(483)
Net Movements on Reserves	(5,977)	(602)	(439)	(7,018)	71	(6,947)
Net Budget Expenditure After Reserve Movements	49,151	34	206	49,391	897	50,288
Financed By:						
Council Tax Income (District Council)	(16,367)			(16,367)		(16,367)
Council Tax Income (Town & Parish Precepts)	(7,095)			(7,095)		(7,095)
Share of (Surplus)/Deficit on Collection Fund - Council Tax	(344)			(344)		(344)
Business Rates	(22,560)			(22,560)	(192)	(22,752)
Government Support Grants (RSG, Lower Tier, Rural Services, etc.)	(2,785)			(2,785)		(2,785)
Total Financing	(49,151)	0	0	(49,151)	(192)	(49,343)
Budget Gap / (Budget Surplus)	0	34	206	240	705	945

Quarter 2 Budget Monitoring Report

1.2 Income from Fees and Charges

The apportioned Fees and Charges income budget at the end of September 2023, excluding Port Health totals £10.949m, compared to actual income received of £12.450m, a favourable variance of £1.501m, with two thirds of this estimated to be income in advance.

Fees and Charges budgets are reviewed annually as part of the wider budget setting process and should not be viewed in isolation. Overall budgeted income assumptions are based on supporting the Council's cost of providing the service and therefore do not represent surplus income.

Fees and charges budgets are significantly subjected to seasonal changes and fluctuations in demand. Some notable areas such as Licensing, Camping and Caravan Sites and Industrial Estates are also impacted by the date of billing and therefore may receive income in advance of budget profiles.

Appendix B2 compares the Fees and Charges income received, to the apportioned 2023/24 budget at the end of September 2023 and provides commentary on significant variances identified from the budget monitoring process.

Service income subject to increased pressures within 2023/24 are:

- **Parking Services** - Income received from town centre parking is below the expected balance at the end of September by around £0.077m, and the income from fixed penalty notices is under budget by £0.285m. Based on prior year outturns the income budget for the latter appears to be overstated for the current year. The year end forecast for parking service income is to be under budget in the region of £0.200m to £0.300m. The 2022/23 outturn for parking services income was under budget by £0.350m, in addition to the £0.500m reduction to the baseline income.
- **Waste Management** – The income budget for this area does not yet show a variance of concern at Quarter 2 due to income being received in advance as a result of annual billing, but a fall in green subscriptions is an area of uncertainty and was indicated during the last budget setting round. Actual income last year was £2.510m (£0.020m under budget). The income budget for this year is £2.532m.

1.3 Establishment Costs

The total 2023/24 General Fund direct staffing budget approved in February 2023 totalled £32.074m. In-year resource requests reflect an increase to the budget of £1.148m to date, of which just under £1m is met from reserves and/or external funding. Assumptions include basic pay plus on-costs (Employer National Insurance and Superannuation) and a pay award assumption of 4% across all Scale Points (SCP).

The annual budget also includes a provision for vacancy allowance of £1.267m (approximately 3.8% of the general fund staffing budget for 2023/24).

The pay award for 2023/24 has not yet been agreed for SCP's below Chief Officer level. Based on the information provided within the National Employers pay offer in February 2023, the

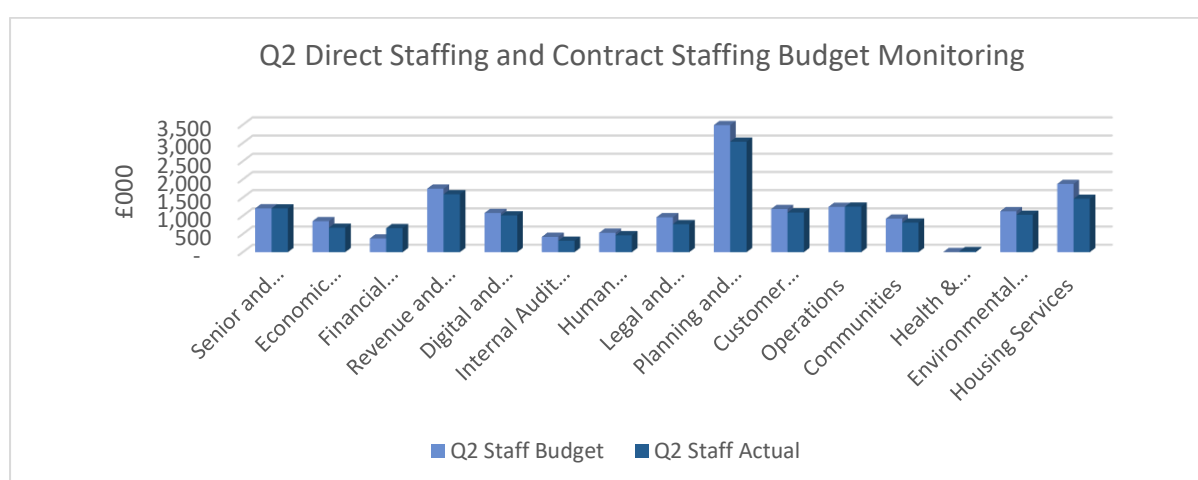
Quarter 2 Budget Monitoring Report

overall impact would be in excess of the current budget assumption and would result in an additional £0.600m budget requirement from General Fund. The Chief Officer pay award has been accept at 3.5%, resulting in a saving of approximately £0.020m, against an original 4% budget assumption. The pay award for Chief Executives has also not yet been agreed.

For Quarter 2, the apportioned approved direct staffing budgets for the General Fund (excluding Port Health & including Contract Staff) totals £16.997m, against actual expenditure to the end of September of £15.380m, resulting in an underspend variance of £1.617m. A further breakdown is detailed within **Figure 2**.

Year to date, the pay award for 2023/24 has not yet been confirmed and therefore an underspend across all areas would be expected for this period.

Figure 2 – Quarter 2 Direct Staffing and Contract Staffing Budget Monitoring



Appendix B3 provides information on the areas of contract spend as at Quarter 2.

Figure 3 below provides a forecast on General Fund staffing costs for the year which does suggest staffing costs to be above budget, this is primarily driven by the anticipation of the pending pay award exceeding the budget assumption.

Figure 3 – General Fund Staffing Forecast – Direct Staffing and Contract Staffing

General Fund Staffing forecast for the year – direct staffing and contract Staffing	£'000
Staffing Budget for 2023/24	
Original Direct Staffing Budget	33,341
Contract Staffing Budget	408
Less Vacancy Allowance	(1,267)
Total Budget	32,482
Forecast for the year, based on Quarter 2 actual (Q2*2)	30,760
allowance for vacancies to be filled and budget growth due to resourcing changes	500
Plus estimate for pay award – average of 6%	1,800
Total Forecast	33,060
Forecast variance for the year, as at Quarter 2 -overspend/(underspend)	578

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1.4 Service Grants and Contributions Received

Service grant funding is a vital contributing part of ensuring the Council remains financially sustainable, with assumptions being factored into the approved service budgets for receipt and use of grants to support projects and services within 2023/24.

Figure 4 details the overall service grant position to the end of September 2023. Grants received can be subject to conditions and therefore can be impacted by time limitations or restrictions regarding its application. Subject to whether conditions apply, restrictions can also impact the treatment of grants within the financial statements. Some grants may be identified as received in advance and can be utilised in year of its receipt or carried forward to support services/project in futures years.

Included within the 2023/24 budget, approved service grant budgets totalled income of £62.234m, with £50.4m relating to Housing Benefit Subsidy for Housing Benefit payments.

Figure 4 – Service Grants and Contributions Received 2023/24

Quarter 2 Service Grant and Contributions Received	2023/24 Revised Budget	Q2 2023/24 Profiled Budget	Q2 2023/24 Actual	Q2 Variance
	£'000	£'000	£'000	£'000
Senior and Corporate Management	(292)	(146)	(964)	(817)
Economic Development and Regeneration	(1,144)	(376)	(1,568)	(1,192)
Financial Services and Other Financial Transactions	(2)	0	582	582
Revenue and Benefits	(51,809)	(302)	(468)	(165)
Digital and Programme Management	(8)	0	5	5
Human Resources	(11)	0	7	7
Legal and Democratic Services	0	0	(133)	(133)
Planning and Coastal Management	(291)	(192)	(1,694)	(1,502)
Customer Experience Strategic Management	(1)	0	0	0
Operations	(1,984)	(1,029)	(1,136)	(107)
Communities	(1,030)	(672)	(1,896)	(1,225)
Health & Wellbeing	0	0	(450)	(450)
Environmental Services	0	0	(17)	(17)
Housing Services	(5,662)	(4,148)	(6,000)	(1,852)
TOTAL	(62,234)	(6,865)	(13,731)	(6,866)

Key variances year to date are:

- Senior and Corporate Management variance totalling £0.817m, relating to the Suffolk Growth project. The funding will be utilised in year to support the project, which includes Suffolk Inclusive Growth Investment Fund (SIGIF) providing contributions to local organisations and Contain Outbreak Management Fund (COMF) to support businesses recovering from COVID-19. Any surplus funds will be utilised to support project activity in future years as receipt in advance.
- Financial Services and Other Financial Transactions Received – 2022/23 Norse profit share is yet to be received. This was accrued for at £0.560m but current estimates

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forecast this to be less with a potential impact in this financial year of £0.270m. This has been factored into the forecast outturn position.

- Economic Development and Regeneration variance totalling £1.192m. This includes the UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund received ahead of expenditure, along with the DLUHC Capacity Grant for Towns Fund.
- Planning and Coastal Management variance totalling £1.502m, includes Resilient Coasts funding received of 1.644m and a variance of £0.120m for Neighbourhood Plan grant yet to be received.
- Communities variance totals £1.225m - £0.520m relating to Active Suffolk received in advance, with some forecast to be carried forward, £0.495m Holiday Activity funding received for 2023/24 and £0.143m brought forward from 2022/23, £0.113m debtor for outstanding social prescribing claims due from SCC and £0.144m brought forward related to Granpads.
- Housing variance totals £1.852m - £0.528m additional Rough Sleeper Initiative funding and Homelessness Prevention grant funding to be utilised in year, £0.827m Housing Enabling Local Authority Housing Fund which is due to be returned to DLUHC due to the project no longer viable, and £0.365m of additional Disabled Facilities Grant.

1.5 Income Generated from Land and Property

Income generated from land and property provide a return to the Council from rental and lease income streams whilst supporting the local economy and regeneration in the district. Due to the nature of these assets they are however subject to fluctuations in the economic environment.

The 2023/24 net approved budget for industrial estates and miscellaneous land and property is £0.028m. This includes income totalling £1.141m and offset by total expenditure of £1.169m. Actuals year to date, is reflecting a favourable net variance of £0.369m. However, this is partly as a result of income being received in advance due to annual and quarterly billing. **Figure 5** summarises the position, along with key variances to the end of September.

Key variances are being monitored throughout the year, including the impact on rental income following the collapse of Wilko, forecast to adversely impact rental income by £0.120m. This is partly mitigated by an increased rental assumptions (£0.100m) following the lease of the East Suffolk House Annex within 2023/24, which is due to be finalised shortly.

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Figure 5 – Income Generated from Land and Property

	2023/24 Revised Budget £'000	Q2 2023/24 Profiled Budget £'000	Q2 2023/24 Actual £'000	Q2 Variance £'000	Q2 Variance Comments
Industrial Estates					
Total Income:					
Lease and Rental Income	(620)	(310)	(447)	(137)	Variance reflecting income in Advance. Budget includes Reydon Industrial Estate Units, which are now fully let.
Total Expenditure:					
Premises Expenditure	41	21	21	(0)	
Supplies and Services Expenditure	1	0	3	3	No significant variance.
Third Party Expenditure	10	5	4	(1)	No significant variance.
Total Direct Income and Expenditure:	(568)	(284)	(419)	(135)	
Miscellaneous Land					
Total Income:					
Lease and Rental Income	(156)	(78)	(157)	(78)	Lease of Chamber Site at Pakefield £31.8k not budgeted and Income in advance.
Total Expenditure:					
Premises Expenditure	103	53	16	(37)	Favourable variance due to utilities invoiced month in arrears.
Supplies and Services Expenditure	2	1	17	17	Costs associated with preparing units ready for Re-letting.
Third Party Expenditure	0	0	0	0	
Total Direct Income and Expenditure:	(51)	(24)	(123)	(98)	
Miscellaneous Property					
Total Income:					
Lease and Rental Income	(365)	(183)	(309)	(125)	Budget includes Wilko rental income totalling £255,000 which will be reduced due to recent bankruptcy, East Point Pavilion income totals £66,000, income from operational agreement with First Light Festival CLC not as budgeted, the favourable variance is quarterly income in advance.
Total Expenditure:					
Premises Expenditure	600	371	338	(33)	Favourable variance due to utilities invoiced month in arrears.
Supplies and Services Expenditure	217	101	140	38	Commutated sum for the transfer of Bungay Office to Bungay Town Council.
Third Party Expenditure	195	97	81	(16)	No significant variance.
Total Direct Income and Expenditure:	647	387	251	(136)	
TOTAL	28	78	(291)	(369)	

1.6 Council Tax and Business Rates Income

Council Tax income variances in-year will appear in the collection fund deficits or surpluses in the following year. As a result of this, income recognised in year for Council Tax will be in line with the budget.

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Business Rates income is forecast to be £0.192m up on the original budget due to current estimates on the Pooling Benefit. **Figure 6** below summarises Council Tax and Business Rates income for the current year.

Figure 6 – 2023/24 Council Tax and Business Rate Income Forecast as at Quarter 2

	Original Budget 2023/24 £'000	Variances to Approved Budget 2023/24 £'000	Forecast Outturn as at Quarter 2 2023/24 £'000
Council Tax Income (District Council)	(16,367)		(16,367)
Share of (Surplus)/Deficit on the Collection Fund (Council Tax)	(344)		(344)
Business Rates	(22,560)	(192)	(22,752)

1.7 Budget Risk/Implications within 2023/24

For 2023/24, there have been increased financial pressures impacting several services currently operating, potentially resulting in future budget implications for the current financial year, along with future years captured within MTFs. Whilst some cannot yet be quantified or quantified with a degree of certainty, it is important for them to be highlighted. **Figure 7** below highlights some of the material areas of potential impact.

Figure 7 - Budget Implications to be Monitored

Budget Area to be Monitored	Areas Impact	Nature of Impact	Timing of Impact
Asset Management Rent Review.	Council income budgets from assets.	Potential to increase the income to the Council. This will need to be quantified and captured in the update of the Council's MTFs.	Current year and going forward.
Capital Programme.	Revenue implications from capital programme revisions.	Additional revenue costs to the General Fund - direct revenue financing, use of reserves, capital charges to revenue, revenue costs to support delivery of capital projects and income generation from capital projects.	Current year and future years.
ESSL.	General Fund, HRA and capital programme.	Service investment for ESSL. Council budgets to be updated to reflect management fee to ESSL and some services brought back in-house. Recognition of service investment and improve plan for ESSL and costs pressures in the operations environment, e.g. pay awards and inflation.	Current year and future years.

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Budget Area to be Monitored	Areas Impact	Nature of Impact	Timing of Impact
Inflation.	General Fund, HRA and Capital Programme.	Increasing costs.	Current year and future years.
National pay award for 2023/24 is not yet agreed.	Council staffing costs.	Current budget assumption is for a 4% increase for Council staffing. Based on pay offer by the National Employers this would be an additional cost pressure to the Council of approximately £0.600m.	Current year and future years.
Norse.	Profit share income.	Settlement of 2022/23 profit share (Accrued £0.560m) and April-June 2023/24 (Budgeted £0.074m). The position will be assessed further within Quarter 3 following the impacts of the possible pending pay award but is forecast as a £0.271m loss.	Current year.
Parking Services.	Income from Parking Services.	Parking Services income is currently down against the budget in Quarter 2, in the areas of parking charges and Fixed Penalty Notices.	Current year and potentially going forward.
Recruitment difficulties.	Particular area of specialism.	Agency and contract costs may be required which can be more costly. Current forecasts show this being absorbed in existing budgets.	Ongoing.
Treasury Management Investment income.	General Fund and HRA income.	With the bank of England continuing to increase the base rate, this is likely to lead to more favourable returns on treasury management investments. The position will be assessed in Quarter 3.	Current year and potentially the next 2-3 years.
Workforces pay pressure/grade inflation.	Council staffing costs.	Increased staffing costs. Annual staffing vacancy allowance in the budget is at risk.	Ongoing.

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2 Port Health (General Fund Memorandum Note)

2.1 Port Health Quarter 2 Budget Monitoring Overview

Port Health is a cost recovery operational service which operates within the wider General Fund.

Figure 8 below provides a Quarter 2 monitoring summary, comparing actuals year to date against the apportioned budgets to the end of September 2023. The summary also includes budget forecasts for the 2023/24 budget year, following any changes that have occurred in year.

Figure 8 – Quarter 2 Port Health Budget Monitoring

Port Health Quarter 2 Variances	Original Budget 2023/24 £'000	Q1 Original Budget 2023/24 £'000	Q1 Actual 2023/24 £'000	Q1 Variance 2023/24 £'000	Forecast Outturn based on Q1 Actuals 2023/24 £'000	Variance Forecast to Original budget 2023/24 £'000	Note
Income							
Income through fees and charges	(5,749)	(2,874)	(3,005)	(130)	(6,009)	(260)	1
Total Income	(5,749)	(2,874)	(3,005)	(130)	(6,009)	(260)	
Expenditure							
Direct Expenditure	800	400	215	(185)	431	(369)	2
Operational Expenditure	6,236	3,118	2,997	(121)	5,995	(241)	3
Total Expenditure	7,036	3,518	3,213	(305)	6,426	(610)	
Cross Cutting Items:							
2023/24 Pay Award					90		4
Net Cost of Service	1,287	644	208	(435)	507	(871)	5

Notes:

1. The number of jobs related to trade income have increased due to seasonal events coming up in Quarter 3 and actual income is above budget as at the end of Quarter 2. Income is forecast to be up by £0.260m against budget at the financial year end if that trend continues.
2. The direct expenditure is the analyst costs related to the income; these costs are underspent due to changes in legislation. More doc checks are being carried out rather than sampling that requires analysis.
3. The operational expenditure is underspent at the end of quarter 2 by £0.121m. This is pending the pay award.
4. This is the estimated impact of the pay award.
5. As at the end of Quarter 2 the service was running at a cost of £0.208m, if this trend continues the forecast outturn will be a cost of £0.600m, which would be £0.871m less than the budgeted position of a £1.287m cost.

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Port Health Reserve

Port Health currently holds a 2023/24 opening reserve balance of £3.669m and is forecast to allocate £1.881m towards supporting the service within the current year. **Figure 9** provides a breakdown of reserves over the Medium-Term Financial Strategy (MTFS) and the allocation details are provided below.

- **Planned Future Revenue Spending** – This is an unallocated balance, to be used to mitigate financial impacts out of our control.
- **Planned Future Capital Spending** – to provide Port Health revenue funding to support capital expenditure, e.g., vehicles and ICT equipment.
- **ICT** – This balance will hold surpluses from the PHILIS operation to build funds for reinvestment in the service, both revenue and capital.
- **Grants/Funding Carried Forward** – External funding received for projects spanning financial years.

Figure 9 – Quarter 2 Port Health Reserve Forecast

Reserves	Actual April 2023 £'000	MTFS April 2024 £'000	MTFS April 2025 £'000	MTFS April 2026 £'000	MTFS April 2027 £'000
Port Health - Planned Future Revenue Spending	3,034	1,212	501	501	501
Port Health - Planned Future Capital Spending	0	0	0	0	0
Port Health – ICT	635	669	697	711	709
Port Health - Grants/Funding Carried Forward	0	0	0	0	0
Total Earmarked Reserves	3,669	1,881	1,198	1,212	1,210

2.2 Port Health Budget Areas to be Monitored

Port Health is subject to increased financial pressures in year, as a result of external regulation and other factors outside the control of the authority, which may impact its overall financial outturn for 2023/24. **Figure 10** details the significant risks and implications identified within the current year.

Figure 10 – Budget Implications to be Monitored

Budget Area to be Monitored	Areas Impact	Nature of Impact	Timing of Impact
Border Target Operating Model.	Port Health & Support Services.	Introduction of EU charges to be delivered resulting in expansion of the operations service.	Introduction estimated from March 2024.
Cost of Service.	Port Health.	Currently the service is running at a cost, this will be monitored and addressed at budget setting from September 2023.	Ongoing.

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3. Housing Revenue Account (HRA)

3.1 HRA Quarter 2 Budget Monitoring Overview

The Housing Revenue Account (HRA) is the ring-fenced rent account that funds the Council's activity as a landlord. The HRA records all the income and expenditure associated with the provision and management of Council owned homes and should ensure it is able to remain self-financing, along with operating in accordance with the guidelines and rent policies provided.

The 2023/24 HRA budget forecast reflects a deficit of £1.812m, compared to the approved deficit budget of £1.297m, an adverse movement of £0.515m.

Figure 11 below presents a comparison of the Original Budget for 2023/24 and the forecast position as at Quarter 2.

To date there have been no in-year HRA approved revenue budget changes by Cabinet or Council. The variances to the approved budget are in-year impacts (costs and savings) which have been identified to date. This currently reduces the movement from the HRA Working Balance by £0.515m.

Key variance impacting budgets in year are highlighted below:

Cost Pressures:

- Estimate for current year pay award £0.160m.
- Inflationary pressure from utility costs, estimated at £0.250m.
- Additional Revenue Costs associated with Housing Development estimated at £0.355m.
- Additional consultancy costs associated with the implementation of digital Transformation, estimated at £0.120m.
- Reduction of Right-to-buy sales due to high interest rates, loss of revenue income contribution at £0.020m, however this should be offset against future year rental income. This will increase the revenue contribution to the capital programme.

Additional Income/Savings:

- The HRA also benefits from a share of the additional interest income currently forecast. This is estimated at £0.050m.
- In year vacancy savings estimated at £0.140m.
- Recharge to General Fund for services provided, estimated at £0.200m.

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Figure 11 – Quarter 2 HRA Budget Variances

	Original Budget 2023/24 £'000	Approved Budget Changes 2023/24 £'000	Approved Budget 2023/24 £'000	Variance to Approved Budget 2023/24 £'000	Forecast Outturn 2023/24 £'000
Income					
Dwelling Rent	(20,634)		(20,634)		(20,634)
Non-Dwelling Rent	(184)		(184)		(184)
Service & Other Charges	(732)		(732)		(732)
Leaseholders Charges for Services	(10)		(10)		(10)
Contribution towards Expenditure	(57)		(57)	20	(37)
Reimbursement of Costs	(68)		(68)		(68)
Interest Income	(276)		(276)	(50)	(326)
Total Income	(21,961)	0	(21,961)	(30)	(21,991)
Expenditure					
Repairs & Maintenance	6,935		6,935		6,935
Supervision & Management	3,724		3,724	120	3,844
Special Services	2,705		2,705	355	3,060
Rents, Rates and other Charges	143		143		143
Movement in Bad Debt Provision	-		-		-
Contribution to CDC	92		92		92
Capital Charges	4,191		4,191		4,191
Interest Charges	2,106		2,106		2,106
Revenue Contribution to Capital	3,400		3,400		3,400
Transfer to/from Earmarked Reserves	(38)		(38)		(38)
Total Expenditure	23,258	0	23,258	475	23,733
Cross Cutting Items:					
2023/24 Pay Awards				160	160
2023/24 Vacancies in year				(140)	(140)
Inflation - Utilities				250	250
Support Recharges				(200)	(200)
Movement in the HRA balance	1,297	0	1297	515	1,812

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3.2 HRA Reserves

In addition to the HRA Working Balance the HRA holds Earmarked Reserves. **Figure 12** below, provides a forecast of HRA Reserves and balances as at Quarter 2.

Figure 12 – Quarter 2 HRA Reserve Forecast

Reserves	Actual April 2023 £'000	Forecast April 2024 £'000	Forecast April 2025 £'000	Forecast April 2026 £'000	Forecast April 2027 £'000
HRA Working Balance	4,363	2,551	2,991	4,063	3,346
HRA Earmarked Reserves					
Debt Repayment Reserve	13,000	13,000	12,040	12,040	2,040
DHP Top Up Reserve	499	461	421	421	421
MMI Reserve	60	60	60	60	60
Housing Development Reserve	5,000	626	0	0	0
Brampton Sinking Fund	2	3	4	5	6
Total of HRA Revenue Earmarked Reserves	18,561	14,150	12,525	12,526	2,527
Capital Earmarked Reserves (Major Repairs Reserve)	15,780	5,904	4,155	4,140	4,378

The DHP (Discretionary Housing Payments) Top Up Reserve was established in 2012/13 with the introduction of the Welfare Reform Act 2012. To date there has not been a requirement to top up the DHP, therefore it is being utilised to provide a Financial Inclusion Officer to help tenants in financial hardship and additional staffing to support the decant of St Peters Court and the processing of the Rents and Service Charge refund process.

An additional reserve will be set up for the £4.2 million Brownfield Land Release Fund received for the decontamination of land at the Kirkley Waterfront, Lowestoft (former Sanyo and Survitec sites). The reserve will be monitored to ensure expenditure is compliant with the grant conditions.

3.3 HRA Capital Programme

Figure 13 below includes actual spend on the capital programme from April to September 2023, and the budgets in future years as approved in February. This will be the starting point for reviewing the capital budget for the 2024/25 budget process.

Figure 13 - Review of HRA Capital Spend from April 2023 to September 2023, and Forward Budgets

HRA	2023/24 £000 Original Budget	2023/24 £000 Actuals to 30 September 2023	2023/24 £000 Variance	2023/24 £000 Budget Spent	2024/25 £000 Original Budget	2025/26 £000 Original Budget	2026/27 £000 Original Budget	Total Capital Budget over MTFS £000
Asset Investment Programme	9,905	1,090	-8,815	11%	3,040	3,040	3,040	19,025
Acquisition and Development Programme	23,916	1,736	-22,180	7%	13,632	9,650	9,650	56,848
Total Budget	33,821	2,826	- 30,995		16,672	12,690	12,690	75,873

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The HRA Capital Programme is split into 2 areas of focus:

Asset Investment Programme - There is still significant work taking place on data collection to inform future planning of this work, with added pressure to become EPC C across all housing stock by 2030. Fire safety works are ongoing and could impact the budget over the period 2023/24 as well as the recently approved Cabinet decision to decant and demolish St Peters Court.

Acquisition and New Development Programme - All developments budgeted for are progressing, however some of the budgets have the potential to slip into the next financial year. This will not impact on the overall MTF5.

3.4 HRA Budget Areas to be Monitored

Overall, the HRA is subject to increased financial pressures and continues to take into account the priorities and objectives which have been derived from the Council's Strategic objectives, the stock need, along with the needs of current and future tenants. In addition the HRA must take into consideration and comply with the new Social Housing (Regulation) Act 2023 coming into force from April 2024, increasing the responsibilities and requirements from all social housing providers. **Figure 14** below highlights some key cost pressures within 2023/24.

Figure 14 – Budget Implications to be Monitored

Budget Area to be Monitored	Areas Impact	Nature of Impact	Timing of Impact
Utility Cost inflation	Council owned properties.	Increased running costs of Council properties. Currently estimate £250k for the HRA.	Current and future years.
Other inflationary pressures on materials, supplies and services.	Council contracts (revenue and capital).	Increased contract cost and supplies and services across the HRA.	Current and future years.
Workforces pay pressure/grade inflation.	HRA staffing costs.	Increased staffing costs.	Current and future years.
Housing Regulation and compliance requirements.	Increase in housing service requirements.	Increased and improved services across housing, increased staffing, and ICT to meet Regulator of Social Housing requirements.	Current and future years.
Fire Safety Requirements.	Repairs and Maintenance (Revenue and Capital).	Additional fire safety requirements in flats and sheltered schemes. Increase investment in housing stock and consultancy.	Current year and potentially the following year.

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4. Treasury Management

4.1 Investments

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. Both the Chartered Institute of Public Finance and Accountancy (CIPFA) Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

On 2 August 2023 the Bank Of England's Monetary Policy Committee voted by a majority of 6-3 to increase the bank base rate by 0.25%, from 5% to 5.25%. Two members preferred to increase the bank rate by 0.50%, and one member preferred to maintain the bank rate at 5.00%. This was the 14th consecutive hike and rates are now at a 15 year high. In September Bank Of England's Monetary Policy Committee voted to retain the bank base rate at 5.25% with four members voting for a rise.

Inflation rose by 6.7% in the 12 months to September 2023, the same rate as August. The largest downward contribution came from food and non-alcoholic beverages, where prices fell on the month for the first time since September 2021, and furniture and household goods, where prices rose by less than a year ago. prices. Rising prices for motor fuel made the largest upward contribution to the change in the annual rates.

Short-dated cash rates are around 5.2% for 3 month rates (4.1%, 6 April 2023) and 12-month rates around 5.55% (4.4%, 6 April 2023). The rates on the Treasury's Debt Management Account Deposit Facility (DMADF) currently range between 5.17% and 5.25% (4% to 4.1%, 6 April 2023).

The Council's investment portfolio in the short term is looking healthy with the prospect of increased returns on investments. The investment income budget of £1.6m is expected to be exceeded. This will be reviewed during the budget setting process in Quarter 3, as consideration needs to be given to demands on cash balances. For example, timing of housing rent refunds, the return of the Local Authority Housing Fund (LAHF). **Figure 15** and **Figure 16** below provide a summary of ESC total portfolio over time.

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Figure 15 – ESC Total Investment Portfolio as at 29 September 2023 £125.57m

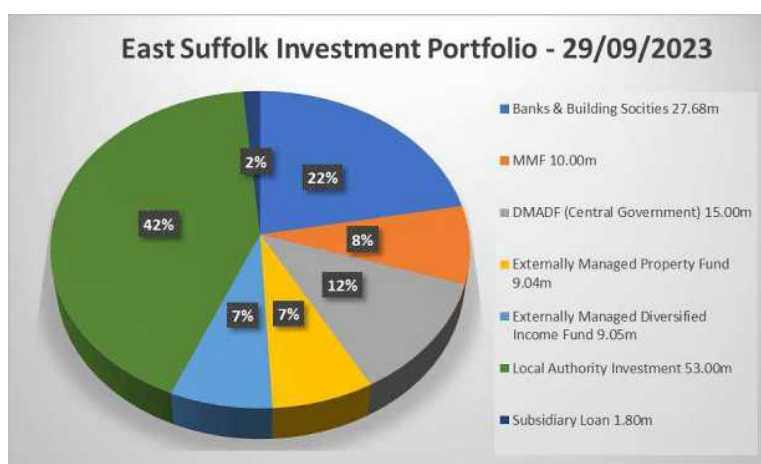
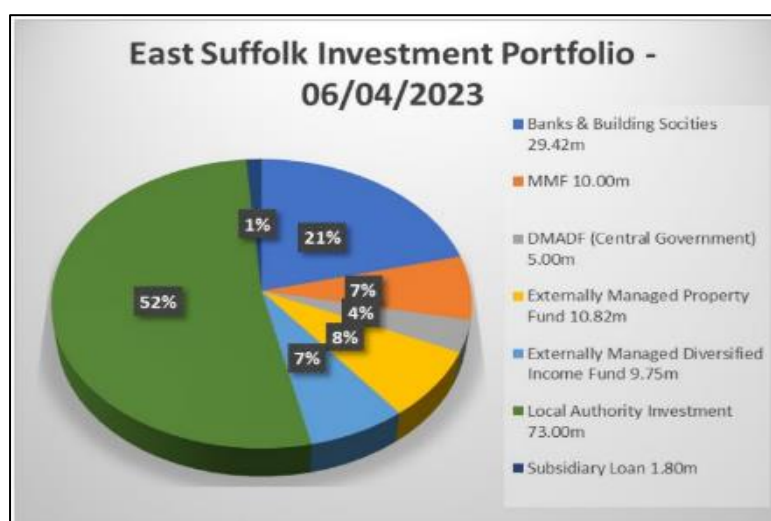


Figure 16 – ESC Total Investment Portfolio as at 6 April 2023 £139.79m



4.2 Borrowing

Existing borrowing held by the Council is at fixed rates and is therefore not impacted by the current interest rate changes. **Figure 17** and **Figure 18** below detail ESC Loan portfolio as at 29 September and the repayment profile over the next 10 years.

Figure 17 – ESC Total Loan Portfolio as at 29 September 2023 £65.56m

Loans Portfolio:	29/09/2023
General Fund - Fixed Rate Maturity	2,602,853
General Fund - Fixed Rate EIP	2,560,000
HRA - Fixed Rate	60,402,634
HRA - Variable Rate	0
Total	65,565,487

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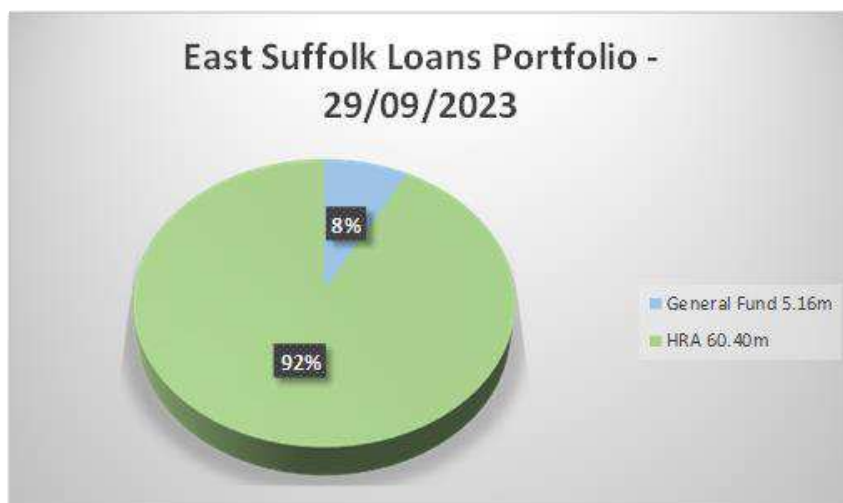


Figure 18 – ESC Loan Repayment Profile over the next 10 years as at 29 September 2023

Fund	Amount to be Repaid £'000	Loan Interest Rate	Maturity Date
From 2023 to 2028			
HRA & GF	2,005	Fixed 8.375%	September 2024
HRA	10,000	Fixed 3.01%	March 2027
From 2029 to 2034			
HRA	10,000	Fixed 3.3%	March 2032

5. General Fund Reserves

5.1 The unallocated General Fund balance is £6.0m with no forecast use at this current time in the current year or over the MTFS.

5.2 Earmarked Reserves

The Council holds several General Fund Earmarked Revenue Reserves which have been established to meet known or predicted commitments, and to hold balances of grants and external funding which is committed to future year spend. The Council reviews these reserves to ensure the levels continue to be appropriate and if no longer required, are returned to the General Fund. Earmarked Reserves are categorised as follows.

- **Grants/Funding Carried Forward** – this is external funding the Council has received for specific purposes and is drawn down from reserves when spend is incurred.
- **Planned Future Revenue Spending** – Council funding has been set aside for specific service areas and/or projects.

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- **Planned Future Capital Spending** – this is revenue funding set aside to provide funding for the capital programme. A specific reserve is set aside for short-life assets such as vehicles and ICT equipment, and the Council contributions to this reserve annual, around £600k, to assist with providing funding for the on-going replacement of such assets.
- **Risk Based** – Council funding has been set aside for unforeseen budget pressures and fluctuations in budget areas of volatility. Risk Based Reserves is primarily made up of the following two reserves;
- **The Business Rate Equalisation Reserve** - this the main reserve within this group. This reserve is primarily held to manage fluctuations in Business Rates income, due to the timing of accounting treatments. The reserve will also be called upon to address budget gap pressures. The balance on this reserve at 1 April 2023 was £15.2m. A further £2.5m is planned to be transferred to this reserve in 2023/24 due to a surplus position on the budget.
- **In-Year Savings Reserve** - which is primarily used to address budget gaps and unforeseen budget pressures arising in the year. The balance on this reserve at the start of this financial year was £3.7m and this position is forecast to remain relatively unchanged over the current MTFS.
- **Covid Reserve** – Mainly consisting of Section 31 Grants to fund Covid related Business Rate Reliefs and the Local Authority support grant. This reserve is forecast to be used by the end of this financial year.

The total balance of General Fund Earmarked Reserves was £44.9m (excluding Port Health) as of 1 April 2023. **Figure 19** below provides a summary of the current reserve position over the current MTFS.

Figure 19 – General Fund Earmarked Reserve Forecast

East Suffolk General Fund Reserves	Opening Balance 1st April 2023	MTFS April 2024	MTFS April 2025	MTFS April 2026	MTFS April 2027
	£'000	£'000	£'000	£'000	£'000
Earmarked Reserves:					
Grants/Funding Carried Forward	6,107	3,961	3,845	3,793	3,742
Planned Future Capital Spending	1,161	1,012	1,155	1,347	1,539
Planned Future Revenue Spending	16,637	13,394	11,435	9,861	8,729
Risk Based	19,799	21,133	21,118	21,138	21,148
Covid Reserve	1,165	0	0	0	0
Total Earmarked Reserves	44,869	39,500	37,553	36,140	35,159

Quarter 2 Budget Monitoring Report

The Planned Future Revenue Spending Reserves contains some key individual reserves which are used to fund future budget gap pressures and projects and initiatives to support the delivery of the Strategic Plan. These are details in **Appendix B4**.

6. Capital Programme - General Fund

Capital budgets are approved for the life of the project which can span more than one financial year. Any capital budgets for a project that remain unspent at the end of the financial year are carried forward to the following year for project continuity. Similarly, with projects that are ahead of the original profile, budgets can be brought forward.

Actual spend on the capital programme for 2022/23 was £14.8m under budget and with £15.2m being carried forward as slippage into the current year.

Figure 20 below includes actual spend on the capital programme from April to September 2023, and the budgets in future years as approved in February 2023. This will be the starting point for reviewing the capital budget for the 2024/25 budget process.

Figure 20 - Review of Capital Spend from April 2023 to September 2023, and Forward Budgets

General Fund	2023/24 £000 Original Budget	2023/24 £000 Revised Budget (Inc carry forwards)	2023/24 £000 Actuals to 30 September 2023	2023/24 £000 Variance	2023/24 £000 Budget Spent	2024/25 £000 Original Budget	2025/26 £000 Original Budget	2026/27 £000 Original Budget	Total Capital Budget over MTFS £000	Capital Budget % Service Area Allocatio n
Economic Development & Transport	14,363	15,450	77	-15,373	0%	8,782	22,849	100	46,094	12.44%
Environmental Services & Port Health	484	484	314	-170	65%	0	0	0	484	0.13%
Financial Services & Value for Money	0	388	60	-328	15%	0	0	0	0	0.00%
Corporate Services (formerly digital & programme management)	550	964	221	-743	23%	250	250	250	1,300	0.35%
Corporate Services (formerly Operations)	37,805	44,518	9,255	-35,263	21%	34,463	22,755	1,255	96,278	25.99%
Planning & Coastal Management	31,084	37,798	8,252	-29,546	22%	36,749	36,175	85,885	189,893	51.25%
Financial Services (formerly General Fund - Housing Improvement)	3,690	3,690	1,083	-2,607	29%	1,000	1,000	1,000	6,690	1.81%
Financial Services (formerly General Fund - Long Term Debtors)	5,000	5,000	0	-5,000	0%	0	0	0	5,000	1.35%
Central Government Grant Funding to Freeport East via ESC as Accountable Body	19,810	20,060	0	-20,060	0%	4,940	0	0	24,750	6.68%
Total Budget	112,786	128,352	19,262	-109,090		86,184	83,029	88,490	370,489	100.00%

An area which is fully committed for the current year is the Operations capital budget for vehicle and equipment replacement. Further discussion will be required around the vehicle replacement programme for ESSL going forward.

The financing of the capital programme impact on the revenue budgets, via;

- Direct Revenue Financing
- Earmarked revenues
- Borrowing costs - interest costs and Minimum Revenue Provision (MRP)
- Project support costs and on-going revenue costs, e.g. repairs and maintenance
- Some projects generate revenue income streams.

Q2 – General Fund Budget Variances and Forecast 2023/24

General Fund 2023-24 Budget Forecasts									
Key Changes	Original Budget 2023/24	Approved Budget Changes (Non Staffing)		Approved Budget Changes (Staffing)		Approved Budget 2023/24	Forecast Variance to Approved Budget 2023/24		Forecast Outturn 2023/24
Service Area	£'000	£'000	Comments	£'000	Comments	£'000	£'000	Comments	£'000
Senior and Corporate Management	2,630			4	£4k Additional provision following Secretariat grading review.	2,634			2,634
Economic Development and Regeneration	2,393	45	£30k Budget Carry forward requests*, £15k additional provision to fund the management of Nature Reserve following handover.	2	£2k Addition following management grading review.	2,440			2,440
Financial Services and Other Financial Transactions	64			(17)	(£11k) virement of Corporate Apprentice budgets, (£6k) Surplus balance of hours reduction.	47	270	£270k Profit share loss - Increased waste disposal costs and pending the 2023/24 pay award	317
Revenue and Benefits	3,130					3,130	(34)	Additional Admin grant income.	3,096
Digital and Programme Management	3,461			(5)	£28k Additional resource requirements partly funded by additional ESSL recharge income (£34k) virement of Corporate Apprentice budgets.	3,456			3,456
Internal Audit Services	673			20	£20k Increased following grading review.	693			693
Human Resources	1,068			73	£7k increased provision to support intake of additional interns, £66k virement of Corporate Apprentice budgets.	1,141			1,141
Legal and Democratic Services	2,940			15	£15k Legal team grading review.	2,955			2,955
Planning and Coastal Management	4,932	17	£11k Carry Forward provision to support planning policy examiner fees, £6k to fund additional work within the Aldeburgh & Walberswick conservation area*.	(14)	£8k Provision for temporary resource, Support by Community Infrastructure Income (CIL), (£22k) virement of Corporate Apprentice budgets.	4,935			4,935
Customer Experience Strategic Management	2,523					2,523			2,523
Operations	15,062	141	£100k provision for additional contribution towards Leisure Centre utility costs*, £20k Suffolk Wildlife Trust Annual Contribution - Cabinet approved 03/10/2023, £21k provision to support additional training needs of the Marine Safety management System.	179	£29k Asset Management re-banding and maternity cover, £150k Assets Mgt - Interim Support*.	15,382	251	£250k - Parking Services income forecast to be underbudget, £45k additional income New Lease Agreement for Martello Café Felixstowe, £66k EPP budget pressure, £40k additional income Mutford Lock, £120k reduction of rental income following Wilco bankruptcy & new income from lease of ESH Annex £100k.	15,633

Q2 – General Fund Budget Variances and Forecast 2023/24

General Fund 2023-24 Budget Forecasts		Approved Budget Changes (Non Staffing)		Approved Budget Changes (Staffing)		Approved Budget 2023/24	Forecast Variance to Approved Budget 2023/24		Forecast Outturn 2023/24
Key Changes	Original Budget 2023/24	£'000	Comments	£'000	Comments	£'000	£'000	Comments	£'000
Service Area	£'000	£'000		£'000		£'000	£'000		£'000
Communities	3,211	433	£455k Budget Carry forward requests - £62k Enabling Communities (ECB), £298k Communities Partnerships & 95k Community development* & (£22k) HAF funding supporting the Community Help Hub.	257	£196k Early Help Hub amendments*, £61k to support the approved extension of Officers*.	3,901			3,901
Environmental Services and Port Health	3,077			131	£131k Environmental Protection staffing changes approved by Full Council in 2022/23.	3,258	50	£50k Contaminated Land Project	3,258
Housing Services	5,071					5,071			5,071
Cross Cutting Items:									
23/24 Pay Awards (ESC Employees)						0	600	Based on National Employers Pay Offer in Feb 2023.	600
Direct Staffing and Contract						0	(300)	Current forecast, allowing for some vacancies to be filled in the year.	(300)
Inflation						0	60	Insurance premiums increase.	60
Net Cost of Service	50,234	636		645		51,515	897		52,412
Non-Cost of Service Expenditure Adjustments (e.g. DRF,MRP)									
Direct Revenue Financing (DRF)	1,229					1,229			1,229
Revenue provision for the repayment of debt (MRP)	1,743					1,743	(21)	Underspend on 2022/23 Capital Programme.	1,722
Recharges to the Housing Revenue Account (HRA)	(1,421)					(1,421)	200	Review of Recharges between HRA and GF.	(1,221)
Bad Debt Provision	(14)					(14)			(14)
Other Accounting Adjustments	25					25			25
REFCUS	(2,721)					(2,721)			(2,721)
Other Operating Expenditure (e.g. Parish Precepts, Levies)									
Town & Parish Precepts	7,095					7,095			7,095
Levies	251					251			251

Q2 – General Fund Budget Variances and Forecast 2023/24

General Fund 2023-24 Budget Forecasts						
Key Changes	Original Budget 2023/24	Approved Budget Changes (Non Staffing)	Approved Budget Changes (Staffing)	Approved Budget 2023/24	Forecast Variance to Approved Budget Changes 2023/24	Forecast Outturn 2023/24
Service Area	£'000	£'000	Comments	£'000	£'000	Comments
Financing and Investment Net Income and Expenditure						
Interest Payable	366			366		366
Interest Receivable	(1,680)			(1,680)	(300)	Additional interest income due to increasing rates.
HRA Share of Interest Payable & Receivable	120			120	50	HRA share of additional investment income.
Other Financing Charges	386			386		
Non-Specific Grant Income (e.g. NHB, Section 31 Grant)				0		0
New Homes Bonus	(447)			(447)		(447)
S31 Grant				0		0
Capital Grants	(36)			(36)		(36)
Other Non-Specific Grants	0			0		0
Net Movements on Reserves						
Use of Reserves for Services/Projects/Corporate	(4,592)	(502)	£502k Budget Carry Forward requests - £393K Communities New Homes Bonus (NHB), £62K Enabling Communities, £16k supporting increased planning policy budgets, £30k Economic Development EELGA Funding and additional feasibility study support	(5,094)		(5,094)
Use of Reserves for In-Year Pressures	0	(100)	£100k provision for additional contribution towards Leisure Centre utility costs	(539)		(539)
Use of Covid-19 Reserve	(1,153)			(1,153)	(12)	Adjustment to use of reserve based on 2022/23 outturn.
Use of Reserves to Balance the Budget	0			0		0
Capital Reserves	(232)			(232)	83	Adjustment to use of reserve based on 2022/23 outturn.
Net Budget Expenditure After Reserve Movements	49,151	34		49,391	897	50,288

Q2 – General Fund Budget Variances and Forecast 2023/24

General Fund 2023-24 Budget Forecasts											
Key Changes	Original Budget 2023/24		Approved Budget Changes (Non Staffing)		Approved Budget Changes (Staffing)		Approved Budget 2023/24		Forecast Variance to Approved Budget Changes 2023/24		Forecast Outturn 2023/24
Service Area	£'000	£'000	Comments	£'000	Comments	£'000	£'000	Comments	£'000	£'000	
Financed By:											
Council Tax Income (District Council)	(16,367)					(16,367)				(16,367)	
Council Tax Income (Town & Parish Precepts)	(7,095)					(7,095)				(7,095)	
Share of (Surplus)/Deficit on Collection Fund - Council Tax	(344)					(344)				(344)	
Business Rates	(22,560)					(22,560)	(192)	Pooling Benefit latest update due to appeal provisions changes across Pool members.		(22,752)	
Government Support Grants (RSG, Lower Tier, Rural Services, etc.)	(2,785)					(2,785)				(2,785)	
Total Financing	(49,151)	0			0	(49,151)	(192)			(49,343)	
Budget Gap / (Budget Surplus)	0	34			206	240	705			945	

Q2 – Fees and Charges Income 2023/24

Service Areas	Q2		Q2 2023/24 Actual £'000	Q2 Variance £'000	Q2 Variance Comments
	2023/24 Original Budget £'000	2023/24 Profiled Budget £'000			
Economic Development and Regeneration					
Economic Development	(17)	(9)	(10)	(1)	No significant variance.
Landguard	(47)	(24)	(34)	(11)	Rent for café received quarterly in advance, Q3 has come in during Q2.
Economic Development and Regeneration Total	(64)	(32)	(44)	(12)	
Revenue and Benefits					
Housing Benefits	(1,314)	(657)	(557)	100	The position year to date reflects less Housing Benefit Overpayments recovered, offset by subsidy returned within 2023/24.
Tax Collection Cost	(411)	0	(0)	(0)	
Revenue and Benefits Total	(1,725)	(657)	(557)	100	
Digital and Programme Management					
ICT	(93)	(7)	(1)	6	No significant variance.
Digital and Programme Management Total	(93)	(7)	(1)	6	

Q2 – Fees and Charges Income 2023/24

Service Areas	2023/24	Q2	Q2	Q2	Q2 Variance Comments
	Original Budget	2023/24 Profiled Budget	2023/24 Actual	Variance	
Internal Audit Services					
Internal Audit & Corporate Investigations	(205)	0	0	0	
Internal Audit Services Total	(205)	0	0	0	
Human Resources					
Human Resources	(107)	(0)	(0)	(0)	
Human Resources Total	(107)	(0)	(0)	(0)	
Legal and Democratic Services					
Electoral Services	(5)	(2)	(1)	1	No Significant variance.
Legal	(80)	(38)	(29)	8	Income relating to demand lead ad hoc legal services. Income is forecast to be reduced within 2023/24 due to legal services no longer being provided to the Broads Authority.
Licensing	(440)	(409)	(480)	(70)	Income received is higher than expected due to the annual nature of billing, therefore meaning that some actual income is received in advance and will be subject to a year end adjustment.
Legal and Democratic Services Total	(525)	(449)	(510)	(60)	

Q2 – Fees and Charges Income 2023/24

Service Areas	Q2		Q2 2023/24 Actual	Q2 Variance	Q2 Variance Comments
	2023/24 Original Budget	2023/24 Profiled Budget			
Planning and Coastal Management					
Building Control	(944)	(440)	(456)	(15)	Additional Income for staff recharges to Ipswich Borough Council & Great Yarmouth Borough Council.
Coastal Management	0	0	(5)	(5)	No significant variance.
Planning	(2,376)	(1,027)	(1,191)	(163)	Income totalling £97k for CIL admin and S106 fees due to continuing high activity levels, continuing from 2022/23. Land charges income totalling £74k. The budget was reduced to reflect HM Land Registry migration, but target date for completion now Oct 2024. Remaining variance is mixture of smaller amounts including Planning app and pre-app fees.
Rights of Way	(15)	(8)	(2)	6	No Significant variance.
Planning and Coastal Management Total	(3,335)	(1,475)	(1,653)	(178)	
Customer Experience Strategic Management					
Customer Services	(7)	(3)	0	3	No Significant variance.
Customer Experience Strategic Management Total	(18)	(3)	0	3	

Q2 – Fees and Charges Income 2023/24

Service Areas	Q2		Q2 2023/24 Actual	Q2 Variance	Q2 Variance Comments
	2023/24 Original Budget	2023/24 Profiled Budget			
Operations					
Admin Buildings	(5)	(2)	(1)	2	Mobile phone mast lease ended.
Asset Management	(2)	(1)	(8)	(7)	Staff time re-charged out.
Beach	(1,092)	(906)	(1,064)	(158)	Eastern Edge Beach Hut sales under budget £68k, Southwold Beach Hut income in advance £121k, Southwold should be over budget at year end by £25k.
Caravan and Camping Sites	(604)	(598)	(937)	(339)	Campsite income in advance £210k, the touring pitch income should be c£40k over budget at year end - depending on cancellations.
Cemeteries	(353)	(203)	(220)	(18)	No significant variance.
Concessions	(115)	(97)	(118)	(21)	Income received in advance.
Harbours and Yacht Stations	(346)	(268)	(302)	(34)	Lease income received in advance.
Indoor Leisure	(354)	(177)	(60)	117	Variance due to profiling of budget.
Industrial Estates	(620)	(310)	(447)	(137)	Income received in advance.
Leisure Strategy	(8)	(4)	(68)	(64)	£57k contribution to Matlock Dale Play area - this will be net nil variance.
Miscellaneous Land	(156)	(78)	(157)	(78)	Variance includes £28k of Back rent received in advance. Overall the forecast income should be over budget by £28k at year end.

Q2 – Fees and Charges Income 2023/24

Service Areas	Q2		Q2 2023/24 Actual	Q2 Variance	Q2 Variance Comments
	2023/24 Original Budget	2023/24 Profiled Budget			
Miscellaneous Property	(365)	(183)	(309)	(125)	Income received in advance. East Point Pavilion annual Income budget of £66k has not come to fruition - and loss of Wilko rental income £255k.
Operational Management	(9)	(4)	0	4	Budget reflects staff time to be re-charged. Possible year end variance of £8k.
Outdoor Leisure	(21)	(11)	(15)	(5)	No significant variance.
Parking Services	(4,333)	(2,446)	(2,369)	77	Town Centre car parks income and fixed penalty notice income is down against budget.
Parks and Gardens	(1)	(1)	(3)	(2)	No significant variance.
Public Conveniences	(12)	(12)	(17)	(5)	Suffolk County Council SLA, timing of invoice.
Resort Activities	(49)	(25)	(10)	15	No significant variance.
Waste Management	(2,668)	(2,549)	(3,050)	(501)	Green Waste Income received in advance.
Operations Total	(11,157)	(7,875)	(9,154)	(1,279)	
Communities					
Active Suffolk	(45)	(23)	(15)	8	Educational courses self-funded so will have corresponding reduction in expenditure.
Communities Total	(45)	(23)	(15)	8	
Environmental Services					
Environmental Protection	(64)	(33)	(48)	(15)	Public burial income.

Q2 – Fees and Charges Income 2023/24

Service Areas	2023/24	Q2	Q2	Q2	Q2 Variance Comments
	Original Budget	2023/24 Profiled Budget	2023/24 Actual	Variance	
Food and Safety	(23)	(11)	(13)	(2)	Additional income on export certificates and skin piercing licences.
Environmental Services Total	(87)	(44)	(61)	(16)	
Housing Services					
Homelessness	(317)	(211)	(286)	(75)	Bed & Breakfast income offset against additional costs.
Private Sector Housing	(353)	(173)	(171)	2	No significant variance.
Housing Services Total	(670)	(384)	(456)	(72)	
TOTAL	(18,055)	(10,949)	(12,450)	(1,501)	

Q2 – Staffing Contract Spend

Outturn 2020/21 Actual £'000	Outturn 2021/22 Actual £'000	Outturn 2022/23 Actual £'000	Service Areas	2023/24 Revised Budget £'000	Q2 2023/24 Profiled Budget £'000	Q2 2023/24 Actual £'000	Q2 Variance £'000	Q2 Variance Comments
14	101	0	Senior and Corporate Management	0	0	0	0	
0	45	39	Economic Development and Regeneration	89	44	0	(44)	Being funded by Towns Fund capacity funding. Budgeted to use full amount each year but can be rolled over if not.
81	0	0	Financial Services and Other Financial Transactions	0	0	51	51	Contract staff costs incurred to support the current demand of the service, following direct management staff vacancies. Spend in year is offset by direct staff underspends.
22	0	0	Revenue and Benefits	0	0	0	0	
0	4	54	Digital and Programme Management	0	0	0	0	
0	0	8	Internal Audit Services	0	0	(8)	(8)	External ICT audit charges accrued within 2022/23, pending receipt of the invoice in 2023/24.
0	34	156	Legal and Democratic Services	40	13	51	38	Locum Lawyer contract charges incurred to support the demands of the service following difficult to recruit direct staff vacancies. Charges over and above the current budget provision are support but direct staff vacancies year to date.
51	40	199	Planning and Coastal Management	47	23	44	20	£32k Coastal Management Staffing for Resilient Coasts project - recharged from GYBC - this is funded through the Resilient Coast Grant from EA. £12k Planning Agency worker who has now become a permanent member of staff. Costs covered by direct staffing savings.
44	214	383	Operations	43	22	147	126	£108k Asset Management contract staff covering vacant posts - this is funded from reserves. Caravan and Camping Sites contract cleaning staff - additional for the new toilet/shower block, also additional contract security costs - this will be a variance to budget - budget for 2024-25 will be increased.
21	124	165	Environmental Services	0	0	0	0	
0	28	157	Housing Services	39	39	121	82	£112k Homelessness contract Staff covering vacant posts. Funded by external Funding. No impact on General Fund. £9k Private Sector Housing contract staff are externally funded, no impact on General Fund.
234	588	1161	TOTAL	258	141	406	265	

Q2 – General Fund Planned Revenue Spend Reserve Forecast

Planned Future Revenue Reserve	Opening Balance	MTFS	MTFS	MTFS	MTFS	MTFS
	1st April 2023	April 2024	April 2025	April 2026	April 2027	April 2028
	£'000	£'000	£'000	£'000	£'000	£'000
Air Quality	6	6	6	6	6	6
Budget Carry Forward Requests	163	163	163	163	163	163
Building Control	516	462	408	355	301	247
Business Rates Pilot	912	829	829	792	755	718
Business Rates SPSL	1,010	791	593	593	593	593
Climate Change	14	14	14	14	14	14
Coastal Management	379	324	324	324	324	324
Active Suffolk	781	510	234	2	2	2
Customer Services	326	326	326	326	326	326
District Elections	239	79	139	199	259	319
Deployment of Flood Barrier	88	88	88	88	88	88
Economic Development	31	27	23	18	11	5
Economic Regeneration	87	87	87	87	87	87
Empty Properties and Houses in disrepair	240	235	230	226	221	217
Enterprise Zone	625	761	896	1,031	1,165	1,299
Environmental Protection	68	68	68	68	68	68
Food Safety	90	90	90	90	90	90
Growth Programme	64	64	64	64	64	64
Homelessness Mortgage Rescue	27	27	27	27	27	27
Indoor Leisure	68	18	18	18	18	18
Key Capital Programme	67	(0)	7	7	7	7
Land Charges	150	100	50	50	50	50
Landguard	179	226	234	240	244	248
New Homes Bonus (NHB)	5,439	4,012	2,568	1,316	263	0
RES - Planning Policy	171	171	171	171	171	171
Private Sector Housing	82	72	61	17	0	0
RES - Planning	400	335	270	205	140	75
RES - Planning Legal	400	400	400	400	400	400
Renovation Grants	479	374	269	164	59	0
Southwold Harbour	144	210	255	319	373	426
Transformation - Digital	298	318	314	273	232	191
Transformation - Environmental	656	656	656	656	656	656
Transformation - Financial Sustainability	2,437	1,553	1,553	1,553	1,553	1,553
Total	16,637	13,394	11,435	9,861	8,729	8,450



CABINET
Tuesday, 07 November 2023

Subject	East Suffolk Local Council Tax Reduction Scheme (LCTRS) 2024/25
Cabinet Member	Councillor Vince Langdon-Morris Cabinet Member with responsibility for Resources and Value for Money
Report Author(s)	Lorraine Rogers Acting Chief Finance Officer & Section 151 officer Lorraine.rogers@eastsoffolk.gov.uk
Head of Service	Lorraine Rogers Acting Chief Finance Officer & Section 151 Officer Lorraine.rogers@eastsoffolk.gov.uk Adrian Mills Head of Anglia Revenues Partnership (ARP) Adrian.mills@angliarevenues.gov.uk
Director	Chris Bally Chief Executive Chris.bally@eastsoffolk.gov.uk

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	N/A
Wards Affected:	All Wards

Purpose and high-level overview

Purpose of Report:

The purpose of this report is to review the 2023/24 Local Council Tax Reduction Scheme (LCTRS) and consider options for the scheme for 2024/25.

Options:

Each year the Council is required to review its Local Council Tax Reduction Scheme (LCTRS) and decide whether to amend or retain the existing scheme. Anglia Revenues Partnership (ARP) have carried out the annual review of the 2023/24 scheme and no further changes are currently proposed in respect of 2024/25.

Where it is determined to retain the existing scheme, this must be decided by 11 March of the preceding financial year. Retention of the existing scheme with no changes is a decision that can be taken by Cabinet and does not require external consultation.

The current East Suffolk Working Age LCTRS scheme provides a maximum benefit of 91.5% for working age claimants and the scheme also fully protects War Pensioners. An option that has been reviewed but which is not recommended in this report is to increase the maximum benefit for working age claimants to 100%, i.e. working age claimants would not have to contribute 8.5%.

Changes to the scheme require both a period of external consultation and a final decision by Full Council.

Recommendation:

That it be approved that no change is made to the East Suffolk Local Council Tax Reduction Scheme (LCTRS) for 2024/25.

Corporate Impact Assessment

Governance:

None arising directly from this report.

ESC policies and strategies that directly apply to the proposal:

East Suffolk Local Council Tax Reduction Scheme (LCTRS).

Environmental:

None arising directly from this report.

Equalities and Diversity:

An Equalities Impact Assessment (EqIA) is not required in respect of retaining the existing scheme.

Financial:

None arising directly from the recommendation in this report. The financial implications of increasing the maximum benefit for working age claimants to 100% are outlined in paragraph 3.4.

Human Resources: None arising directly from this report.
ICT: None arising directly from this report.
Legal: None arising directly from this report.
Risk: None arising directly from this report.

External Consultees:	The recommendation in this report does not require a consultation period to take place.
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Strategic Plan Priorities

Select the priorities of the Strategic Plan which are supported by this proposal: <i>(Select only one primary and as many secondary as appropriate)</i>		Primary priority	Secondary priorities
T01	Growing our Economy		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<input type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
T02	Enabling our Communities		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P08	Maximising health, well-being and safety in our District	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P09	Community Pride	<input type="checkbox"/>	<input type="checkbox"/>
T03	Maintaining Financial Sustainability		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input type="checkbox"/>
P11	Making best use of and investing in our assets	<input type="checkbox"/>	<input type="checkbox"/>
P12	Being commercially astute	<input type="checkbox"/>	<input type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input checked="" type="checkbox"/>
T04	Delivering Digital Transformation		
P15	Digital by default	<input type="checkbox"/>	<input type="checkbox"/>
P16	Lean and efficient streamlined services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
T05	Caring for our Environment		

P20	Lead by example	<input type="checkbox"/>	<input type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input type="checkbox"/>
P22	Renewable energy	<input type="checkbox"/>	<input type="checkbox"/>
P23	Protection, education and influence	<input type="checkbox"/>	<input type="checkbox"/>
XXX	Governance		
XXX	How ESC governs itself as an authority	<input type="checkbox"/>	<input type="checkbox"/>
How does this proposal support the priorities selected?			
The LCTRS provides important support to the residents of East Suffolk.			

Background and Justification for Recommendation

1 Background facts	
1.1	This is now the tenth year of LCTRS; a locally set scheme that replaced the nationally set Council Tax Benefits (CTB) scheme from April 2013. In 2013/14 a one-off Government grant compensated in part for the reduction in Government funding for the Working Age scheme that year. This meant that the maximum LCTRS awarded was 91.5%. This scheme, adopted by both East Suffolk Council predecessor authorities, Suffolk Coastal and Waveney District Councils, has basically been maintained since. The current East Suffolk LCTRS scheme provides a maximum benefit of 91.5% for working age claimants with the scheme also protecting War Pensioners. The aim in designing the scheme was to achieve a balance in charging an amount of Council Tax to encourage customers back into work whilst setting the amount charged at an affordable and recoverable level.
1.2	By setting the amount payable at 8.5% of the charge, in most cases, where a customer is not paying, we can recover this amount through attachment to benefits within a year. If the amount payable was set higher, then it is possible the debt would not be recoverable. Claimants may find it more difficult to pay a higher amount and possibly create a culture of non-payment of Council Tax.
1.3	Following a consultation, the 2018/19 scheme was harmonised with the Department for Work and Pension (DWP) welfare reforms introduced for Housing Benefit and LCTRS for Pensioners and introduce closer links to Universal Credit payments. This removed the stipulation to make a separate claim.
1.4	A further change was made to the scheme in 2020/21 to introduce a fluctuating earnings rule to the treatment of Universal Credit. A weekly tolerance level of £15 (£65 monthly) was introduced to reduce the number of monthly reassessments impacting customers every time a revised Universal Credit notification was received.
1.5	Against the uncertain background of the Covid-19 pandemic, Cabinet agreed that there would no changes to the LCTRS for 2021/22.
1.6	For 2022/23, four amendments were made to the scheme, principally focussed on improving the customer journey. <ol style="list-style-type: none"> 1. The capital threshold was reduced from £16,000 to £10,000 and tariff income was abolished for those with under £10,000. 2. A fixed rate non-dependent deduction of £7.40 was applied.

	<p>3. The Council Tax Support application process was streamlined by signposting customers to claim Universal Credit and Council Tax Support at the same time.</p> <p>4. The Universal Credit income variation rule was increased from £65.00 to £100 each month.</p>
1.7	For 2023/24 no further amendments were made to the scheme.

2 Current position

2.1	Councils are required to review their LCTRS schemes annually and consider whether any changes need to be made. Where it is determined to retain the existing scheme, this must be decided by 11 March of the preceding financial year. Where councils decide that they wish to amend their schemes they need to consult preceptors and stakeholders and undertake a wider consultation to inform a final scheme design by 28 February of the preceding financial year.
2.2	The current East Suffolk Working Age LCTRS scheme provides a maximum benefit of 91.5% for working age claimants and the scheme also fully protects War Pensioners. The aim in designing the scheme was to achieve a balance in charging an amount of Council Tax to encourage customers back into work whilst setting the amount charged at an affordable and recoverable level during the year. A statutory scheme applies to Pensioners who can receive up to a maximum 100% reduction of their Council Tax bill.

3 How to address current situation

3.1	ARP have undertaken the annual review of the scheme and no further technical changes are proposed to the scheme at this stage.
3.2	In the current economic climate, a more fundamental policy option is to increase the maximum benefit for working age claimants to 100%, i.e. working age claimants would not have to contribute 8.5%.
3.3	Decreasing the contribution rate from 8.5% to 0% would add to the support to low-income households. Approximately 8200 working age customers receiving Council Tax reduction support. Based on current modelling around 8,060 customers of those customers would be better in 2024/25, with the remainder forecast to have change which would lead to less Council Tax support, have no change and customers becoming pensioners.
3.4	However, decreasing the contribution rate from 8.5% to 0% in the LCTRS financially impacts on the precepting authorities by way of reducing the council tax base of the area. It is estimated that the financial impacts of this measure on the precepting authorities in 2024/25 would be as follows: <ul style="list-style-type: none"> - Suffolk County Council £620k - Suffolk Police and Crime Commissioner £110k - East Suffolk Council £75k
3.5	These impacts would have implications for local authority financial sustainability against a background of significant inflationary pressures and a likely stand-still local government finance settlement. These pressures could contribute towards councils not being able to undertake targeted interventions in respect of the cost-of-living crisis, particularly for those just outside the benefits system, such as in the Council's own Ease-the-Squeeze campaign.

	<p>In addition, a wide range of support measures have been and will continue to be implemented for groups of residents including those entitled to LCTRS, including the following:</p> <ul style="list-style-type: none"> • Household Support Fund: for housing related costs • Referrals through the Local Welfare Assistance Scheme • Making best use of the Discretionary Housing Payment budget to support relevant groups • Working alongside the County to support Tackling Poverty and Foodbank work • Holiday Activity and Food programme (HAF) programmes at Easter, Summer and Christmas
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4 Reasons for recommendation	
4.1	<p>It is recommended in this report that no change be made to the East Suffolk Local Council Tax Reduction Scheme (LCTRS) for 2024/25. The option of increasing the maximum benefit for working age claimants to 100%, i.e. working age claimants would not have to contribute 8.5%, has been identified in this report, but has not been recommended in the light of the impact of this measure on local authority finances, which could in itself impinge on the ability of authorities to assist in the cost-of-living crisis. In addition, a wide range of other measures have been, and will continue to be, put in place to support affected households.</p>

Appendices

Appendices:
None.

Background reference papers:
None.



CABINET
Tuesday, 07 November 2023

Subject	Insurance Contract Renewal
Cabinet Member	Councillor Vince Langdon-Morris Cabinet Member with Responsibility for Resources and Value for Money
Report Author(s)	Marie McKissock Acting Deputy Chief Finance Officer Marie.mckissock@eastsoffolk.gov.uk Mike Wood Insurance & Payables and Receivables Manager Mike.wood@eastsoffolk.gov.uk
Head of Service	Lorraine Rogers Acting Chief Finance Officer & Section 151 Officer Lorraine.rogers@eastsoffolk.gov.uk
Director	Chris Bally Chief Executive Chris.bally@eastsoffolk.gov.uk

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	N/A
Wards Affected:	None

Purpose and high-level overview

Purpose of Report:

This report seeks approval from Cabinet to go out to tender and enter into a new three year contract with the option to extend for a further two years for Insurance services for East Suffolk Council and East Suffolk Services Limited.

Options:

No options are provided within this report due to the current contract ending on 31 March 2024 and insurance cover being a necessary requirement for the Council.

Recommendation:

That Cabinet approves for authority to be delegated to the Chief Finance Officer, in consultation with the Portfolio Holder for Resources and Value for Money, and the Head of Legal and Democratic Services, to tender and award the contract for insurance services, on terms that best protect the Council's interests and after undertaking a procurement exercise pursuant to the Council's Contract Procedure Rules and Public Contract Regulations 2015.

Corporate Impact Assessment

Governance:

The required tender and procurement process is to be conducted in accordance with the Council's Contract Procedure Rules and Public Contract Regulations 2015.

ESC policies and strategies that directly apply to the proposal:

ESC's Contract Procurement Rules and Public Contract Regulations 2015

Environmental:

None as a direct result of this report.

Equalities and Diversity:

None as a direct result of this report.

Financial:

ESC will be entering into a financial contract for three years with the potential to extend for a further two years. The cost of this new contract is currently unknown, but the actuals for the previous five years can be seen in section 2. The budget for East Suffolk Council for 2024-25 is currently set at £843,000 which includes insurance premium tax.

Human Resources:

None as a direct result of this report.

ICT:

None as a direct result of this report.

Legal:

A legal contract will be required between the two parties.

Risk:

The main risk is that the Council has no or insufficient insurance which could lead to significant financial and/or reputational implications.

External Consultees: N/A

Strategic Plan Priorities

Select the priorities of the Strategic Plan which are supported by this proposal: <i>(Select only one primary and as many secondary as appropriate)</i>		Primary priority	Secondary priorities
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P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
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P23	Protection, education and influence	<input type="checkbox"/>	<input type="checkbox"/>
XXX	Governance		
XXX	How ESC governs itself as an authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>

How does this proposal support the priorities selected?

This tender exercise will ensure the Council is achieving best value for money in accordance with procurement rules, whilst protecting Council assets and operations with necessary and appropriate insurance cover.

Background and Justification for Recommendation

1 Background facts	
1.1	The East Suffolk Council Constitution includes the Contract Procedure Rules and are the Council's contract standing orders under section 135 of the Local Government Act 1972. They must be followed every time the Council enters into a contract for works, goods or services and set the minimum standards which must be adhered to.
1.2	The overriding principles of the Contract Procedure Rules are as follows: <ul style="list-style-type: none">a) The aim of every procurement exercise should be to achieve Value for Money as part of the general requirement to secure Best Value. In doing so those involved in the process will treat suppliers evenly and equally, without discrimination, acting in a transparent manner.b) Subject to those overriding principles, there should also be a focus on, wherever viable, enabling social value and encouraging participation by local businesses in bidding for Council procurement opportunities.c) Contractual arrangements should be made, wherever possible, on the Council's terms (standard general terms or standard form contracts, as explained in Rule 5.1). The fallback position would be to use industry standard model contracts, with supplemental terms for higher risk contracts. Contracting on the supplier's terms should be avoided and only done when agreed with (and with the changes to those terms required by) the Head of Legal and Democratic Services and the Procurement Team.
1.3	The current Public Procurement Threshold for the supply of local authority service contracts is £213,477 including VAT and any procurement above this value must go through a procurement process as set out in the Public Contract Regulations 2015.

2 Current position	
2.1	<p>The Council's current insurance contract is with Zurich Municipal and commenced on 1 April 2019 for three years, with the option of extending for a further two years.</p> <p>At the start of the contract Zurich Municipal offered to increase the long-term agreement contract premium discounts from 5% to 10% if the two extension years were taken immediately. This was considered good value for money and the Council accepted the offer. The contract will terminate on 31 March 2024.</p>

	<p>On 1 July 2023 the contract was amended to include East Suffolk Services Limited (ESSL) to provide them with appropriate Insurance cover. This additional cost is recharged to ESSL.</p> <p>The Council's insurance policies cover a diverse number of areas including property, casualty, motor, and several more specialised policies.</p>										
	<p>The table below shows the amounts paid to Zurich per year for the previous five year contract period (excluding costs recharged to ESSL for their element of the contract):</p> <table border="1"> <thead> <tr> <th>Premiums 2019/20</th> <th>Premiums 2020/21</th> <th>Premiums 2021/22</th> <th>Premiums 2022/23</th> <th>Premiums 2023/24</th> </tr> </thead> <tbody> <tr> <td>£348,556</td> <td>£392,884</td> <td>£434,061</td> <td>£530,698</td> <td>£751,481</td> </tr> </tbody> </table>	Premiums 2019/20	Premiums 2020/21	Premiums 2021/22	Premiums 2022/23	Premiums 2023/24	£348,556	£392,884	£434,061	£530,698	£751,481
Premiums 2019/20	Premiums 2020/21	Premiums 2021/22	Premiums 2022/23	Premiums 2023/24							
£348,556	£392,884	£434,061	£530,698	£751,481							
2.2	<p>The annual premiums and contract values shown in the table above vary significantly. The Council's requirements have changed considerably each year (variations in the base sums covered), including salary budget variations, property revaluations and asset acquisitions.</p> <p>In addition the insurer policy rates have also changed. The insurer casualty and motor policy rates are driven by average weekly earnings (AWE) which the insurer is permitted to increase under the terms of the contract. In addition the insurance industry has increased rates on property policies significantly over the past two years and are currently at all-time highs.</p>										

3 How to address current situation

3.1	<p>Due to the current contract coming to an end, and in line with the Council's Contract Procedure Rules and Public Contract Regulations 2015, the Council is required to conduct a competitive procurement procedure for this contract. The Council intends to enter into a contract for three years with the potential to extend for a further two years. Details of the tender and contract are currently being worked on and it is anticipated to be put to the market mid-November.</p>
3.2	<p>The procurement framework under which the existing contract was procured is no longer available. There are other frameworks available, but none permit direct dealing. The Council has experienced a good working relationship with its existing insurance provider (who only direct deal) and would welcome their participation in a tender process. The Procurement Team have advised carrying out a mini tender (or further competition) process using Crown Commercial Services' (CCS) Insurance Services Dynamic Procurement System (DPS). This DPS has been chosen as it permits both direct dealing and broker only options. The benefit of using this procurement procedure is that CCS has vetted the suppliers when joining the DPS. Other benefits of using this procurement procedure include:</p>

	<ul style="list-style-type: none"> • The DPS offers a range of suppliers, including generalist and specialist providers, to increase competition and provide a complete range of insurance classes • all insurance classes are covered • all suppliers are authorised by the Financial Conduct Authority (FCA) • all suppliers have signed up to CCS standard terms and conditions, the current public service contract terms cover GDPR and social value • ESC can access a legally compliant, efficient route to market with detailed guidance • Direct to customer insurers are available as noted above • standard template call-off agreements are provided by CCS, reducing the cost of drawing up a bespoke contract. <p>A complete package is preferable to make administering the contract more manageable and reducing potential issues with cross over claims.</p> <p>The tender evaluation criteria is yet to be finalised but is expected to be along similar lines to our last tender being quality 60% and cost 40%.</p>
3.3	<p>It is recommended that following consideration of all tenders received that the Chief Finance Officer be given delegated authority to award the contract for insurance services, in consultation with the Portfolio Holder for Resources and Value for Money, and the Head of Legal and Democratic Services.</p>

4 Reason/s for recommendation

4.1	<p>The tender needs to be undertaken to mitigate the risk of the Council being left without insurance cover which could have significant financial and reputational implications, and to ensure compliance with Contract Procedure Rules.</p>
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Appendices

Appendices:

None.

Background reference papers:

None.



CABINET
Tuesday, 07 November 2023

Subject	Leiston Leisure Centre/Alde Valley Academy Third Generation (3G) and Multi-Purpose Games Area (MUGA) Sport Facility Legacy from Sizewell C
Cabinet Member(s)	<p>Cllr Sarah Whitelock Cabinet Member with responsibility for Communities, Leisure, and Tourism</p> <p>Cllr Paul Ashton Cabinet Member with responsibility for Corporate Services – Digital, Customer Services, HR and Assets</p>
Report Author(s)	<p>Tim Snook Leisure Development Partnership Manager Tim.snook@eastsoffolk.gov.uk 01394 444210</p>
Head of Service	<p>Kerry Blair Head of Operations Kerry.blair@eastsoffolk.gov.uk</p>
Director	<p>Andrew Jarvis Strategic Director Andrew.jarvis@eastsoffolk.gov.uk</p>

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	Not applicable
Wards Affected:	Aldeburgh & Leiston

Purpose and high-level overview

Purpose of Report:

As part of the proposed Sizewell C legacy for the community, funding for a third-generation pitch (3G) and multi games use area (MUGA) has been agreed to enable the proposed facilities to be built on the Alde Valley Academy land that will be accessed and shared with the Leiston Leisure Centre for community use.

The purpose of this report is to seek Cabinet approval to enter into negotiations with Alde Valley Academy to deliver the building of the 3G pitch and MUGA (fully funded through Sizewell C Holding Company) through the Leisure Partnership Agreement with Rock Merchanting, known as Pulse Design and Build.

Furthermore, to enter into a management agreement to operate the pitch with Alde Valley Academy through ESC's leisure operator, Places Leisure, subject to terms that are in the best interest of ESC.

Options:

1(a) To enter into arrangements to build and deliver the third-generation pitch on the Alde Valley Academy land at no cost to the council, as outlined in the report.

1 (b) To enter into a management agreement that sets out the proposed hours of use for Alde Valley School, the construction workforce, and the local community for the use of the 3G pitch and MUGA as outlined in the report.

2(a) To not agree to deliver the 3G and MUGA through the leisure development partnership and for the Alde Valley Academy to arrange the building works and delivery directly.

2(b) To not enter into a management agreement to manage the 3G and MUGA through ESC's leisure operators and for the Alde Valley Academy to manage the facilities directly.

Recommendation/s:

1. That authority be delegated to the Strategic Director in liaison with the Cabinet Member for Leisure and Tourism in the best interests of East Suffolk Council to enter into arrangements with Alde Valley Academy and Sizewell C Holding Company (Sizewell C Co) for ESC's Leisure Development partner, Pulse Design and Build, to build and deliver the third-generation pitch on the Alde Valley Academy land at no cost to the council.
2. That authority be delegated to the Strategic Director in liaison with the Cabinet Member for Leisure and Tourism to enter a management agreement that sets out the proposed hours of use for Alde Valley School, the construction workforce, and the local community for the use of the 3G pitch and multi games use area in liaison with the Strategic Director and Cabinet Member for Leisure and Tourism.

Corporate Impact Assessment

Governance:

A 'Deed of Obligation' signed between Sizewell C Holding Company, East Suffolk Council and Suffolk County Council sets out in Schedule 10 the details and obligations of the Leisure and Amenity delivery for the building and operation of the proposed Sizewell C legacy sports facilities for Leiston.

In addition, for the building of the facilities, East Suffolk Council has a 20-year leisure development partnership agreement with Rock Merchanting, known as Pulse Design and Build, to deliver new leisure projects. For each project, a new project agreement will be entered into that formerly sets out the legal terms and conditions with Pulse Design and Build to build the facility. For this project, as the land is owned by Suffolk County Council, with a 125-year lease to the Alde Valley Academy, a temporary lease/licence for access for the building works to be completed will be required.

Furthermore, a management agreement for the use and annual funding of the facilities for Sizewell C Contractors, Alde Valley Academy students and the community will be produced setting out management arrangements, usage arrangements, responsibilities for income and costs and for any changes required when Sizewell C is complete. Legal support will be required to protect East Suffolk Council's interests on building and passing on liability to the Alde Valley Academy when complete.

ESC policies and strategies that directly apply to the proposal:

East Suffolk Council [Leisure Strategy](#)

Environmental:

Artificial grass pitches (AGPs) are recognised as a durable, safe, year-round playing surfaces, able to withstand intensive use and all kinds of weather. The pitches are used for playing multiple sports including football, hockey and rugby and they are an important community resource that mean more people can benefit from the social and health benefits of physical activity.

There are concerns that have been raised about the environmental impact of these pitches. Most commonly this relates to the fibre loss of microplastics and in the case of third generation or 3G pitches, the presence of rubber infill, which is also a microplastic. However, it is also important to note that there are currently no widely available alternative infill products on the market that are as effective, suitable for all weather conditions and deliver the required performance standards.

Sport England are committed to exploring alternative artificial pitch systems and more sustainable infill products. ESC will continue to monitor the research that Sport England is working on with partners across the UK and Europe to reduce the spread of microplastics into the environment.

There will be an opportunity when the surface is replaced at the end of the Sizewell C development to replace with a surface that has been developed to resolve the current issues and dispose of the old surface in the most environmentally way.

Equalities and Diversity:

An EQIA was completed on 23rd October 2024 and will provide a positive impact on two of the protected characteristics, providing enhanced age and disability opportunities whilst not having an impact on the remaining protected characteristics.

EQI reference EQIA556386572

Financial:

This project is a legacy from Sizewell C and the 3G pitch, and the MUGA will be paid for by Sizewell C Holding Company, at no cost to East Suffolk Council. There will also be maintenance funding of £5,000 per annum and a sinking fund provided of £50,000 per annum paid for by the Sizewell C Holding Company for the replacement of the pitch surface at the time of Sizewell C finishing and the contractors leaving the site. The expected cost of the 3G pitch and MUGA is £1.3m and the funding is index linked. An initial £75,000 fund is now available for the design and planning application work being undertaken by ESC. This will cover ESC's design costs that will consist of Pulse Design and Build facility designs and planning application. The agreement for when Sizewell C leave and the annual funding stops would identify annual maintenance costs and annual sinking fund for required major resurface. This should be covered from income taken from community use and the agreement will then identify any additional income share and/or management fee for Places Leisure operating the facility that should reduce the annual cost to ESC for the overall management fee.

The Capital Budget will be adjusted for 2024/25 to include the funding for the proposed 3G pitch and MUGA, showing that it will be paid for through the Sizewell C Holdings Company grant funding.

Human Resources:

N/A

ICT:

N/A

Legal:

There are several key legal agreements that will govern the building and operation of the sports facilities that are subject of this report.

These are the 'Deed of Obligation' between East Suffolk Council/Suffolk County Council and the Sizewell C Holdings Company, the Project Agreement ESC will enter into with its Leisure Development Partner Rock Merchanting for the building of the 3G pitch and MUGA, and various licences and agreements that will be required to protect all parties as a result of the Council and its contractors building the new facility on land owned by Suffolk County Council but leased to the Alde Valley Academy.

There will also need to be a management agreement between the various parties that covers the use of the facility by the Academy, Sizewell C contractors, and the local community. The facility will be managed by the Council's leisure centre operator, Places Leisure through a contract amendment.

Risk:

The main risks include completing the building/delivery of the 3G pitch ready for 2025 as per the 'Deed of Obligation' and the completion of the necessary agreements with the

other partners to ensure liabilities sit with the correct parties. The financial risk to ESC for the building is minimal although with building costs increasing, prior to any commencement of building, the costs of the facilities and the budgets available for both the 3G and the MUGA will need to be reconfirmed with Sizewell C Holdings Company to ensure that the funding available is sufficient and in place without ESC contribution.

External Consultees:	Alde Valley Academy Headteacher, Chief Operating Officer of Waveney Valley Academies Trust, Schools Planning Manager Suffolk County Council. Sizewell Head of Regional External Affairs & Development.
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Strategic Plan Priorities

Select the priorities of the Strategic Plan which are supported by this proposal: <i>(Select only one primary and as many secondary as appropriate)</i>		Primary priority	Secondary priorities
T01	Growing our Economy		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
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P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
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T05	Caring for our Environment		
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XXX	Governance		
XXX	How ESC governs itself as an authority	<input type="checkbox"/>	<input type="checkbox"/>
<p>How does this proposal support the priorities selected?</p> <p>Additional sport and leisure facilities support improving the health and wellbeing of the community. Providing quality safe facilities for the community to participate in. With these new sport and leisure facilities, it increases capacity for more people to participate and in different activities. This can also support key activities for different age groups such as walking football, support for loneliness and weight management. In addition to the health and well-being aspects, with shared facilities this will support the financial sustainability of the leisure provision in Leiston.</p>			

Background and Justification for Recommendation

1 Background facts and proposal	
1.1	<p>Leiston Leisure Centre was refurbished with a circa £4m scheme in 2019/2020. The leisure centre and the Alde Valley Academy are situated next to each other and share one of the car park areas between the two facilities. The leisure centre includes swimming provision, gym, studios, sports hall, squash courts but no outdoor facilities.</p> <p>As part of the Sizewell C legacy for Leiston, ESC and the Alde Valley Academy submitted a request for funding to enhance sport and leisure facilities that would benefit the academy pupils and the community.</p> <p>The proposal was for a third-generation floodlit pitch (known as 3G) to be based on the academy land but shared between the academy and East Suffolk Council for community use. A Multiple Use Games Area (MUGA) was also included as part of the additional facilities. The 3G pitch is required to be ready for use for the beginning of 2025 under the 'deed of obligation'.</p>
1.2	<p>The area of land that the proposed 3G pitch will be built on is part of the academy's grass pitch area, close to the leisure centre. A 3G pitch would add to the amount of time that sport can be played, as the grass surface is limited to weather and condition of wear.</p> <p>The leisure centre does not have use of the grass pitches but as the new 3G pitch will be floodlit and fenced, it will enable community use outside of academy hours. There will be a fenced and gated pathway that can be adjusted for access between the academy and the leisure centre for different group use and security. The pitch can be divided by netting into three areas that allow an increase of use and three groups at any one time.</p> <p>It is proposed that the academy will have use of the pitch during school term time and an agreed time will be split outside of this in the evenings and weekends to accommodate community use and for contractors/workers during the expected ten-to-fifteen-year period of construction of Sizewell C.</p>
1.3	<p>Sizewell C Holdings Company will provide the funding of the 3G pitch and the MUGA area in Leiston at the Alde Valley Academy. Under the 'deed of obligation',</p>

	to facilitate the design of the facilities, Sizewell C Holdings Company has agreed to pay a 'Sports Facilities Design Payment' of £75,000 to East Suffolk Council on or before the commencement of the Sizewell C Project. The Sports Facilities Design Payment comprises East Suffolk Council's reasonable and proper costs associated with the design of the Leiston Sports Facilities Works. This payment is now being processed.
1.4	Under the terms of the Deed of Obligation, and in order to meet the delivery deadlines signed up to the Council through its leisure development partner, Pulse Design and Build, in consultation with the Alde Valley Academy and SCC has already prepared the designs of the proposed facilities and engaged with Planning. What is now required is the concluding of the various legal agreements to actually build and operate the facilities and authority to enter into these is now sort.
1.5	The required detailed drawings and specifications for the new Leiston sports facilities are attached in Appendix A. As stated earlier, the design ensures that there is physical separation between academy and community/worker access through a fencing and lockable gate system.
1.6	Several meetings have taken place between the Headteacher of Alde Valley Academy, the Chief Operating Officer of the Waveney Valley Academies Trust, and officers from East Suffolk Council from leisure, legal and asset management services in the preparation of scheme to this point. Suffolk County Council Education has also been consulted as the land proposed to build the 3G pitch as this is designated education land. Alde Valley Academy and Waveney Valley Academies are supportive of ESC delivering the 3G pitch due to the experience and agreements for new leisure projects in place with ESC.
1.7	If all requisite consents for the proposed new Leiston Sports Facilities cannot be obtained, East Suffolk Council enter discussions in good faith about the appropriate provision of alternative facilities.
2	Operation of Facilities
2.1	It is planned that East Suffolk Council shall be responsible for the management of the proposed new Leiston Sports Facilities, including bookings through its leisure operators at Leiston Leisure Centre, Places Leisure.
2.2	A management/community use agreement will be required between ESC, Alde Valley Academy, incorporating the use required by Sizewell C Holdings Company. This will need to be completed prior to the occupation of the Sports Facilities. The management agreement will set out the proposed hours of use for Alde Valley Academy, the construction workforce, and the local community. The management agreement shall include a confirmation that Alde Valley School has been fully involved in the preparation of the management agreement. This management agreement shall be agreed with Sizewell C Holdings Company prior to occupation.
2.2	The management agreement will also set out the responsibilities for maintenance of the new Leiston Sports Facilities. Sizewell C Holdings Company will provide funding towards the annual maintenance of the Leiston Sports Facilities (£5,000 per annum) as well as an annual contribution for the sinking fund (£50,000 per annum) to be used towards any repairs to the Leiston Sports Facilities required at the end of the construction period, such as the replacement of the surface when the construction workforce leave the site on completion of Sizewell C.
2.3	The 'deed of obligation' can be accessed through the link in Appendix B.

3 Impact	
3.1	The East Suffolk Leisure Strategy supports increasing health and leisure opportunities within the district. Sport and leisure facilities can make a significant impact on the health and wellbeing of individuals and families. With East Suffolk being such a large rural area, facilities in towns and villages that reduce the need to travel large distances will improve opportunity for the community. In addition, 3G pitch facilities are supported in the Suffolk FA/Football Foundation Local Football Facility Plan form 2019 that identifies the districts facility needs. Overall, there were over ten new facilities of differing sizes identified as being required across the district, including Leiston, if funding could be found.
3.2	A floodlit 3G pitch will allow football to be played in the evenings throughout the year and add to the leisure and sports facility offer already in Leiston. The proposed MUGA area has the potential to provide both sporting opportunities, but also specifically to be a key youth provision.
3.3	Following the refurbishment of the Leiston Leisure Centre in 2019, the addition of the external facilities will enhance the leisure centre and support its financial sustainability.
3.4	It should be noted that Leiston Town Football Club has recently received CIL funding to support a 3G pitch on their site. The two facilities will complement each other with the Leiston Town facility hosting the club's development needs and providing for other local football clubs. The Leisure Centre site facility will provide for the Academy and Community football. The leisure operator will also provide football opportunities for children as part of their programme at weekends and during holiday periods.

4 Design	
4.1	The design of the 3G pitch is of a standard format, meeting the Football Association design standards. The key aspect of this design for the Academy and Council is that the fencing and gating system will allow for flexible access for each of the user groups from the Academy and Leisure Centre at different times with security for the education site.
4.2	The MUGA design allows for multiple sports that include netball, basketball, kick about area that can be used for additional hiring opportunities to support the sustainability, but also for the community to access at set times for free use.
4.3	The areas will be floodlit and where each facility is situated will be done so to minimize the effect of lighting to any nearby housing.
4.4	The design layout plans for both facilities can be seen in Appendix A.

5 Reason/s for recommendation	
5.1	This project will significantly improve the leisure provision in Leiston for the academy students and the community.
5.2	The capital cost for the project and maintenance for the duration of the Sizewell C delivery will be fully funded by Sizewell C Holdings Company. This sporting provision will be a lasting legacy for the academy and the community.

Appendices

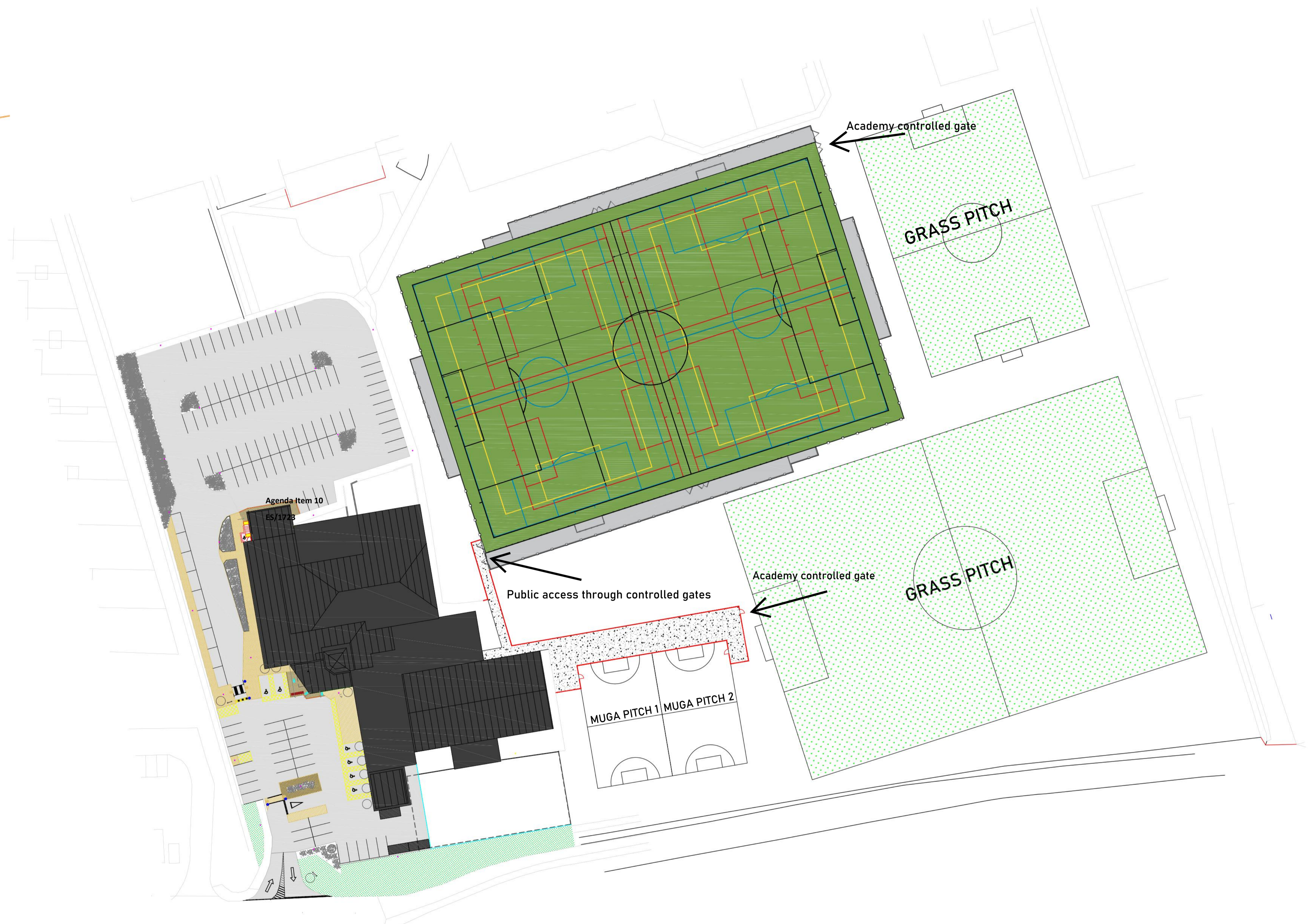
Appendices:

Appendix A	Proposed Layout of the 3G and MUGA pitches
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Appendix B	The Sizewell C Project – Completed Deed of Obligation (part 1 of 6)
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Background reference papers:

None.



P	ini	Date	Revision Note
Rev	Ini	Date	Revision Note

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JOB TITLE:
Leiston Leisure Centre

DRAWING TITLE:
Proposed 3G Pitch

Drawn by: Stephen Meir Date: 03/10/22

Scale: 1:500@A1

Drawing No. PDB-L3G-001



The Sizewell C Project

8.17/ Completed Deed of Obligation -
10.4 Scanned Copy - Part 1 of 6

Book 8 Revision: 9.0
Book 10 Revision: 1.0
Applicable Regulation: Regulation 5(2)(q)
PINS Reference Number: EN010012

October 2021

Planning Act 2008
Infrastructure Planning (Applications: Prescribed
Forms and Procedure) Regulations 2009



8 October 2021

(1) EAST SUFFOLK COUNCIL

(2) SUFFOLK COUNTY COUNCIL

(3) NNB GENERATION COMPANY (SZC) LIMITED

DEED OF OBLIGATION
pursuant to section 1 of the Localism Act 2011
and section 111 of
the Local Government Act 1972
relating to
Sizewell C, Suffolk

Herbert Smith Freehills LLP

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THIS DEED made on

8th October

2021

BETWEEN:

- (1) **EAST SUFFOLK COUNCIL** of East Suffolk House, Station Road, Melton, Woodbridge, England IP12 1RT ("**East Suffolk Council**");
- (2) **SUFFOLK COUNTY COUNCIL** of Endeavour House, 8 Russell Road, Ipswich, England IP1 2BX (the "**Suffolk County Council**"); and
- (3) **NNB GENERATION COMPANY (SZC) LIMITED** whose registered office is at 90 Whitfield Street, London, England W1T 4EZ (Company Number 09284825) ("**SZC Co**").

WHEREAS:

- (A) SZC Co submitted the Application to the Secretary of State for development consent to construct and operate the Project. The Secretary of State is responsible for determining the Application.
- (B) East Suffolk Council is the local planning authority for the area in which the Sites other than the Pakenham Site are situated.
- (C) Suffolk County Council is also a local planning authority, in particular in relation to the Pakenham Site, and is the highway authority (except for trunk roads), the waste planning authority, the lead local flood authority, the fire and rescue authority and the education authority for the area in which the Sites are situated.
- (D) It is intended that SZC Co will be the undertaker for the purposes of the Development Consent Order. SZC Co intends to construct, operate and maintain the Project as authorised by the Development Consent Order.
- (E) SZC Co is the registered proprietor of the Owned Interest.
- (F) The parties to this Deed have agreed to enter into this Deed in order to secure the performance of the obligations contained in it.

NOW THIS DEED WITNESSES as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1 Where in this Deed (which shall include the Recitals, Schedules, Annexures and Plans hereto) the following defined terms and expressions are used they shall have the following respective meanings unless otherwise stated:

"**1990 Act**" means the Town and Country Planning Act 1990;

"**2008 Act**" means the Planning Act 2008;

"**Accommodation Campus**" means Work No. 3 in Schedule 1 to the Development Consent Order;

"**Accommodation Campus Site**" means the land shown edged in red on Plan 1B annexed to this Deed;

"**Application**" means the application for a development consent order under section 37 of the 2008 Act submitted to the Planning Inspectorate on 27 May 2020 and given reference number EN010012;

"**Article**" means an article of the Development Consent Order and where a particular article is referenced in this Deed, for example Article 80, this is a reference to the article of that number included in the draft development consent order submitted at deadline 8 of the examination of the Application on 24 September 2021 but shall be modified as far as may be necessary to reflect changes and/or renumbering of articles in the development consent order as made by the Secretary of State pursuant to the Application;

"**Benhall Fen Meadow Works**" means Work No. 7 in Schedule 1 to the Development Consent Order, being landscape and ecological works including earthworks, drainage and

associated water control structures which are to provide permanent fen meadow habitat compensation areas to mitigate the loss of fen meadow habitat;

"Benhall Site" means the land shown edged red on Plan 1K annexed to this Deed;

"Commencement" means the carrying out of a material operation as defined in section 155 of the 2008 Act comprised in the Project other than:

- (a) operations consisting of Preparatory Works; and
- (b) operations consisting of the Relocated Facilities Works prior to the occurrence of the Transitional Date,

and the words **"Commence"** and **"Commenced"** and cognate expressions shall be construed accordingly;

"Commencement Date" means the date of Commencement of works pursuant to the Development Consent Order;

"Committed" means that the relevant Council (or such other person as the money has been paid to under this Deed) has:

- (a) entered into a contract to use the relevant monies in accordance with the terms of this Deed;
- (b) resolved by committee to use the relevant monies in accordance with the terms of this Deed; or
- (c) issued an internal order or generated a financial code for the relevant works or services in question;

"Communications Officers" means the officer of Suffolk County Council and the officer of East Suffolk Council, each as notified to SZC Co in writing as soon as practicable following the date of this Deed, who shall be jointly responsible for co-ordinating External Communications under clause 13 (unless an alternative central point is agreed between SZC Co, East Suffolk Council and Suffolk County Council);

"Communication Protocol" means a protocol for the management of External Communications to be agreed between the parties in accordance with clause 13, which shall include provision for meetings to be held between the Communications Officers and SZC Co's communications team on a regular basis and shall require SZC Co to report on any matters that require a more strategic approach or direction to the Planning Group;

"Construction Period" means the period between (i) the Commencement Date; and (ii) the date that the first nuclear fuel assemblies for Unit 2 are delivered to the Main Development Site;

"Contributions" means the financial contributions to be made by SZC Co and funds to be made available by SZC Co pursuant to the Schedules to this Deed, a summary of which is set out in Annex D to this Deed (provided that, in the event of any discrepancy between Annex D and the Schedules to this Deed, the Schedules to this Deed shall prevail), and the word **"Contribution"** means any one of these;

"Councils" means East Suffolk Council and Suffolk County Council, and **"Council"** shall mean either one of them as relevant;

"CPIH" means the consumer prices index including owner-occupiers' housing costs excluding indirect taxes published by the Office for National Statistics or any official publication substituted for it;

"Data Sharing and Confidentiality Agreements" means such data sharing and confidentiality agreements that would be required to facilitate the sharing of data and confidential information as far as reasonably practicable (subject always to clause 16.1 and 16.2) in order to:

- (a) enable the effective monitoring of compliance with this Deed;

- (b) enable the effective monitoring of the impacts of the Project and the effectiveness of measures implemented under this Deed; and
- (c) ensure the effective functioning of the Governance Groups;

"Development Consent Order" means the development consent order to be made pursuant to the Application;

"Delivery Steering Group" means the group constituted in accordance with and having the functions ascribed to it by Schedule 17, paragraph 3;

"Dispute" means any dispute, issue, difference or claim as between the parties in respect of any matter contained in or arising from or relating to this Deed or the parties' obligations and rights pursuant to it (other than in respect of any matter of law);

"Environmental Information" means the Environmental Statement and any information constituting "environmental information" as defined by the Infrastructure Planning (Environmental Impact Assessment) Regulations 2017 relied upon by the Secretary of State in reaching a reasoned conclusion on the significant effects of the authorised development on the environment pursuant to regulation 21(1)(b) of the Infrastructure Planning (Environmental Impact Assessment) Regulations 2017;

"Environmental Statement" means the document certified as such by the Secretary of State under Article 80 of the Development Consent Order;

"Expert" means an independent person appointed in accordance with the provisions of clause 8 to determine a Dispute between the parties to this Deed;

"External Communications" means any communications, including marketing materials or publications, made by the parties to this Deed with persons other than the parties to this Deed in respect of the Project and the obligations in this Deed, excluding communications:

- (a) required by law, a court of competent jurisdiction, or any governmental or regulatory authority;
- (b) in respect of any proposed amendment to the Project or the Development Consent Order;
- (c) with any party's advisers who need to receive such communications for the purpose of exercising the party's rights or carry out its obligations under or in connection with this Deed and the Development Consent Order; and
- (d) required of the Councils to comply with their obligations under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004 PROVIDED THAT the relevant Council has: (i) notified SZC Co of the information request; and (ii) had regard to any representations made by SZC Co within 10 Working Days of the date of the notice as to whether the information concerning the Project is exempt from disclosure;

"Fen Meadow Sites" means the Benhall Site, the Halesworth Site and the Pakenham Site, together;

"Fen Meadow Works" means the Benhall Fen Meadow Works, the Halesworth Fen Meadow Works, and the Pakenham Fen Meadow Works;

"Freight Management Facility" means Work No. 13 in Schedule 1 to the Development Consent Order;

"Freight Management Facility Site" means the land shown edged in red on Plan 1E annexed to this Deed;

"Governance Groups" means the Delivery Steering Group, the Review Groups, and the Working Groups and **"Governance Group"** shall mean any one of them as relevant;

"Green Rail Route" means Work Nos. 4A and 4B in Schedule 1 to the Development Consent Order;

"Habitats Sites" means the Fen Meadow Sites and the Marsh Harrier Habitat Improvement Site (if the Marsh Harrier Habitat Improvement Works are provided for in the Development Consent Order as made by the Secretary of State);

"Halesworth Fen Meadow Works" means Work No. 6 in Schedule 1 to the Development Consent Order, being landscape and ecological works including earthworks, drainage and associated water control structures which are to provide permanent fen meadow habitat compensation areas to mitigate the loss of fen meadow habitat;

"Halesworth Site" means the land shown edged in red on Plan 1L annexed to this Deed;

"HB Workers" means members of the Sizewell C Construction Workforce who in response to a workforce survey carried out pursuant to Schedule 3, paragraph 7.2.2 indicate that they:

- (a) lived within Norfolk, Suffolk, Essex, South Cambridgeshire or East Cambridgeshire immediately prior to obtaining work on the Project; and
- (b) continue to live within Norfolk, Suffolk, Essex, South Cambridgeshire or East Cambridgeshire on starting work on the Project;

"Implementation Plan" means the phasing schedule setting out the anticipated dates of commencement and completion of the Key Environmental Mitigation annexed to this Deed at Annex H (as the same may be amended from time to time by SZC Co with the approval of the Councils);

"Index" means:

- (a) the All In Tender Price Index published by the Building Cost Information Services of the Royal Institution of Chartered Surveyors (RICS) in respect of the School and Early Years Capacity Contingency Contribution, and the School and Early Years Capacity Contribution; and any and all Contributions made in accordance with Schedule 10 or Schedule 16 (save for Contributions made in accordance with paragraph 13 of Schedule 16); or
- (b) unless expressly stated otherwise, the CPIH for the United Kingdom,

or in default of publication thereof such substitute index as the parties may agree in accordance with clause 10;

"Interest Rate" means 4% above the Bank of England base rate applicable at the Payment Date;

"Key Environmental Mitigation" means the Temporary Desalination Plant, Project Accommodation, the Permanent Beach Landing Facility, the Temporary Marine Bulk Import Facility, the Fen Meadow Works, the Marsh Harrier Habitat Improvement Works (if provided for in the Development Consent Order as made by the Secretary of State), the Green Rail Route, the Freight Management Facility, the Park and Rides, the Sizewell Link Road, the Two Village Bypass, Yoxford Roundabout, and Works Nos.15, 16 and 17 in Schedule 1 to the Development Consent Order;

"Leiston Sports Facilities Site" means the land shown edged in red on Plan 1C annexed to this Deed;

"Main Development Site" has the meaning given in the Development Consent Order;

"Marsh Harrier Habitat Improvement Site" means the land shown edged in red on Plan 1N annexed to this Deed;

"Marsh Harrier Habitat Improvement Works" if provided for in the Development Consent Order as made by the Secretary of State, means Work No. 8 in Schedule 1 to the Development Consent Order;

"National Trust" means the registered charity of that name and whose registered charity number is 205846;

"New Anglia Local Enterprise Partnership" means the local enterprise partnership for Norfolk and Suffolk of Centrum, Norwich Research Park, Colney Lane, Norwich, Norfolk NR4 7UG;

"new Sizewell B relocated facilities permission" means any planning permission granted by East Suffolk Council under the 1990 Act (other than the Sizewell B relocated facilities permissions) which authorises the development of the Relocated Facilities Works or development substantially similar to the Relocated Facilities Works;

"NHB Workers" means members of the Sizewell C Construction Workforce who:

- (a) have moved accommodation temporarily to take up employment on the Project; and
- (b) are not HB Workers;

"Non-SDS Workforce" means persons employed or otherwise engaged (whether or not by SZC Co) to work on the Project at one or more of the Sites other than the SZC Development Site, but including the Accommodation Campus Site, as their main place of work;

"Northern Park and Ride Site" means the land shown edged in red on Plan 1F annexed to this Deed;

"Oversight Partnership" means a group in a form to be agreed by East Suffolk Council and Suffolk County Council, established and administered by East Suffolk Council and Suffolk County Council;

"Owned Interest" means the freehold interest in Aldhurst Farm, as registered under SK360379;

"Park and Rides" means Works Nos. 9 and 10 in Schedule 1 to the Development Consent Order;

"Park and Ride Sites" means the Northern Park and Ride Site and the Southern Park and Ride Site;

"Pakenham Fen Meadow Works" means Work No. 18 in Schedule 1 to the Development Consent Order, being landscape and ecological works including earthworks, drainage and associated water control structures which are to provide permanent fen meadow habitat compensation areas to mitigate the loss of fen meadow habitat;

"Pakenham Site" means the land shown edged in red on Plan 1M annexed to this Deed;

"Payment Date" means the date when a Contribution (including a part of a Contribution where such Contribution is to be paid in tranches) or other sum of money is due to be paid, provided or made available by SZC Co pursuant to this Deed;

"Permanent Beach Landing Facility" means Work No. 1A(m) in Schedule 1 to the Development Consent Order;

"Pre-Commencement Obligations" means those obligations in the Schedules to this Deed listed in Annex C;

"Preparatory Works" means operations consisting of:

- (a) site preparation and clearance works;
- (b) pre-construction archaeological works;
- (c) environmental surveys and monitoring;
- (d) removal of hedgerows, trees and shrubs;
- (e) investigations for the purpose of assessing ground conditions;
- (f) diversion or laying of services;
- (g) remedial work in respect of any contamination or adverse ground conditions (excluding works including and associated with dewatering activities carried out

as part of Work No. 1A(l), Work No. 1A(t) and Work No.1A(u) in Schedule 1 to the Development Consent Order);

- (h) receipt and erection of construction plant and equipment;
- (i) the temporary display of site notices and advertisements; and
- (j) erection of temporary buildings and structures (which for the purpose of this definition does not include Work No. 9(a) (northern park and ride), Work No. 10(a) (southern park and ride) or Work No. 13(a) (freight management facility) in Schedule 1 to the Development Consent Order);

"Pro Corda Trust" means the registered charity of that name and whose registered charity number is 1116213 (company number 05829570);

"Project" means the authorised development as defined in and authorised by the Development Consent Order;

"Project Accommodation" means the Accommodation Campus and the LEEIE Caravan Park;

"Quorate Members" means, unless otherwise specified in this Deed, the members representing SZC Co, East Suffolk Council and Suffolk County Council (each a **"Quorate Member"**);

"Rail Development Site" means the land shown edged in red on Plan 1D annexed to this Deed;

"Relocated Facilities Works" means Work No. 1D and/or Work No. 1E in Schedule 1 to the Development Consent Order;

"Requirements" means the requirements in Schedule 2 to the Development Consent Order and where a particular requirement is referenced in this Deed, for example Requirement 12, this is a reference to the requirement of that number included in the draft development consent order submitted at deadline 8 of the examination of the Application but shall be modified as far as may be necessary to reflect changes and/or renumbering of requirements in the development consent order as made by the Secretary of State pursuant to the Application;

"Review Groups" means:

- (a) the **"Planning Group"**, being the group constituted in accordance with and having the functions ascribed to it by Schedule 17, paragraph 6.1;
- (b) the **"Transport Review Group"** or **"TRG"**, being the group constituted in accordance with and having the functions ascribed to it by Schedule 16, paragraph 4;
- (c) the **"Social Review Group"**, being the group constituted in accordance with and having the functions ascribed to it by Schedule 17, paragraph 6.2;
- (d) the **"Economic Review Group"**, being the group constituted in accordance with and having the functions ascribed to it by Schedule 7, paragraph 2.12; and
- (e) the **"Environment Review Group"**, being the group constituted in accordance with and having the functions ascribed to it by Schedule 11, paragraph 15,

and **"Review Group"** shall mean any one of these groups as relevant;

"RSPB" means The Royal Society for the Protection of Birds, the registered charity whose registered charity number is 207076;

"SCHAONB" means the Suffolk Coast and Heaths Area of Outstanding Natural Beauty;

"SCHAONB Partnership" means the Suffolk Coast and Heaths Area of Outstanding Natural Beauty Partnership;

"SDS Construction Workforce" means persons:

- (a) employed or otherwise engaged (whether or not by SZC Co) to work on the Project at the SZC Development Site, excluding the Accommodation Campus Site, as their main place of work;
- (b) who have been at the SZC Development Site, excluding the Accommodation Campus Site, on at least 5 separate days in a 30-day period during the Construction Period; and
- (c) who have been at the SZC Development Site, excluding the Accommodation Campus Site, for at least 37.5 hours in a 30-day period during the Construction Period;

"Second Relocated Facilities Section 106 Agreement" means the agreement made pursuant to section 106 of the 1990 Act and other relevant powers dated 17 February 2021 and made between East Suffolk Council and EDF Energy Nuclear Generation Limited (as varied from time to time);

"Sites" means the SZC Development Site, the Rail Development Site, the Habitats Sites, the Accommodation Campus Site, the Leiston Sports Facilities Site, the Park and Ride Sites, the Two Village Bypass Site, the Sizewell Link Road Site, Freight Management Facility Site, and the Yoxford roundabout and other highway improvement works Sites, or (as the context may require) any one or more of them;

"Sizewell B relocated facilities permissions" means:

- (a) the planning permission granted by East Suffolk Council on 13 November 2019, with reference number DC/19/1637/FUL (as varied from time to time) (the **"First Sizewell B Relocated Facilities Permission"**); and
- (b) the planning permission granted by East Suffolk Council on 18 February 2021, with reference number DC/20/4646/FUL (as varied from time to time) (the **"Second Sizewell B Relocated Facilities Permission"**);

"Sizewell C Construction Workforce" means the SDS Construction Workforce and the Non-SDS Workforce;

"Sizewell Link Road" means Work No. 12 in Schedule 1 to the Development Consent Order;

"Sizewell Link Road Site" means the land shown edged in red on Plans 1G(a) to (d) annexed to this Deed;

"Southern Park and Ride Site" means the land shown edged in red on Plan 1H annexed to this Deed;

"SZC Development Site" means the land at Sizewell, Suffolk shown edged in red on Plan 1A(a) to (b) annexed to this Deed;

"Temporary Desalination Plant" means Work No. 1A(jj) in Schedule 1 to the Development Consent Order;

"Temporary Marine Bulk Import Facility" means Work No. 1A(bb) in Schedule 1 to the Development Consent Order;

"Transitional Date" means either:

- (a) the date upon which SZC Co serves notice under Article 5 of the Development Consent Order that it shall cease to carry out development under either of the Sizewell B relocated facilities permissions and/or any new Sizewell B relocated facilities permission and that all future development carried out at the SZC Development Site shall be carried out pursuant to the Development Consent Order; or
- (b) in the event that the Development Consent Order does not provide for the service of such notice, the date that a material operation as defined in section 155 of the 2008 Act is carried out to construct the Relocated Facilities Works pursuant to the

Development Consent Order other than an operation consisting of Preparatory Works,

and the word **"Transition"** and cognate expressions shall be construed accordingly;

"Two Village Bypass" means Work No. 11 in Schedule 1 to the Development Consent Order;

"Two Village Bypass Site" means the land shown edged in red on Plans 11(a) and 11(b) annexed to this Deed;

"Undertaking" means the benefit of the Development Consent Order to construct or operate Work Nos. 1A(a) to (h) as set out in Schedule 1 to the Development Consent Order;

"Unit 1" means nuclear reactor unit 1 referred to in Work No. 1A as set out in Schedule 1 to the Development Consent Order;

"Unit 2" means nuclear reactor unit 2 referred to in Work No. 1A as set out in Schedule 1 to the Development Consent Order;

"Working Day" means any day apart from Saturday, Sunday and any statutory bank holiday on which clearing banks are open in England for the transaction of ordinary business;

"Working Groups" means:

- (a) the **"Transport Working Groups"** being:
 - (i) the **"B1125 Working Group"**, being the group comprising one member representing each of Westleton Parish Council, Blythburgh Parish Council, Walberswick Parish Council, East Suffolk Council, Suffolk County Council and SZC Co, established to define and promote the B1125 Scheme;
 - (ii) the **"Wickham Market Working Group"**, being the group comprising one member representing each of Wickham Market Parish Council, East Suffolk Council, Suffolk County Council and SZC Co, established to define and promote the Wickham Market Scheme;
 - (iii) the **"Yoxford Working Group"**, being the group comprising one member representing each of Yoxford Parish Council, East Suffolk Council, Suffolk County Council and SZC Co, established to define and promote the Yoxford Scheme;
 - (iv) the **"Leiston Working Group"**, being the group comprising one member representing each of Leiston Town Council, East Suffolk Council, Suffolk County Council and SZC Co, established to define and promote the Leiston Scheme;
 - (v) the **"Marlesford and Little Glemham Working Group"**, being the group comprising one member representing each of Marlesford and Little Glemham Parish Councils, East Suffolk Council, Suffolk County Council and SZC Co, established to define and promote the Marlesford and Little Glemham Scheme;
 - (vi) the **"B1122 Early Years Working Group"**, being the group comprising members of Theberton and Eastbridge Parish Council, Middleton-cum-Fordley Parish Council, East Suffolk Council, Suffolk County Council and SZC Co, established to define and promote the B1122 Early Years Scheme;
 - (vii) the **"Parish Councils"**, being Leiston Town Council, Marlesford and Little Glemham Parish Councils, Westleton Parish Council, Wickham Market Parish Council, Middleton-cum-Fordley Parish Council, Theberton and Eastbridge Parish Council, and Yoxford Parish Council; and

- (viii) the "**Rights of Way Working Group**", being the group of that name constituted in accordance with and having the functions ascribed to it by Schedule 16, paragraph 5.1;
- (b) the "**Social Working Groups**" being:
 - (i) the "**Accommodation Working Group**", being the group of that name constituted in accordance with and having the functions ascribed to it by Schedule 3, paragraph 7.1;
 - (ii) the "**Community Safety Working Group**", being the group of that name constituted in accordance with and having the functions ascribed to it by Schedule 4, paragraph 10; and
 - (iii) the "**Health and Wellbeing Working Group**", being the group of that name constituted in accordance with and having the functions ascribed to it by Schedule 6, paragraph 6,
 and "**the relevant Social Working Group**" shall mean any one of these groups;
- (c) the "**Environment Working Groups**" being:
 - (i) the "**Marine Technical Forum**", being the group of that name established pursuant to the terms of reference annexed to this Deed at Annex I, as amended by the Marine Technical Forum from time to time;
 - (ii) the "**Natural Environment Awards Panel**", being the group of that name constituted in accordance with and having the functions ascribed to it by Schedule 11, paragraph 18 to make decisions on which projects should be funded through the Natural Environment Improvement Fund as defined in Schedule 11, paragraph 2;
 - (iii) the "**Ecology Working Group**", being the group of that name constituted in accordance with and having the functions ascribed to it by Schedule 11, paragraph 17; and
 - (iv) the "**Water Management Working Group**", being the group of that name constituted in accordance with and having the functions ascribed to it by Schedule 17, paragraph 7.1,
 and "**the relevant Environment Working Group**" shall mean any one of these groups; and
- (d) the "**Economic Working Groups**" being:
 - (i) the "**Tourism Working Group**", being the group of that name constituted in accordance with and having the functions ascribed to it by Schedule 15, paragraph 5;
 - (ii) the "**Employment, Skills and Education Working Group**", being the group of that name constituted in accordance with and having the functions ascribed to it by Schedule 7, paragraph 2.13; and
 - (iii) the "**Supply Chain Working Group**", being the group of that name constituted in accordance with and having the functions ascribed to it by Schedule 7, paragraph 4.3,

and "**Working Group**" shall mean any one of these groups as relevant;

"**Yoxford Roundabout**" means Work No. 14 in Schedule 1 to the Development Consent Order; and

"**Yoxford roundabout and other highway improvement works Sites**" means the land shown edged in red on Plans 1J(a) to (d) annexed to this Deed.

1.2 In this Deed, unless stated otherwise:

- 1.2.1 words incorporating the singular include the plural and vice versa and words importing any gender include every gender;

- 1.2.2 words importing persons include firms, companies, corporations, and vice versa;
- 1.2.3 references to East Suffolk Council shall include the successors to East Suffolk Council's statutory functions as local planning authority;
- 1.2.4 references to Suffolk County Council shall include the successors to Suffolk County Council's statutory and other functions as a local planning authority, local education authority, the lead local flood authority, fire and rescue authority, local highway authority and local authority;
- 1.2.5 references to SZC Co shall include any entity who takes a transfer or grant of all or part of the Undertaking pursuant to the Development Consent Order;
- 1.2.6 references to a Work No. in Schedule 1 to the Development Consent Order in this Deed includes reference to the Work designated with that number and any letters (for example, reference to "Work No. 14" in this Deed includes Work No. 14A and 14B in Schedule 1 to the Development Consent Order);
- 1.2.7 references in this Deed to a particular Work No. in Schedule 1 to the Development Consent Order are references to the corresponding Work No. included in the draft development consent order submitted at deadline 8 of the examination of the Application on 24 September 2021 but shall be modified as far as may be necessary to reflect changes and/or renumbering of Work Nos. in the development consent order as made by the Secretary of State pursuant to the Application;
- 1.2.8 references to recitals, clauses, paragraphs and schedules are references to the relevant clauses and paragraphs of and schedules to this Deed unless otherwise stated;
- 1.2.9 words denoting an obligation on a party to do any act, matter or thing include an obligation to procure that it be done and words placing a party under a restriction include an obligation not to cause, permit or suffer any infringement of the restriction;
- 1.2.10 references to any statute or statutory provision include references to:
- (A) all Acts of Parliament and all other legislation having legal effect in the United Kingdom as enacted at the date of this Deed;
 - (B) any orders, regulations, instruments or other subordinate legislation made or issued under that statute or statutory provision; and
 - (C) in each case shall include any re-enactment thereof for the time being in force and any modifications or amendments thereof for the time being in force;
- 1.2.11 if any provision of this Deed shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Deed shall not in any way be deemed thereby to be affected, impaired or called into question;
- 1.2.12 the table of contents and headings in this Deed are for ease of reference only and shall not affect its construction, interpretation or otherwise have any binding legal effect;
- 1.2.13 references to "the parties" shall mean the parties to this Deed and reference to a "party" shall mean any one of the parties;
- 1.2.14 references to an organisation, body or person who is not defined in this Deed shall mean that organisation, body or person as at the date of this Deed or their successor organisation, body or person;
- 1.2.15 references to "notice" shall mean notice in writing;
- 1.2.16 references to "including" and "include" shall mean including without limitation;

- 1.2.17 terms and expressions defined in the Schedules shall have the meanings specified wherever those terms and expressions are used in this Deed;
- 1.2.18 the Interpretation Act 1978 shall apply to this Deed; and
- 1.2.19 where a payment is expressed to be payable in instalments during the Construction Period, an individual instalment shall only be payable if the Construction Period is ongoing at the time that the relevant instalment is due to be paid and for the avoidance of doubt the obligation on SZC Co to pay any further instalments required to be paid during the Construction Period and which fall due to be paid after the end of the Construction Period shall cease when the Construction Period ends.

2. LEGAL EFFECT

- 2.1 This Deed is made pursuant to section 1 of the Localism Act 2011, section 111 of the Local Government Act 1972 and all other powers so enabling.
- 2.2 The parties agree that by virtue of clause 12.2 of the Second Relocated Facilities Section 106 Agreement, for the purposes of interpreting the obligations contained in the Second Relocated Facilities Section 106 Agreement following the grant of the Development Consent Order, the provisions of the Second Relocated Facilities Section 106 Agreement shall apply as if the Relocated Facilities Works authorised by the Development Consent Order were authorised and being carried out pursuant to the Second Sizewell B Relocated Facilities Permission.

3. CONDITIONALITY

- 3.1 Subject to clauses 3.2, 3.3, and 3.4, the parties agree that clause 4 shall not have operative effect unless and until the Commencement Date has occurred, save to the extent that clause 4 relates to:
 - 3.1.1 Schedule 1 (Councils' General Obligations) and Schedule 16, paragraphs 14 and 15 which shall have operative effect from the date of this Deed; and
 - 3.1.2 Pre-Commencement Obligations, which shall have operative effect upon the date the Development Consent Order comes into force.
- 3.2 Provided that the Project has not been Commenced, where the Development Consent Order is granted and becomes the subject of any judicial review proceedings under section 118 of the 2008 Act:
 - 3.2.1 until such time as such proceedings including any appeal have been finally determined, the terms and provisions of this Deed will remain without operative effect unless the Project is Commenced;
 - 3.2.2 if following the final determination of such proceedings the Development Consent Order is quashed and, in the event that the court orders the Application to be remitted to the Secretary of State, the Application is subsequently refused and no appeal or further appeal may be made in respect of such refusal, this Deed will cease to have any further effect and any money paid to the Councils pursuant to the Schedules and not spent or Committed by the Councils (or such other person as the money has been paid to under this Deed) shall be repaid in full within 56 Working Days of the final determination of such proceedings; and
 - 3.2.3 if following the final determination of such proceedings (and, any redetermination of the Application by the Secretary of State in the event of quashing) the Development Consent Order is capable of being Commenced, then this Deed will take effect in accordance with its terms subject to any modifications to its terms necessitated through the redetermination process as are agreed by the parties through a deed of variation or (where relevant) are determined by the Secretary of State in accordance with Article 9B of the Development Consent Order.
- 3.3 Where the Application is refused, but the Development Consent Order is subsequently granted following redetermination by the Secretary of State following the final determination

of judicial review proceedings under section 118 of the 2008 Act, this Deed will, upon granting of the Development Consent Order, take effect in accordance with its terms subject to any modifications to its terms necessitated through the redetermination process as are agreed by the parties through a deed of variation or (where relevant) are determined by the Secretary of State in accordance with Article 9B of the Development Consent Order.

- 3.4 Wherever in this Deed reference is made to the final determination of judicial review proceedings under section 118 of the 2008 Act (or cognate expressions are used), the following provisions will apply:
- 3.4.1 proceedings by way of judicial review under section 118 of the 2008 Act are finally determined:
- (A) when permission to bring a claim for judicial review has been refused and no further application may be made (excluding any application under CPR 52.30);
 - (B) when the court has given judgment in the matter and the time for making an appeal expires without an appeal having been made or permission to appeal is refused and any time for appealing such a refusal expires without such an appeal having been made or having been refused (excluding any application under CPR 52.30); or
 - (C) when any appeal is finally determined and no further appeal may be made (excluding any application under CPR 52.30).

4. **OBLIGATIONS**

- 4.1 SZC Co covenants with the Councils to perform the obligations contained in the Schedules.
- 4.2 Where any payment in this Deed is expressed to be payable on or before an event or activity, SZC Co covenants that it shall not commence that event or activity until the relevant payment has been made.
- 4.3 Where any obligation on the part of SZC Co in this Deed provides for an action to be taken "on or before Commencement", SZC Co covenants that it shall not Commence the Project until the relevant obligation has been satisfied.
- 4.4 East Suffolk Council and Suffolk County Council each covenant with SZC Co to perform the obligations on their respective parts contained in the Schedules.

5. **RELEASE**

SZC Co shall, upon transfer of the entirety of its benefit of the Development Consent Order, be released from all obligations in this Deed but without prejudice to the rights of the parties in relation to any antecedent breach of those obligations.

6. **EXPIRY**

If the Development Consent Order expires or is revoked prior to the Commencement Date then this Deed shall forthwith determine and cease to have effect and East Suffolk Council shall forthwith cancel all entries made in its register of local land charges in respect of this Deed.

7. **CERTIFICATES OF COMPLIANCE**

- 7.1 East Suffolk Council will within 42 Working Days following receipt of a written request by SZC Co certify compliance or partial compliance (as and if appropriate) with the provisions of this Deed and if so requested by SZC Co will (as and if appropriate) execute a deed of release or partial release from the relevant provisions of this Deed subject to payment by SZC Co of East Suffolk Council's reasonable legal fees for so doing and shall promptly register the same in the register of local land charges maintained by East Suffolk Council in respect of any interest against which this Deed is so charged subject to payment by SZC Co of East Suffolk Council's reasonable legal fees for so doing.

- 7.2 Suffolk County Council will within 42 Working Days following receipt of a written request by SZC Co certify compliance or partial compliance (as and if appropriate) with the provisions of this Deed and if so requested by SZC Co will (as and if appropriate) execute a deed of release or partial release from the relevant provisions of this Deed subject to payment by SZC Co of Suffolk County Council's reasonable legal fees for so doing.

8. RESOLUTION OF DISPUTES

- 8.1 In the event of any Dispute arising between the parties then the parties will attempt to resolve that Dispute amicably including holding a meeting attended by at least one representative from each party of senior director level.
- 8.2 If the parties are unable to resolve the Dispute amicably pursuant to clause 8.1 within 15 Working Days, one party may by serving notice on all the other parties (the "Notice") refer the Dispute to an Expert for determination.
- 8.3 The Notice must specify:
- 8.3.1 the nature, basis and brief description of the Dispute;
 - 8.3.2 the clause or paragraph of this Deed pursuant to which the Dispute has arisen; and
 - 8.3.3 the proposed Expert.
- 8.4 In the event that the parties are unable to agree whom should be appointed as the Expert within 10 Working Days after the date of the Notice then either party may request:
- 8.4.1 the President (or equivalent person) for the time being of a professional body chiefly relevant in England to such professional qualifications as are appropriate to the Dispute; or
 - 8.4.2 where the Dispute touches or concerns the meaning or construction of this Deed, the President of the Law Society,
- to nominate the Expert at their joint expense, and the parties shall request that such nomination shall be made within 10 Working Days of the request, and any failure for such nomination to be made within 10 Working Days shall entitle any party to withdraw from the process of appointing an Expert and to refer the Dispute to the courts of England and Wales instead.
- 8.5 In the event that the parties are unable to agree the appropriate professional body to which a referral is to be made pursuant to clause 8.4.1 within 10 Working Days after a written request by one party to the other to concur as to the appropriate professional body, then either party may request that a solicitor appointed by the President of the Law Society shall act as an expert (whose costs shall be at their discretion) and shall make a final and binding decision as to the appropriate professional body.
- 8.6 If the appointed Expert is or becomes unable or unwilling to act, any party may within 10 Working Days of the Expert being or becoming unable or unwilling to act, serve a notice on all the other parties proposing a replacement Expert and the parties will follow the process at clause 8.4 to settle the appointment of the replacement Expert.
- 8.7 The Expert shall act as an expert and not as an arbitrator and their decision will (in the absence of manifest error) be final and binding on the parties hereto and the Expert's cost shall be at their discretion or in the event that they make no determination, such costs will be borne by the parties to the Dispute in equal shares.
- 8.8 The Expert is to have regard to all representations and evidence before them when making their decision, which is to be in writing, and is to give reasons for their decision.
- 8.9 The Expert will be appointed subject to an express requirement that they reach their decision and communicate it to the parties within the minimum practicable timescale allowing for the nature and complexity of the dispute and in any event not more than 30 Working Days from the date of their appointment to act.

- 8.10 The Expert will be required to give notice to each of the parties inviting them to submit to the Expert within 10 Working Days written submissions and supporting material and will afford to each of the parties an opportunity to make counter submissions within a further 5 Working Days in respect of any such submission and material.
- 8.11 The parties agree that nothing in clauses 8.1 to 8.10 shall prevent the Councils from enforcing this Deed in accordance with the Development Consent Order.
- 9. NOTICES**
- 9.1 Any notice, consent or approval or other communication required to be given under this Deed must be in writing and shall be addressed as provided for in clause 9.4.
- 9.2 Any such notice must be delivered by hand (including by courier or process server) or by pre-paid recorded delivery post and shall conclusively be deemed to have been received:
- 9.2.1 if delivered by hand, on the next Working Day after the day of delivery; and
- 9.2.2 if sent by pre-paid recorded delivery post and posted within the United Kingdom, at 9:00am on the second Working Day after the date of posting.
- 9.3 A notice received or deemed to be received in accordance with clause 9.2 on a day which is not a Working Day, or after 5pm on any Working Day, shall be deemed to be received on the next following Working Day.
- 9.4 Subject to clause 9.5, the address, relevant addressee and reference for each party are:
- 9.4.1 in the case of Suffolk County Council:
- | | |
|---------------------|---|
| Address: | Suffolk County Council, Endeavour House, 8 Russell Road, Ipswich, Suffolk, IP12BX |
| Relevant addressee: | Executive Director of Growth, Highways and Infrastructure |
| Reference: | SIZEWELL C DEED OF OBLIGATION |
- 9.4.2 in the case of East Suffolk Council:
- | | |
|---------------------|--|
| Address: | East Suffolk Council, Riverside, 4 Canning Road, Lowestoft, NR33 0EQ |
| Relevant addressee: | Philip Ridley, Head of Planning and Coastal Management |
| Reference: | SIZEWELL C DEED OF OBLIGATION |
- 9.4.3 for SZC Co:
- | | |
|---------------------|--|
| Address: | NNB Generation Company (SZC) Limited, 90 Whitfield Street, London, England W1T 4EZ |
| Relevant addressee: | Chief Planning Officer |
| Reference: | SIZEWELL C DEED OF OBLIGATION |
- 9.5 Any party may give notice of a change to its name, address, or relevant addressee for the purposes of this clause 9 PROVIDED THAT such notification shall only be effective on:
- 9.5.1 the date specified in the notification as the date on which the change is to take place; or
- 9.5.2 if no date is specified or the date specified is less than five clear Working Days after the date on which the notice is received or deemed to be received, the fifth Working Day after the notice of any such change is given.

10. **INDEXATION**

All payments and financial contributions to be paid, provided or made available pursuant to this Deed and all maximum or capped liabilities under this Deed will be increased by reference to the amount of the increase in the Index from the date of this Deed until the date payment is due in accordance with the following formula (where the Index at Payment Date / Index at today's date is equal to or greater than one (1)):

$$\text{Amount Payable} = \text{Sum} \times (\text{Index at Payment Date} / \text{Index at today's date})$$

where:

"Amount Payable" is the amount of money required to be paid;

"Sum" is the amount of the Contribution or other sum of money stated in this Deed;

"Index at Payment Date" is the Index published two months before the Payment Date (for example, the Index published in January where the Payment Date is in March); and

"Index at today's date" is the relevant Index published two months prior to the date the Development Consent Order is made. *of this Deed.* JCC

11. **INTEREST**

Where any obligation in this Deed is expressed to require SZC Co to pay any sum of money, interest at the Interest Rate shall be payable in addition to the sum of money it calculated from the Payment Date to the date on which the sum of money is actually paid.

12. **NOTICE OF PHASES, PAYMENTS AND DISPOSITIONS**

12.1 SZC Co shall notify each of the other parties to this Deed:

12.1.1 of the anticipated date of Commencement of works pursuant to the Development Consent Order at least 30 Working Days prior to Commencement, PROVIDED THAT for the avoidance of doubt nothing in this Deed shall prevent Commencement from having occurred lawfully in the event this notice is not served in accordance with this clause;

12.1.2 of the anticipated date of the Transitional Date at least 30 Working Days prior to the Transitional Date, PROVIDED THAT for the avoidance of doubt nothing in this Deed shall prevent Transition from having occurred lawfully in the event this notice is not served in accordance with this clause;

12.1.3 within 10 Working Days of the actual Commencement Date;

12.1.4 within 10 Working Days of the actual Transitional Date;

12.1.5 within 10 Working Days of the day on which the Construction Period ends;

12.1.6 within 10 Working Days of the acquisition of any freehold or leasehold interest in the Sites by SZC Co; and

12.1.7 within 10 Working Days of a transfer of all or part of the Undertaking or any other transfer or grant of the benefit of the Development Consent Order made pursuant to the Development Consent Order.

12.2 Where in this Deed an obligation is required to be performed by a specified point such as "Commencement" the parties agree that such trigger may be varied if agreed in advance with the relevant Councils (in consultation with any relevant third party identified in the obligation or directly affected by such proposed variation) in writing PROVIDED THAT such agreement shall not be given (except for minor or immaterial variations) unless it has been demonstrated to the satisfaction of the relevant Council that the variation sought does not give rise to any materially new or materially different environmental effects in comparison with those assessed in the Environmental Information.

13. **COMMUNICATIONS**

- 13.1 On or before Commencement, SZC Co shall submit a Communication Protocol to the Councils for approval.
- 13.2 The Communications Officers for East Suffolk Council and Suffolk County Council (or such other central point as may be agreed between SZC Co, East Suffolk Council and Suffolk County Council) shall coordinate External Communications on behalf of Suffolk County Council and East Suffolk Council with SZC Co's communications team in accordance with the approved Communication Protocol. Once communications material associated with a project or activity funded from the Contributions has been produced in accordance with the approved Communication Protocol, SZC Co shall have the right to include information in its future communications without the need for approval by the other parties to this Deed.
- 13.3 The parties agree that where particular mitigation works, projects or benefits are funded from any of the Contributions secured under this Deed:
- 13.3.1 SZC Co shall have the right to be acknowledged as having funded such mitigation works, projects or benefits;
- 13.3.2 SZC Co branding and/or corporate images or logos shall be included (unless instructed to the contrary by SZC Co in writing) in literature or publicity material relating to such works, projects or benefits, at the sole cost of SZC Co;
- 13.3.3 signage (at the discretion and cost of SZC Co) bearing SZC Co branding and/or corporate images or logos shall be erected or affixed to buildings and other facilities funded out of the Contributions; and
- 13.3.4 SZC Co shall at its sole cost have the right to be involved in publicity activities relating to such mitigation works, projects or benefits in consultation with the Councils.

14. **THIRD PARTIES**

- 14.1 The Schedules to this Deed are subject to this clause 14.
- 14.2 Where:
- 14.2.1 any payments identified in the Schedules to this Deed are stated to be payable by SZC Co to East Suffolk Council or Suffolk County Council for onward transfer to a person who is not a party to this Deed (a "**third party**"); and/or
- 14.2.2 any third party is entitled to nominate a member of a Governance Group, East Suffolk Council and/or Suffolk County Council (as relevant) and SZC Co shall use reasonable endeavours to enter into an agreement with the third party substantially in the form attached to this Deed at Annex B (a "**Deed of Covenant**"), unless otherwise agreed by the relevant Council and SZC Co.
- 14.3 If after using reasonable endeavours East Suffolk Council or Suffolk County Council (as relevant) and SZC Co are unable to enter into a Deed of Covenant with any third party prior to either the date when payment is due to be paid to that third party or the date of the first meeting of the relevant Governance Group (as relevant):
- 14.3.1 neither East Suffolk Council nor Suffolk County Council shall have any obligation to transfer that payment to the third party unless and until that third party has entered into such Deed of Covenant, unless otherwise agreed by the relevant Council and SZC Co;
- 14.3.2 East Suffolk Council or Suffolk County Council (as relevant) and SZC Co shall use reasonable endeavours to meet with the relevant third party within 20 Working Days of the date when the payment was due to be paid in order to discuss the reasons why the Deed of Covenant has not been entered into; and
- 14.3.3 if no Deed of Covenant has been entered into within 30 Working Days of the date when the payment was due to be paid or the date of the second meeting of the

relevant Governance Group (as relevant), SZC Co and East Suffolk Council and/or Suffolk County Council (as relevant) shall meet to determine:

- (A) either alternative delivery of the relevant mitigation or an alternative form of mitigation; and/or
- (B) whether an alternative form of agreement may be entered into with the third party (at the discretion of the relevant Council and SZC Co); and/or
- (C) where necessary, an alternative third party to nominate a member of the relevant Governance Group.

14.4 Where clause 14.3.3(A) applies and it is agreed between the parties that East Suffolk Council and/or Suffolk County Council shall deliver the relevant mitigation the relevant Council shall deliver such mitigation as so agreed using the payment previously made by SZC Co.

15. **VAT**

15.1 All consideration given in accordance with the terms of this Deed shall be exclusive of any VAT properly payable.

15.2 SZC Co shall not be obliged to make any contributions towards VAT payable by the Councils in respect of any works to be undertaken by the relevant Councils insofar and to the extent that the amount of VAT is (by way of off-set or otherwise) recoverable or reimbursable to the Councils.

15.3 If this Deed or anything contained in it gives rise to a taxable supply for VAT purposes by the Councils or by any third party to SZC Co then SZC Co shall pay to the relevant Council or third party an amount equal to the VAT chargeable in addition to and at the same time as any payment or the provision of any other consideration for such supply upon provision of a valid VAT invoice addressed to SZC Co.

16. **LEGAL COMPLIANCE**

16.1 Nothing in this Deed (including its Schedules) shall require SZC Co to do anything that would be or that SZC Co is properly advised by its legal advisors would be contrary to data protection, confidentiality and/or any other applicable legal requirements or otherwise unlawful for any reason.

16.2 Nothing in this Deed (including its Schedules) shall require any of the Councils to do anything that would be or that the relevant Council is properly advised by its legal advisors would be contrary to data protection, confidentiality and/or any other applicable legal requirements or otherwise unlawful for any reason.

16.3 SZC Co and the Councils shall enter into Data Sharing and Confidentiality Agreements on or before Commencement.

17. **ENFORCEMENT**

17.1 In the event the Councils seek to enforce by injunction any restrictions or requirements imposed under this Deed, SZC Co shall not seek from the courts a cross-undertaking in damages from the Councils.

17.2 SZC Co shall indemnify each Council against any costs arising out of or as a result of that Council exercising its right under this Deed to enter land in order to carry out any operations required to be carried out in, on, under or over such land pursuant to this Deed, where SZC Co has breached its obligation under this Deed to carry out such operations.

18. **COUNCILS' POWERS**

Nothing in this Deed shall fetter the statutory rights, powers or duties of the Councils.

19. REVIEW

- 19.1 In the event that the Construction Period does not end prior to the eleventh anniversary of the Commencement Date, within three months of the eleventh anniversary of the Commencement Date SZC Co together with the Councils shall carry out a joint review of the level of the Contributions payable pursuant to this Deed, having regard to:
- 19.1.1 the progress of the Project and the anticipated programme for the overall Project until the end of the Construction Period (including anticipated timings and whether the Construction Period is anticipated to last longer than the twelve years envisaged by the level of Contributions set out in this Deed);
 - 19.1.2 the level of unspent Contributions previously paid and any Contributions yet to be paid pursuant to this Deed;
 - 19.1.3 where relevant, the agreed level of annual instalments payable in respect of a particular Contribution;
 - 19.1.4 any materially new or materially different environmental effects to those assessed in the Environmental Information; and
 - 19.1.5 the anticipated duties likely to be imposed on the Councils as a direct result of the Project which impact their normal statutory duties during the remainder of the Construction Period.
- 19.2 Following the joint review, SZC Co shall prepare a report identifying where any funding or Contributions paid or payable by SZC Co pursuant to this Deed should, either partially or fully, continue to be payable during the Construction Period after the twelfth anniversary of the Commencement Date or should be adjusted to provide for the mitigation of materially new or materially different environmental effects to those assessed in the Environmental Information arising as a result of the extension of the Construction Period.
- 19.3 SZC Co shall provide a draft of the report to be completed under clause 19.2 to the Councils by not later than the six months prior to the twelfth anniversary of the Commencement Date and shall have regard to any reasonable representations or proposed amendments provided by the Councils on this draft PROVIDED THAT such representations or amendments are received within 20 Working Days of the Councils' receipt of the draft report (or such longer period agreed between the Councils and SZC Co).
- 19.4 SZC Co shall submit to the Councils for approval a final copy of the report completed under clause 19.2 by not later than three months prior to the twelfth anniversary of the Commencement Date.
- 19.5 In the event that the Councils consider that the final report has not had regard to their reasonable representations or amendments the Councils shall notify SZC Co of such matters not taken into account and SZC Co shall prepare a duly amended report within 20 Working Days of receiving such notice which shall be submitted to the Councils for approval.
- 19.6 In the event that the Councils consider that the revised report prepared pursuant to clause 19.5 has not had regard to their reasonable representations or amendments, such a disagreement shall be considered a Dispute to be determined by the Expert pursuant to clause 8.
- 19.7 SZC Co shall pay to East Suffolk Council or Suffolk County Council (as appropriate) any monies due pursuant to and in accordance with the report approved by the Councils pursuant to clause 19.4, the report approved by the Councils pursuant to clause 19.5 or the report as agreed following a referral of a Dispute to the Expert pursuant to clause 19.6, as applicable.

20. VARIATION

- 20.1 No variation of this Deed shall be effective unless it is made:
- 20.1.1 in writing and executed as a deed by, or on behalf of, each of the parties; or

- 20.1.2 further to a determination by the Secretary of State in accordance with the provisions of the Development Consent Order.

21. GOOD FAITH AND APPROVAL

- 21.1 The parties agree with each other to act reasonably and in good faith in the discharge of the obligations contained in this Deed.
- 21.2 Where in this Deed it is stated that SZC Co's consent, approval or agreement is required, SZC Co agrees not to unreasonably withhold its consent, approval or agreement and to confirm in writing its consent, approval or agreement or otherwise of the relevant matter, scheme or measure within 15 Working Days of the date of receipt of details of such matter, scheme or measure, or such longer period as may be agreed in writing between the relevant Council and SZC Co, and in the event of SZC Co failing to respond within the relevant decision period (or longer period as agreed) that the relevant Council may proceed on the basis that such matter, scheme or measure has been approved by SZC Co.
- 21.3 If SZC Co considers that further information is required to determine a request for consent, approval or agreement:
- 21.3.1 SZC Co shall as soon as practicable notify the relevant Council in writing specifying the further information required; and
- 21.3.2 the parties agree that the time between the request for and receipt of such further information shall not be counted in calculating the end of the decision period as set out in paragraph 21.2.
- 21.4 Notwithstanding any other provision of this Deed, where SZC Co's consent, approval or agreement is required under this Deed, SZC Co agrees that such consent, approval or agreement shall not be given except where it has been demonstrated to the satisfaction of SZC Co that the subject matter of the consent, approval or agreement does not give rise to any materially new or materially different environmental effects to those assessed in the Environmental Information.

22. RIGHTS OF THIRD PARTIES

It is not intended that any person who is not a party to this Deed shall have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed.

23. JURISDICTION

- 23.1 This Deed including its construction, validity, performance and enforcement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with English law.
- 23.2 Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Deed or its subject matter or formation (including non-contractual disputes or claims).

24. COUNTERPARTS

This Deed may be executed in any number of counterparts, each of which is an original and all of which may together evidence the same agreement.

25. DATE OF DELIVERY

This Deed is delivered on the date of this Deed.

**SCHEDULE 1
COUNCILS' GENERAL OBLIGATIONS**

1. DEFINITIONS AND INTERPRETATION

- 1.1 Where in this Schedule the following defined terms and expressions are used they shall have the following respective meanings unless otherwise stated:

"**Accrued Interest**" means interest at the base lending rate of the Bank of England from time to time.

2. THE CONTRIBUTIONS

- 2.1 Unless otherwise agreed between the parties, East Suffolk Council and Suffolk County Council shall each use reasonable endeavours to establish an interest-bearing account or accounts where those Contributions and/or other sums of money that are payable to them pursuant to this Deed shall be held and shall promptly, and in any event within 10 Working Days of the establishment of such account or accounts, notify the account details to SZC Co.
- 2.2 The Councils each covenant with SZC Co that they shall, on receipt of the Contributions or other amounts from SZC Co payable to them pursuant to this Deed, place the received sums of money in such notified account or accounts.
- 2.3 Interest accruing to the account or accounts in which the Contributions payable to the Councils pursuant to this Deed are held shall be retained in that account or accounts and shall only be applied in accordance with the provisions of this Deed for the same purposes as for the Contributions to which the interest relates.
- 2.4 East Suffolk Council and Suffolk County Council shall each provide SZC Co with copies of all account statements and other correspondence received in relation to the accounts established pursuant to this Schedule 1.

3. APPLICATION OF CONTRIBUTIONS

- 3.1 The Councils each covenant with SZC Co in respect of monies that each of them receive pursuant to this Deed not to spend the relevant monies other than for the purposes specified in this Deed in relation to the relevant Contribution or sum of money.
- 3.2 The Councils each covenant with SZC Co that they will within 6 months of the Commencement Date and annually thereafter until the Contributions have been spent provide SZC Co with a statement setting out details of the purposes to which the monies have been applied.
- 3.3 Notwithstanding paragraph 3.2, SZC Co shall in any event have the right to audit all expenditure funded from the Contributions or other amounts secured under this Deed and the Councils each covenant with SZC Co to provide access to all such information and evidence to enable SZC Co to carry out any such audit on an annual basis.

4. UNSPENT CONTRIBUTIONS

Unless expressly stated otherwise in this Deed, if any amount of money paid to the Councils under this Deed by SZC Co remains unspent or which has not been Committed within 5 years of the date that amount was paid by SZC Co (and for the avoidance of doubt where a sum is paid to the Councils in tranches this period runs separately for each tranche from the date the relevant tranche is received by the relevant Council), the Councils shall repay any such unspent or not Committed monies together with any Accrued Interest on those monies to SZC Co or its nominee within 60 (sixty) Working Days of a request from SZC Co, unless otherwise agreed between the parties.

5. APPROVAL

- 5.1 Subject to paragraph 5.3, where in this Deed it is stated that East Suffolk Council's or Suffolk County Council's consent, approval or agreement is required, the relevant Council agrees:
- 5.1.1 not to unreasonably withhold its consent approval or agreement and to confirm in writing its consent, approval or agreement or otherwise of the relevant matter, scheme or measure within 28 days of the date of receipt of details of such matter, scheme or measure, or such longer period as may be agreed in writing between SZC Co and the relevant Council; and
 - 5.1.2 in the event of the relevant Council failing to respond within the relevant decision period (or longer period as agreed), then SZC Co may proceed with the Project on the basis that such matter, scheme or measure has been approved by the relevant Council.
- 5.2 Subject to paragraph 5.3, if the relevant Council considers that further information is required to determine a request for consent, approval or agreement:
- 5.2.1 the relevant Council shall as soon as practicable notify SZC Co in writing specifying the further information required; and
 - 5.2.2 the parties agree that the time between the request for and receipt of such further information shall not be counted in calculating the end of the decision period as set out in paragraph 5.1.
- 5.3 Paragraphs 5.1 and 5.2 shall not apply to any approval of any assessment, report, plan or other document that is required by the Noise Mitigation Scheme.
- 5.4 Notwithstanding any other provision of this Deed, where a Council's consent, approval or agreement is required under this Deed, each Council agrees that such consent, approval or agreement shall not be given except where it has been demonstrated to the satisfaction of the relevant Council that the subject matter of the consent, approval or agreement does not give rise to any materially new or materially different environmental effects to those assessed in the Environmental Information.

6. LOCAL LAND CHARGES

- 6.1 This Deed shall be registered by East Suffolk Council as a local land charge in the register of local land charges maintained by East Suffolk Council:
- 6.1.1 promptly after the date of this Deed in respect of the Owned Interest; and
 - 6.1.2 promptly after the date of East Suffolk Council's receipt of each written notice from SZC Co in accordance with clause 12.1.6 in respect of any interests as are the subject of such notice.

7. PUBLIC INFORMATION PORTAL

- 7.1 East Suffolk Council shall host an online information portal which shall provide access to publicly available information which shall include the following information:
- 7.1.1 approved documents;
 - 7.1.2 discharging details for Requirements;
 - 7.1.3 notes of meetings of the Governance Groups;
 - 7.1.4 public information requests; and
 - 7.1.5 the publication of spent contributions in accordance with the details provided pursuant to paragraph 3.2.

**SCHEDULE 2
COUNCILS RESOURCING**

1. DEFINITIONS AND INTERPRETATION

1.1 Where in this Schedule the following defined terms and expressions are used they shall have the following respective meanings unless otherwise stated:

"Air Quality Monitoring" means the monitoring of air quality in respect of the Project required by all relevant legislation at the date of this Deed;

"LLFA Function" means a function within Suffolk County Council during the Construction Period whose responsibilities shall include but are not limited to the coordination of all matters requiring approval of the lead local flood authority pursuant to the Development Consent Order or this Deed in relation to the Project;

"Energy Projects Manager" means the suitably qualified and experienced officer employed or contracted by East Suffolk Council to: be the planning lead on behalf of East Suffolk Council for the Construction Phase of the Project; manage discharge of Requirements in the Development Consent Order and schedules in this Deed attributed to East Suffolk Council including carrying out necessary consultations with internal and external bodies, attend and participate in regular meetings with SZC Co and others; ensure East Suffolk Council responsibilities within this Deed are met; monitoring of the Development Consent Order and this Deed; to report and manage enforcement of the Project; be the first contact point for SZC Co during the Construction Phase for East Suffolk Council and to carry out any other duties reasonably required on behalf of East Suffolk Council in connection with the Development Consent Order, this Deed and/or the Project;

"Energy Projects Planner" means the suitably qualified and experienced officer employed or contracted by East Suffolk Council to support the Energy Projects Manager in their responsibilities under this Deed of Obligation, be the second contact point for SZC Co during the construction phase for East Suffolk Council and to carry out any other duties reasonably required on behalf of East Suffolk Council in connection with the Development Consent Order, this Deed and/or the Project;

"Environmental Health Officer" means the suitably qualified and experienced officer employed or contracted by East Suffolk Council to: be the environmental health lead on behalf of East Suffolk Council for the Construction Phase of the Project; review, assess and approve documents for the discharge of Requirements in the Development Consent Order for matters associated with noise, vibration, air quality and other environmental health matters; review, assess and approve applications made under the bespoke mitigation plan process, and undertake compliance and monitoring for activities associated with the Construction Phase of the Project; respond to and investigate complaints of environmental health matters and non-compliance with approved documents and works and provide the required level of consultation to SZC Co in respect of secured processes such as the Noise Mitigation Scheme; attend and participate in regular meetings with SZC Co and others; ensure East Suffolk Council responsibilities in respect of environmental health are met, be the main contact point for SZC Co during the Construction Phase for environmental health for East Suffolk Council and to carry out any other duties reasonably required on behalf of East Suffolk Council in connection with the Development Consent Order, this Deed and/or the Project;

"Officers" means all those persons employed or otherwise appointed by East Suffolk Council and/or Suffolk County Council whose costs of employment are funded in whole or in part by Contributions made by SZC Co pursuant to this Schedule 2 including all such persons who were already employed or retained by the Councils before the date of this Deed;

"Programme Management Function" means a function within Suffolk County Council during the Construction Period whose responsibilities shall include:

- (a) maintaining strategic oversight of the Project on behalf of Suffolk County Council;

- (b) coordination of all activities and engagement by Suffolk County Council in relation to the Project; and
- (c) corporate representation in relation to the Project on behalf of Suffolk County Council;

"Public Information Portal" means the online information portal hosted by East Suffolk Council pursuant to Schedule 1, paragraph 7; and

"Transport Management Function" means a function within Suffolk County Council during the Construction Period whose responsibilities shall include:

- (d) the coordination of all highways and transport matters relating to the Project on behalf of Suffolk County Council; and
- (e) the charring of the Transport Review Group.

2. EAST SUFFOLK COUNCIL OFFICER SUPPORT

- 2.1 SZC Co shall pay to East Suffolk Council:
 - 2.1.1 the sum of £81,750 per annum on or before Commencement and on each anniversary of the Commencement Date during the Construction Period for an Energy Projects Manager;
 - 2.1.2 the sum of £39,180 per annum on or before Commencement and on each anniversary of the Commencement Date during the Construction Period for an Energy Projects Planner; and
 - 2.1.3 the sum of £57,479 per annum on or before Commencement and on each anniversary of the Commencement Date for the first six years of construction for an Environmental Health Officer.
- 2.2 SZC Co's maximum liability under this paragraph 2 shall be £1,796,034.

3. SUFFOLK COUNTY COUNCIL OFFICER SUPPORT

- 3.1 SZC Co shall pay to Suffolk County Council the sum of £144,000 per annum to be paid on or before Commencement and then on each anniversary of the Commencement Date during the Construction Period towards Suffolk County Council carrying on the Programme Management Function and Transport Management Function.
- 3.2 SZC Co shall pay the sum of £60,000 to Suffolk County Council on or before the Commencement Date towards Suffolk County Council carrying on the LLFA Function.
- 3.3 SZC Co's maximum liability under this paragraph 3 shall be £1,788,000.

4. SZC SUPPORT CONTRIBUTIONS

- 4.1 SZC Co shall pay the sum of £150,000 to East Suffolk Council on or before Commencement and on each anniversary of the Commencement Date during the Construction Period thereafter as a contribution towards the cost of East Suffolk Council carrying out activities to support the Project.
- 4.2 SZC Co shall pay the sum of £150,000 to Suffolk County Council on or before Commencement and on each anniversary of the Commencement Date during the Construction Period thereafter as a contribution towards the cost of Suffolk County Council carrying out activities to support the Project.
- 4.3 SZC Co's maximum liability under this paragraph 4 shall be £3,600,000.

5. NOISE AND AIR QUALITY MONITORING

- 5.1 During the Construction Period, SZC Co shall pay to East Suffolk Council:
 - 5.1.1 on or before Commencement, £10,000;
 - 5.1.2 on the first three anniversaries of the Commencement Date occurring during the Construction Period, £10,748; and

5.1.3 on the fourth to eighth anniversaries of the Commencement Date occurring during the Construction Period, £10,233.60,

as a contribution towards the cost of East Suffolk Council carrying out Air Quality Monitoring and monitoring and assessment of noise effects of the Project.

5.2 In the event that new statutory duties that require East Suffolk Council to undertake air quality monitoring in respect of the Project other than the Air Quality Monitoring are imposed upon East Suffolk Council through the coming into force of new legislation prior to the end of the Construction Period, or additional locations for Air Quality Monitoring are reasonably required for any other reasons, East Suffolk Council may request approval from the Environment Review Group of monies to fund such additional monitoring.

5.3 In the event that East Suffolk Council reasonably requires additional funds to cover the cost of monitoring and assessment of the noise effects of the Project, it may request approval from the Transport Review Group for the payment of such funds by SZC Co.

5.4 Where the Environment Review Group or the Transport Review Group approve the payment of additional funds pursuant to paragraphs 5.2 or 5.3, such funds shall be paid by SZC Co within 30 days of such approval, up to a maximum liability of £348,734.40.

5.5 East Suffolk Council shall provide SZC Co with the results of any monitoring and assessment carried out using the payments made in accordance with this paragraph 5.

6. PUBLIC INFORMATION PORTAL

On or before Commencement, SZC Co shall pay the sum of £25,000 to East Suffolk Council to set up and host the Public Information Portal in accordance with paragraph 7 of Schedule 1 of this Deed.

7. GOVERNANCE

7.1 The sums paid to the Councils pursuant to this Schedule 2 shall only be applied by the Councils towards the provision of additional dedicated staff resources to fulfil the additional duties imposed on the Councils as a result of the Project and to ensure the efficient operation and management of the Project (in particular in managing the discharge of Requirements, the discharge and monitoring of obligations set out within this Deed and support with governance arrangements).

**SCHEDULE 3
ACCOMMODATION AND HOUSING**

1. DEFINITIONS AND INTERPRETATION

1.1 Where in this Schedule the following defined terms and expressions are used they shall have the following respective meanings unless otherwise stated:

"Accommodation Co-ordination" means the following tasks to:

- (f) collate, review and disseminate relevant information about the Project and NHB Workers online to Accommodation Providers;
- (g) manage the Accommodation Management System, including maintaining relationships with Accommodation Providers and helping them to keep information related to their property up-to-date, and providing a point of contact for Accommodation Providers;
- (h) collect and monitor information about:
 - (i) the stock of accommodation registered on the Accommodation Management System;
 - (ii) the number of NHB Workers registered with the Accommodation Management System; and
 - (iii) utilisation of Project Accommodation; and
- (i) provide information for the purposes of the preparation of the monitoring report pursuant to paragraph 7.2;

"Accommodation Co-ordinator" means the suitably qualified and experienced accommodation co-ordinator or co-ordinators appointed or commissioned by SZC Co in accordance with paragraph 5 who shall carry out the Accommodation Co-ordination;

"Accommodation Management System" means the accommodation management system to be established by SZC Co to:

- (a) provide information about the NHB Workers to Accommodation Providers;
- (b) provide information to Accommodation Providers about the safety standards and quality standards which are required to be met in order for accommodation to be registered on the Accommodation Management System;
- (c) provide information to Accommodation Providers about tenancy guidance, regulations and legislation;
- (d) allow Accommodation Providers to register suitable accommodation;
- (e) include a searchable database of registered accommodation; and
- (f) provide contact information to enable the NHB Workers to contact registered Accommodation Providers;

"Accommodation Providers" means people and businesses who wish to offer accommodation to the NHB Workers and to register with the Accommodation Management System;

"Accommodation Types" means the types of accommodation, being either (i) private rented accommodation; (ii) owner occupied accommodation; (iii) tourist accommodation; or (iv) Latent Accommodation;

"Accommodation Working Group" means the group of the same name established pursuant to paragraph 7.1;

"Development Officer" means the suitably qualified and experienced officer employed or contracted by East Suffolk Council to implement measures within the Private Housing Supply Plan;

"East Suffolk Housing Strategy" means the strategy of that name setting out East Suffolk Council's ambitions and priorities for housing services from 2017 to 2023;

"First Accommodation Campus Date" means the date of the workforce survey carried out by SZC Co pursuant to paragraph 7.2.2 which first reports that the number of NHB Workers is more than 3,000;

"First Accommodation Campus Phase" means the first phase of the Accommodation Campus to be completed, including 1,200 bedspaces and amenity facilities;

"Housing and Homelessness Services Resilience Measures" means measures to support East Suffolk Council's statutory housing advice and homelessness prevention service where there is evidence of increased housing market stress impacting the level of demand on this service which may reasonably be related to the effects of the NHB Workers (and any HB Worker moving their single address explicitly to work on the Project), including but not limited to (subject to agreement by the Accommodation Working Group that those measures would be effective in responding to effects which may be reasonably attributed to the Project):

- (a) staff resourcing, training and projects including but not limited to floating support, tenancy sustainment, outreach, family liaison and issue-specific projects;
- (b) temporary and emergency accommodation support;
- (c) landlord engagement and support; and
- (d) management of houses in multiple occupation including support for licencing, enforcement and maintenance support;

"Housing Contingency Fund" means the fund to be established by SZC Co in the amount of £10,356,823 in total to be paid in accordance with and for the purposes specified in paragraphs 3 and 4;

"Housing Fund" means the fund to be established by SZC Co in the amount of £11,877,975 to be applied in accordance with this Schedule 3;

"Housing Needs Officer" means the suitably qualified and experienced officer employed or contracted by East Suffolk Council to implement measures within the Private Housing Supply Plan;

"Latent Accommodation" means any accommodation (including spare rooms) that is new to the market following the Commencement Date;

"LEEIE Caravan Park" means Work No. 1A(ee) in Schedule 1 to the Development Consent Order;

"LEEIE Date" means the date of the workforce survey carried out by SZC Co pursuant to paragraph 7.2.2 which first reports that the number of NHB Workers is more than 850;

"Private Housing Supply Plan" means the plan to be prepared by East Suffolk Council and approved by the Accommodation Working Group to fund any or all of the following initiatives (or any other appropriate initiatives which the Accommodation Working Group considers in its reasonable opinion would supply private housing in the Construction Period at an equivalent rate and value for money):

- (a) supporting rent and deposit guarantee schemes, in particular to support people at risk of homelessness;
- (b) providing equity loans to residents in the owner-occupied and private rented sector to enable them to secure suitable accommodation and free up homes or rooms in the private rented sector;
- (c) providing equity loans to residents in the social rented sector to help them access owner-occupied and rented property and rationalise the supply and occupancy of social rented homes as a result;
- (d) supporting empty homes back into use;

- (e) providing loans or grants or guaranteed lets, such as renovation grants or funding for minor improvement works and lodging or rent-a-room schemes;
- (f) helping to deliver the East Suffolk Housing Strategy pledge to work with housing associations to explore opportunities for mixed schemes of private sale and affordable housing to generate profits to replace grant funding; and
- (g) tackling under-occupation and maximising efficiency;

"Private Sector Housing Officer" means the suitably qualified and experienced officer employed or contracted by East Suffolk Council to implement measures within the Private Housing Supply Plan;

"Project Support Officer" means the suitably qualified and experienced officer employed or contracted by East Suffolk Council to implement measures within the Private Housing Supply Plan;

"Second Accommodation Campus Date" means the date of the workforce survey carried out by SZC Co pursuant to paragraph 7.2.2 which first reports that the number of NHB Workers is more than 4,800;

"Second Accommodation Campus Phase" means the second phase of the Accommodation Campus to be completed, including at least 1,200 bedspaces; and

"Tourist Accommodation Plan" means the plan to be produced by East Suffolk Council and approved by the Accommodation Working Group to set out measures to provide additional capacity and support to the tourist accommodation sector where effects may otherwise arise that could be in the reasonable opinion of East Suffolk Council attributed to the Project, including the following measures and others subject to agreement by the Accommodation Working Group (acting reasonably) that those measures would be effective in responding to effects which may be reasonably attributed to the Project:

- (a) a management strategy (the **"Tourist Accommodation Management Strategy"**) setting out the principles and guidelines for conversion of sites, licence amendments and planning to increase the supply of bedspaces in a sustainable way to support the Project and local accommodation providers;
- (b) loans and grants for local accommodation providers, within the terms of the Tourist Accommodation Management Strategy, in order to increase capacity and resilience; and
- (c) support for outreach, licencing, enforcement and pre-application advice for East Suffolk Council, within the terms of the Tourist Accommodation Management Strategy.

2. HOUSING FUND

- 2.1 East Suffolk Council shall apply or procure the application of the Housing Fund in accordance with the terms of this Schedule 3.
- 2.2 East Suffolk Council shall only apply the Housing Fund towards any or all of the following initiatives:
 - 2.2.1 increasing the supply of bedspaces in private housing in accordance with the Private Housing Supply Plan in accordance with paragraph 2.6 of this Schedule;
 - 2.2.2 supporting increased supply and availability of bedspaces in tourist accommodation in accordance with the Tourist Accommodation Plan in accordance with paragraph 2.7 of this Schedule; and
 - 2.2.3 providing support for East Suffolk Council's housing advice service through the provision of Housing and Homelessness Services Resilience Measures in accordance with paragraph 2.8 of this Schedule.
- 2.3 When considering how to apply the Housing Fund, East Suffolk Council shall take into account any recommendations of the Accommodation Working Group and the extent to which the proposed initiative:

- 2.3.1 is an effective means to mitigate the potential effects of the Project;
- 2.3.2 gives priority to localities where the direct impacts of the Project are anticipated to be experienced;
- 2.3.3 provides value for money; and
- 2.3.4 where the initiative aims to increase the supply of bedspaces:
 - (A) would deliver bedspaces prior to the sixth anniversary of the Commencement Date or such alternative date notified to East Suffolk Council by SZC Co as being the date upon which peak workforce numbers are anticipated to be reached by SZC Co (acting reasonably); and
 - (B) offers the potential for recycling the Housing Fund so that it can be reinvested in other housing initiatives, as far as reasonably practicable.
- 2.4 On or before Commencement, and annually on or before the first six anniversaries of the Commencement Date, SZC Co shall pay £220,000 to East Suffolk Council to be applied solely towards administration, expenses, or other related costs of the elements of the Housing Fund identified at paragraph 2.6, including the employment of the following officers:
 - 2.4.1 a Private Sector Housing Officer;
 - 2.4.2 a Housing Needs Officer;
 - 2.4.3 a Development Officer; and
 - 2.4.4 a Project Support Officer.
- 2.5 The maximum liability of SZC Co pursuant to this paragraph 2 is £1,540,000.
- 2.6 **Private Housing Market Supply**
 - 2.6.1 Within 6 months following Commencement, East Suffolk Council shall prepare a draft Private Housing Supply Plan and shall submit the draft Private Housing Supply Plan to the Accommodation Working Group for approval.
 - 2.6.2 SZC Co shall pay the Housing Fund to East Suffolk Council in the following instalments for the purposes of delivering bedspaces in accordance with initiatives set out by the Private Housing Supply Plan:
 - (A) no later than 1 month following the date of the approval of the Private Housing Supply Plan by the Accommodation Working Group, £2,000,000 to be applied in accordance with the approved Private Housing Supply Plan; and
 - (B) on each anniversary of the date of the approval of the Private Housing Supply Plan prior to and including the sixth anniversary of the date of the approval of the Private Housing Supply Plan, the sum of £1,139,661, to be applied in accordance with the approved Private Housing Supply Plan.
 - 2.6.3 Provided that the most recent payment due under paragraph 2.4 has been paid by SZC Co, every 12 months following the approval of the Private Housing Supply Plan, East Suffolk Council shall provide the Accommodation Working Group with the following information:
 - (A) expenditure of Housing Fund monies paid pursuant to paragraph 2.6.2 and the Private Housing Supply Plan by category of initiative and location;
 - (B) bedspaces delivered by Housing Fund monies paid pursuant to paragraph 2.6.2 and the Private Housing Supply Plan by category of initiative and location; and

- (C) bedspaces planned for delivery using Housing Fund monies paid pursuant to paragraph 2.6.2 and the Private Housing Supply Plan by category of initiative and location.
- 2.6.4 Every 6 months following the approval of the Private Housing Supply Plan, SZC Co shall provide the Accommodation Working Group with the following information from the most recent workforce survey undertaken pursuant to paragraph 7.2.2 of this Schedule 3:
- (A) estimated number of NHB Workers and HB Workers;
 - (B) estimated locations of NHB Workers and HB Workers;
 - (C) estimated split of Accommodation Types used by NHB Workers and HB Workers; and
 - (D) whether HB Workers moved explicitly as a result of gaining work on the Project and where they moved from.
- 2.6.5 The Accommodation Working Group may decide upon the receipt of information pursuant to 2.6.3 and 2.6.4 and any other information that the Accommodation Working Group (acting reasonably) considers necessary, to review the Private Housing Supply Plan and following such a review to request East Suffolk Council to consider preparing a revised draft Private Housing Supply Plan for its approval.
- 2.6.6 East Suffolk Council shall use reasonable endeavours to identify initiatives:
- (A) for which the sums paid pursuant to paragraph 2.6.2 are required prior to the sixth anniversary of the Commencement Date;
 - (B) that are practicably deliverable before the sixth anniversary of the Commencement Date; and
 - (C) would deliver at least 1,200 bedspaces before the sixth anniversary of the Commencement Date.
- 2.6.7 SZC Co's maximum liability pursuant to this paragraph 2.6 is £8,837,966.
- 2.7 Tourist Accommodation Market Supply**
- 2.7.1 Within 6 months of the Commencement Date, East Suffolk Council shall prepare a draft Tourist Accommodation Plan and shall submit the draft Tourist Accommodation Plan to the Accommodation Working Group for its approval.
- 2.7.2 SZC Co shall pay to East Suffolk Council the following instalments from the Housing Fund for the purposes of supporting the delivery of tourist accommodation capacity in accordance with initiatives set out by the Tourist Accommodation Plan:
- (A) no later than 1 month following the date of the approval of the Tourist Accommodation Plan by the Accommodation Working Group, £100,000 to be applied towards implementation of the initiatives to be funded pursuant to paragraph 2.7.2(B) in accordance with the Tourist Accommodation Plan; and
 - (B) annually on the date of the approval of the Tourist Accommodation Plan during the Construction Period beginning on the first anniversary of the date of the approval of the Tourist Accommodation Plan, £81,819 to be applied towards planning advice, information, licencing and support and loans to Accommodation Providers to enable the reconfiguration, expansion or any other increase in capacity of tourist accommodation in East Suffolk.
- 2.7.3 Provided that the most recent payment due under paragraph 2.4 has been paid by SZC Co, annually on the anniversary of the approval of the Tourist Accommodation Plan, East Suffolk Council shall provide the Accommodation Working Group with the following information:

- (A) details of expenditure of Housing Fund monies, pursuant to paragraph 2.7.2 and the Tourist Accommodation Plan, by category of initiative and location; and
 - (B) details of initiatives and bedspaces delivered (if applicable) by Housing Fund monies pursuant to paragraph 2.7.2 and the Tourist Accommodation Plan by category of initiative and location.
- 2.7.4 The Accommodation Working Group may decide upon the receipt of information pursuant to 2.7.3 and 2.6.4, and any other information that the Accommodation Working Group (acting reasonably) considers necessary, to review the Tourist Accommodation Plan and following such a review to request that East Suffolk Council consider preparing a draft revised Tourist Accommodation Plan for its approval and if East Suffolk Council considers in its reasonable opinion that a revised Tourist Accommodation Plan is necessary, it shall prepare a draft revised Tourist Accommodation Plan for approval by the Accommodation Working Group within a timeframe agreed between East Suffolk Council and the Accommodation Working Group and until such time as the draft revised Tourist Accommodation Plan is approved by the Accommodation Working Group, the approved Tourist Accommodation Plan shall continue to have effect.
- 2.7.5 SZC Co's maximum liability pursuant to this paragraph 2.7 is £1,000,009.
- 2.8 Housing and Homelessness Services Resilience Measures**
- 2.8.1 SZC Co shall pay £500,000 from the Housing Fund to East Suffolk Council on or before the first anniversary of the Commencement Date to be applied solely to the Housing and Homelessness Services Resilience Measures.
- 3. HOUSING CONTINGENCY FUND**
- 3.1 Housing and Homelessness Services Resilience Measures**
- 3.1.1 SZC Co shall pay up to £1,050,000 from the Housing Contingency Fund to East Suffolk Council between the second anniversary of the Commencement Date and the end of the Construction Period in accordance with paragraph 3.1.2, to be applied solely to the Housing and Homelessness Services Resilience Measures.
- 3.1.2 Annually during the Construction Period on or before the anniversary of the Commencement Date, the Accommodation Working Group shall agree on the amount, if any, to be paid by SZC Co to East Suffolk Council pursuant to paragraph 3.1.1, having regard to:
- (A) the information most recently provided by SZC Co pursuant to paragraph 2.6.4; and
 - (B) information provided by East Suffolk Council that the Accommodation Working Group agrees (acting reasonably) shows housing market stress relative to pre-Commencement levels which may reasonably be related to the effects of the NHB Workers (and any HB Workers moving their single address explicitly to work on the Project), including:
 - (1) an increased level of homeless presentations and applications in East Suffolk compared to the national average for the same period;
 - (2) an above average use of emergency and temporary accommodation in East Suffolk compared to the national average for the same period;
 - (3) an above average use of discretionary housing payments in East Suffolk compared to the national average for the same period; and

- (4) an above average level of licence applications and enforcement action in respect of unlicensed Houses of Multiple Occupancy in East Suffolk compared to the national average for the same period.

3.1.3 SZC Co's maximum liability pursuant to this paragraph 3.1 is £1,050,000.

3.2 Residential Care Home Closure Contingency

3.2.1 In the event that a residential care home providing accommodation for people closes during the Construction Period which would affect Suffolk County Council's duties and powers in connection with meeting needs for care and support under the Care Act 2014 and the Accommodation Working Group agrees (acting reasonably) that such closure is a result of the Project, SZC Co shall pay up to £216,823 from the Housing Contingency Fund to Suffolk County Council for the relocation of residents in that residential care home.

3.2.2 The Accommodation Working Group shall determine the amount (if any) to be paid by SZC Co in accordance with paragraph 3.2.1, at the first meeting of the Accommodation Working Group following the closure of the relevant residential care home and in doing so shall have regard to any information provided by Suffolk County Council in respect of the closure, the impact of the Project and the estimated costs of relocation.

3.2.3 SZC Co's maximum liability pursuant to this paragraph 3.2 is £216,823.

4. PROJECT ACCOMMODATION

4.1 Accommodation Campus

4.1.1 Unless otherwise agreed with the Accommodation Working Group, SZC Co shall:

- (A) use reasonable endeavours to deliver the Accommodation Campus in accordance with the Implementation Plan;
- (B) complete the First Accommodation Campus Phase within three months of the First Accommodation Campus Date; and
- (C) complete the Second Accommodation Campus Phase within three months of the Second Accommodation Campus Date.

4.1.2 In the event of a breach of paragraph 4.1.1(B), SZC Co shall pay to East Suffolk Council from the Housing Contingency Fund up to £4,020,000 as determined in accordance with paragraph 4.1.4, to be used by East Suffolk Council to deliver bedspaces in accordance with the approved Private Housing Supply Plan and to support the delivery of tourist accommodation capacity in accordance with the approved Tourist Accommodation Plan.

4.1.3 In the event of a breach of paragraph 4.1.1(C), SZC Co shall pay to East Suffolk Council from the Housing Contingency Fund up to £4,020,000 as determined in accordance with paragraph 4.1.4, to be used by East Suffolk Council to deliver bedspaces in accordance with the approved Private Housing Supply Plan and to support the delivery of tourist accommodation capacity in accordance with the approved Tourist Accommodation Plan.

4.1.4 The amount payable by SZC Co pursuant to paragraph 4.1.2 or paragraph 4.1.3 (as relevant) shall be calculated in accordance with the following formula:

$$\text{Amount Payable} = \text{£}3,350 \times (1,200 - \text{Bedspaces Delivered})$$

where:

"Amount Payable" is the amount of money required to be paid; and

"Bedspaces Delivered" is the number of bedspaces practically completed by SZC Co within the First Accommodation Campus Phase or Second

Accommodation Campus Phase (as relevant) on the date given in paragraph 4.1.1(B) or paragraph 4.1.1(C) (as relevant).

4.1.5 SZC Co's maximum liability pursuant to this paragraph 4.1 is £8,040,000.

4.2 LEEIE Caravan Park

4.2.1 Unless otherwise agreed with the Accommodation Working Group, SZC Co shall:

- (A) use reasonable endeavours to deliver the LEEIE Caravan Park in accordance with the Implementation Plan; and
- (B) complete the LEEIE Caravan Park within three months of the LEEIE Date.

4.2.2 In the event of a breach of paragraph 4.2.1(B), SZC Co shall pay to East Suffolk Council from the Housing Contingency Fund up to £1,050,000 as determined in accordance with paragraph 4.2.3, to be used by East Suffolk Council to support the delivery of tourist accommodation capacity in accordance with the approved Tourist Accommodation Plan.

4.2.3 The amount payable by SZC Co pursuant to paragraph 4.2.2 shall be calculated in accordance with the following formula:

$$\text{Amount Payable} = \text{£}1,750 \times (600 - \text{Bedspaces Delivered})$$

where:

"Amount Payable" is the amount of money required to be paid; and

"Bedspaces Delivered" is the number of bedspaces practically completed by SZC Co within the LEEIE Caravan Park on the date given in paragraph 4.2.1(B).

4.2.4 SZC Co's maximum liability pursuant to this paragraph 4.2 is £1,050,000.

5. ACCOMMODATION CO-ORDINATOR

5.1 Throughout the Construction Period, SZC Co shall appoint one or more Accommodation Co-ordinators.

5.2 SZC Co shall carry out or procure that the appointed Accommodation Co-ordinator carries out the Accommodation Co-ordination.

6. ACCOMMODATION MANAGEMENT SYSTEM

6.1 On or before Commencement, SZC Co shall establish the Accommodation Management System.

6.2 SZC Co shall operate or procure the operation of the Accommodation Management System throughout the Construction Period.

7. GOVERNANCE AND MONITORING

7.1 Accommodation Working Group

7.1.1 On or before Commencement, SZC Co shall establish the Accommodation Working Group which shall exist until the end of the Construction Period.

7.1.2 The Accommodation Working Group shall comprise:

- (A) three representatives from SZC Co;
- (B) two representatives from East Suffolk Council; and
- (C) one representative from Suffolk County Council,

or such alternates as may be nominated by those representatives from time to time.

7.1.3 The Accommodation Working Group shall:

- (A) meet either virtually or in a convenient location in East Suffolk or Ipswich at least twice a year, with the representative of East Suffolk Council acting as chair;
- (B) meet no later than three months after the Commencement Date;
- (C) refer to the Social Review Group for its determination any matter upon which the members of the Accommodation Working Group are unable to agree unanimously; and
- (D) prepare six monthly reports to the Social Review Group to provide information on:
 - (1) the effectiveness of monies spent in accordance with the Housing Fund, Private Housing Supply Plan, Tourist Accommodation Plan and Housing and Homelessness Services Resilience Measures as described in this Deed; and
 - (2) relevant monitoring information provided to the Accommodation Working Group described in this Deed.

7.1.4 SZC Co shall be responsible for the administration of convening and holding meetings of the Accommodation Working Group.

7.1.5 SZC Co and the Councils agree that meetings of the Accommodation Working Group shall be quorate if at least two members (at least one of which is a member representing SZC Co and one of which is a member representing East Suffolk Council) are present.

7.1.6 The Accommodation Working Group:

- (A) shall make such terms of reference for its governance and administration as it considers appropriate at the first meeting of the Accommodation Working Group; and
- (B) may make such further administrative arrangements and terms of reference as it considers appropriate for the proper and efficient functioning of the Accommodation Working Group from time to time, with such arrangements and terms of reference to be approved by the Social Review Group.

7.1.7 In the event that any of the Quorate Members of the Accommodation Working Group considers that a matter needs to be referred to the Social Review Group for urgent resolution, it shall notify the members of the Social Review Group accordingly to invoke the urgency process in Schedule 17, paragraph 6.2.7.

7.2 Monitoring

7.2.1 At least once every 6 months during the Construction Period, SZC Co shall monitor the uptake of Project Accommodation and report to the Accommodation Working Group on the occupancy levels of the Accommodation Campus and LEEIE Caravan Park.

7.2.2 Within 6 months from the Commencement Date, and at least once every 6 months during the Construction Period, SZC Co shall undertake a workforce survey, which will provide a statistically significant sample of the workforce to estimate:

- (A) the number of the SDS Construction Workforce and the Non-SDS Workforce and within each the number of NHB Workers and HB Workers;
- (B) the locations of the SDS Construction Workforce and the Non-SDS Workforce and within each the locations of NHB Workers and HB Workers;

- (C) the split of Accommodation Types used by the SDS Construction Workforce and the Non-SDS Workforce and within each the split of Accommodation Types used by NHB Workers and HB Workers;
- (D) the number of the SDS Construction Workforce and the Non-SDS Workforce who moved explicitly as a result of gaining work on the Project and where they moved from and within each the number of HB workers who moved explicitly as a result of gaining work on the Project and where they moved from; and
- (E) the number and location of family members (by school age cohort for children) of the SDS Construction Workforce and the Non-SDS Workforce and within each the number and location of NHB workers (by school age cohort for children),

PROVIDED THAT SZC Co shall not be required to undertake a workforce survey during the first six months of the Construction Period.

7.2.3 SZC Co shall:

- (A) use the workforce survey carried out pursuant to paragraph 7.2.2 and any information provided by the Accommodation Co-ordinator to produce a monitoring report; and
- (B) submit the monitoring report to the Accommodation Working Group within 2 months of the close of each workforce survey.

7.2.4 SZC Co shall report to the Accommodation Working Group at each meeting of that group on such information as may be relevant to East Suffolk Council in planning its delivery of bedspaces through the Private Housing Supply Plan, including information relating to:

- (A) Sizewell C Construction Workforce on-boarding and recruitment; and
- (B) progress in delivery of the Key Environmental Mitigation, including Project Accommodation.

SCHEDULE 4 EMERGENCY SERVICES

1. DEFINITIONS AND INTERPRETATION

- 1.1 Where in this Schedule the following defined terms and expressions are used they shall have the following respective meanings unless otherwise stated:

"Ambulance Service Contribution" means the sum of £750,000 in total for the purposes of mitigating the potential significant impacts of or risks associated with the Project on the provision of services by the East of England Ambulance Service NHS Trust which is to be paid in accordance with paragraph 5;

"Budgeted NHB Investigations" means the number of Estimated NHB Investigations that funding provided by the Police Contribution will provide capacity for each Construction Year;

"Community Safety Officer" means the suitably qualified and experienced person appointed by SZC Co in accordance with paragraph 2.1.1 to conduct engagement with contractors, the Sizewell C Construction Workforce, the Councils, the Suffolk Constabulary and the other emergency services through the Community Safety Working Group and On-Site Security to ensure that expectations of Sizewell C Construction Workforce behaviour encapsulated within the Worker Code of Conduct is implemented on-site and in the local community and that issues and community concerns related to safety and security are dealt with appropriately;

"Community Safety Resilience Measures" has the meaning given to this term in Schedule 5;

"Community Safety Working Group" means the group established pursuant to paragraph 10.1 to liaise on community safety matters in respect of the Project;

"Construction Year" means any year during the Construction Period, and the numbered Construction Year referred to in in this Schedule refers to each year as measured from Commencement, such that 'Year 1' is the year from the Commencement Date to the anniversary of the Commencement Date, and Year 2 is the year between the first anniversary of the Commencement Date and the second anniversary of the Commencement Date etc;

"Emergency Co-ordinator" means the suitably qualified and experienced emergency co-ordinator or co-ordinators appointed by SZC Co in accordance with paragraph 2.1.2 who shall:

- (a) appraise any incidents and allocate the On-site Emergency Response, and contact Suffolk Constabulary, Suffolk Fire and Rescue Service, and/or East of England Ambulance Service NHS Trust (as relevant) to request assistance if required;
- (b) ensure a single point of contact in the event of an emergency with Suffolk Constabulary, Suffolk Fire and Rescue Service, and East of England Ambulance Service NHS Trust; and
- (c) meet Suffolk Constabulary, Suffolk Fire and Rescue Service, and East of England Ambulance Service NHS Trust (as relevant) at the previously agreed rendezvous point and escort them to the scene of the incident;

"Emergency Services Contingency Contribution" means the sum of up to £446,548 in total to be paid in accordance with and for the purposes specified in paragraph 8;

"Estimated NHB Investigations" means the number of SZC-related Investigations multiplied by:

- (a) the proportion of the average Sizewell C Construction Workforce comprising NHB Workers in the most recent Workforce Survey report; or

- (b) if a Workforce Survey has not been carried out within the 9 months preceding the end of the relevant Construction Year 0.65;

"Fire and Rescue Service Contribution" means the sum of £1,441,705.60 in total for the purposes of mitigating the potential significant impacts of or risks associated with the Project on the provision of services by the Suffolk Fire and Rescue Service which is to be paid in accordance with paragraph 4;

"Health and Wellbeing Officer" has the meaning given in Schedule 6;

"On-site Emergency Response" means the On-site Security, the On-site Fire and Rescue, and Sizewell Health;

"On-site Fire and Rescue" means the private fire and rescue service to be provided by SZC Co pursuant to paragraph 2.1.4 and located on the SZC Development Site during the Construction Period;

"On-Site Security" means the suitably qualified and suitably experienced private security service to be provided at all times during the Construction Period on the Main Development Site, and at all times once operational on the Accommodation Campus Site and the Freight Management Facility Site by SZC Co pursuant to paragraph 2.1.3;

"Police Contribution" means the sum of £8,000,000 in total for the purposes of mitigating the potential significant impacts of or risks associated with the Project and the Sizewell C Construction Workforce (including site familiarisation and participation in the Community Safety Working Group and Transport Review Group) on the provision of services by Suffolk Constabulary which is to be paid in accordance with paragraph 3;

"Public Services Resilience Fund" has the meaning given in Schedule 5;

"School and Early Years Resilience Measures" has the meaning given in Schedule 5;

"Sizewell Health" has the meaning given in Schedule 6;

"SZC-related Investigations" means either crime or non-crime investigations that relate to the Sizewell C Construction Workforce or occur at or on any of the Sites (or involving vehicles making journeys to/from such Sites, other than Abnormal Indivisible Loads under escort by the Suffolk Constabulary) and which require the engagement or otherwise involve Suffolk Constabulary such investigations to be evidenced through Suffolk Constabulary recording platforms in accordance with the Policing KPIs (Annex AA) and presented to the Community Safety Working Group annually for each Construction Year, and for the avoidance of doubt if an investigation relates to the Sizewell C Construction Workforce and that same investigation occurs on one of the Sites (or involves vehicles making journeys to/from such Sites, other than Abnormal Indivisible Loads under escort by the Suffolk Constabulary) then such investigation shall be counted as one investigation for the purposes of calculating the number of SZC-related Investigations;

"Social Care Resilience Measures (Adult Community Services)" has the meaning given in Schedule 5;

"Social Care Resilience Measures (Children and Young People's Services)" has the meaning given in Schedule 5; and

"Transport Co-ordinator" has the meaning given in Schedule 16.

2. ON-SITE EMERGENCY RESPONSE

2.1 On or before Commencement and throughout the Construction Period thereafter, SZC Co shall:

- 2.1.1 appoint a Community Safety Officer;
- 2.1.2 appoint one or more Emergency Co-ordinators;
- 2.1.3 provide On-Site Security; and
- 2.1.4 provide On-Site Fire and Rescue.

3. POLICE CONTRIBUTION

3.1 During the Construction Period, the following sums from the Police Contribution shall be paid in the following instalments by SZC Co to Suffolk County Council for onward payment to the Suffolk Constabulary:

- 3.1.1 on or before Commencement, the sum of £227,142.08;
- 3.1.2 on or before the first anniversary of the Commencement Date, the sum of £326,657.08;
- 3.1.3 on or before the second anniversary of the Commencement Date, the sum of £923,747.08;
- 3.1.4 on or before the third anniversary of the Commencement Date, the sum of £923,747.08;
- 3.1.5 on or before the fourth anniversary of the Commencement Date, the sum of £923,747.08;
- 3.1.6 on or before the fifth anniversary of the Commencement Date, the sum of £1,023,262.08;
- 3.1.7 on or before the sixth anniversary of the Commencement Date, the sum of £1,023,262.08;
- 3.1.8 on or before the seventh anniversary of the Commencement Date, the sum of £923,747.08;
- 3.1.9 on or before the eighth anniversary of the Commencement Date, the sum of £923,747.08;
- 3.1.10 on or before the ninth anniversary of the Commencement Date, the sum of £326,657.08;
- 3.1.11 on or before the tenth anniversary of the Commencement Date, the sum of £227,142.08; and
- 3.1.12 on or before the eleventh anniversary of the Commencement Date, the sum of £227,142.08.

3.2 If prior to receiving any of the Police Contribution instalments Suffolk Constabulary reasonably and properly incurs any expenditure for the purpose of the Police Contribution, then Suffolk Constabulary may immediately following receipt of the relevant instalment deduct from it such expenditure incurred PROVIDED THAT SZC Co's maximum liability in each instalment year shall not exceed the amount stated in paragraphs 3.1.1 to 3.1.12.

4. FIRE AND RESCUE SERVICE CONTRIBUTION

4.1 During the Construction Period, SZC Co shall pay the sum of £601,761.76 from the Fire and Rescue Service Contribution to Suffolk County Council for the provision of the Suffolk Fire and Rescue Service to contribute towards exercises on site, site visits and familiarisation, high risk site planning, training and resilience measures, such sum to be paid in the following instalments:

- 4.1.1 on or before Commencement, the sum of £60,914.88;
- 4.1.2 on or before the first anniversary of the Commencement Date, the sum of £35,914.88;
- 4.1.3 on or before each of the second, third, fourth and fifth anniversaries of the Commencement Date, the sum of £47,993.20;
- 4.1.4 on or before the sixth anniversary of the Commencement Date, the sum of £72,993.20; and
- 4.1.5 on or before the seventh anniversary of the Commencement Date and each subsequent anniversary of the Commencement Date throughout the Construction Period, the sum of £47,993.20.

- 4.2 During the Construction Period SZC Co shall pay the sum of £67,959.84 from the Fire and Rescue Service Contribution to Suffolk County Council for the provision of the Suffolk Fire and Rescue Service to contribute towards attendance at and contribution to the Community Safety Working Group and collation of monitoring data relevant to the Transport Review Group, such sum to be paid in the following instalments:
- 4.2.1 on or before Commencement and on each subsequent anniversary of the Commencement Date throughout the Construction Period, the sum of £5,663.32.
- 4.3 During the Construction Period, SZC Co shall pay the sum of £771,984 from the Fire and Rescue Service Contribution to Suffolk County Council for the provision of the Suffolk Fire and Rescue Service to contribute towards provision of off-site community safety and fire safety services, such sum to be paid in the following instalments:
- 4.3.1 on or before Commencement and on each subsequent anniversary of the Commencement Date throughout the Construction Period, the sum of £64,332.
- 4.4 SZC Co's maximum liability pursuant to this paragraph 4 is £1,441,705.60.

5. **AMBULANCE SERVICE CONTRIBUTION**

- 5.1 During the Construction Period the following sums from the Ambulance Service Contribution shall be paid by SZC Co to Suffolk County Council for onward payment to the East of England Ambulance Service NHS Trust:
- 5.1.1 the sum of £385,576 to contribute towards the costs incurred by East of England Ambulance Service NHS Trust of exercises on site, site visits and familiarisation, preparation for and attendance at meetings of the Community Safety Working Group and undertaking procedure and policy preparation and updates, such sum to be paid in the following instalments:
- (A) on or before Commencement and on or before the first anniversary of the Commencement Date, the sum of £23,158; and
- (B) on or before the second anniversary of the Commencement Date and on or before each subsequent anniversary of the Commencement Date occurring during the Construction Period thereafter, the sum of £33,926;
- 5.1.2 the sum of £242,424 to contribute towards the costs incurred by East of England Ambulance Service NHS Trust for additional ambulance call outs to the SZC Development Site, such sum to be paid in the following instalments:
- (A) on or before Commencement and on or before each anniversary of the Commencement Date occurring during the Construction Period, the sum of £20,202; and
- 5.1.3 the sum of £122,000 to contribute towards the costs incurred by East of England Ambulance Service NHS Trust of a new response post or other measures determined by the East of England Ambulance Service NHS Trust to provide resilience to the service provided to the community in East Suffolk, such sum to be paid on or before the second anniversary of the Commencement Date.
- 5.2 SZC Co's maximum liability pursuant to paragraph 5.1 is £750,000.

6. **RESILIENCE CONTRIBUTIONS**

- 6.1 On or before Commencement, SZC Co shall pay the sum of £50,000 to Suffolk County Council for onward payment to the Royal National Lifeboat Institution as a contribution towards the resilience of the services provided by the Royal National Lifeboat Institution in East Suffolk.
- 6.2 On or before Commencement, SZC Co shall pay the sum of £50,000 to Suffolk County Council for onward payment to the East Anglian Air Ambulance as a contribution towards the resilience of the services provided by the East Anglian Air Ambulance in East Suffolk.

6.3 SZC Co and Suffolk County Council agree that Schedule 1, paragraph 4 shall not apply to the payments made pursuant to this paragraph 6.

7. POLICE RESERVE FUND

7.1 If at the end of any Construction Year (shown in column "A" in the table below), the number of Estimated NHB Investigations undertaken by the Suffolk Constabulary is equal to or exceeds the relevant threshold (shown in column "C" in the table below), Suffolk Constabulary may undertake a review of police resources.

A	B	C
Construction Year	Budgeted NHB Investigations	Investigation Trigger
1	131	163
2	197	229
3	591	623
4	591	623
5	591	623
6	657	689
7	657	689
8	591	623
9	591	623
10	197	229
11	131	163
12	131	163

7.2 If the results of the review of police resources referred to at paragraph 7.1 indicates that additional funding is reasonably and demonstrably required in order to provide additional resources to mitigate the potential significant impacts of or risks associated with the Project and the Sizewell C Construction Workforce on the provision of services by Suffolk Constabulary, Suffolk Constabulary may request in writing (together with reasonable supporting evidence including reference to the Policing KPIs (Annex AA)) funding for such additional resources from SZC Co.

7.3 Upon approval of a request from Suffolk Constabulary pursuant to paragraph 7.2 (such approval not to be unreasonably withheld), SZC Co shall pay such requested funding to Suffolk County Council for onward payment to Suffolk Constabulary.

7.4 If SZC Co does not approve a request from Suffolk Constabulary pursuant to paragraph 7.2, a default position will occur, whereby SZC Co shall pay the following reserve funding to Suffolk County Council for onward payment to the Suffolk Constabulary:

- 7.4.1 £80,000 if the number of Estimated NHB Investigations is equal to or greater than the Budgeted NHB Investigations plus 32 (the Investigation Trigger); and
- 7.4.2 £80,000 for every subsequent increment of 65 Estimated NHB Investigations above the Investigation Trigger unless otherwise advised by Suffolk Constabulary that this payment is deferred to subsequent Construction Years.

7.5 SZC Co's maximum liability pursuant to this paragraph 7 is £1,500,000.

8. EMERGENCY SERVICES CONTINGENCY CONTRIBUTION

8.1 Subject to paragraph 8.4, SZC Co shall pay the following to East Suffolk Council from the Emergency Services Contingency Contribution:

8.1.1 in the event that any protest or demonstration against the Project occurs during the Construction Period, an amount determined and approved in accordance with paragraph 8.4 to contribute towards the uninsured costs of any repairs, making good or cleaning reasonably incurred by East Suffolk Council as a result of that protest or demonstration PROVIDED THAT the total amount paid under this paragraph 8.1.1 shall not exceed £63,038; and

8.1.2 in the event of any incident in relation to the Project during the Construction Period that results in the evacuation of local residents or businesses from their premises, an amount determined and approved in accordance with paragraph 8.4 to contribute towards the costs incurred by East Suffolk Council in relation to that evacuation PROVIDED THAT the total amount paid under this paragraph 8.1.2 shall not exceed £249,430.

8.2 Subject to paragraph 8.4, SZC Co shall pay the following to Suffolk County Council from the Emergency Services Contingency Contribution:

8.2.1 in the event of any incident in relation to the Project during the Construction Period that results in the evacuation of local residents or businesses from their premises, an amount determined and approved in accordance with paragraph 8.4 to contribute towards the costs incurred or reasonably anticipated to occur by Suffolk County Council in relation to that evacuation PROVIDED THAT the total amount paid under this paragraph 8.2 shall not exceed £84,786.

8.3 Subject to paragraph 8.4, SZC Co shall pay the following to Suffolk County Council from the Emergency Services Contingency Contribution:

8.3.1 for onward payment to Suffolk Constabulary, in the event that Suffolk Constabulary (acting reasonably) during the Construction Period conducts a public safety initiative the need for which is directly attributable to the Project, an amount approved in accordance with paragraph 8.4 to contribute towards the costs reasonably incurred or reasonably anticipated to occur by Suffolk Constabulary in carrying out that public safety initiative;

8.3.2 for onward payment to Suffolk Fire and Rescue Service, in the event that Suffolk Fire and Rescue Service (acting reasonably) during the Construction Period conducts a public safety initiative the need for which is directly attributable to the Project, an amount approved in accordance with paragraph 8.4 to contribute towards the costs reasonably incurred or reasonably anticipated to occur by Suffolk Fire and Rescue Service in carrying out that public safety initiative; and

8.3.3 for onward payment to East of England Ambulance Service NHS Trust, in the event that East of England Ambulance Service NHS Trust (acting reasonably) during the Construction Period conducts a public safety initiative the need for which is directly attributable to the Project, an amount approved in accordance with paragraph 8.4 to contribute towards the costs reasonably incurred or reasonably anticipated to occur by East of England Ambulance Service NHS Trust in carrying out that public safety initiative,

PROVIDED THAT the total amount to be paid under this paragraph 8.3 shall not exceed £49,294.

8.4 Payments pursuant to this paragraph 8 shall be made:

8.4.1 within 30 days of approval by SZC Co of a request received in writing from East Suffolk Council or Suffolk County Council (as appropriate) detailing the amounts requested to be paid by reference to the relevant paragraph of this Schedule 4; or

- 8.4.2 where SZC Co has refused such a request, within 30 days of the determination by the Expert appointed pursuant to clause 8 that such a payment should be made, and SZC Co and the Councils agree that a refusal of a request by SZC Co shall be treated as a Dispute to be resolved in accordance with clause 8.
- 8.5 SZC Co's maximum liability pursuant to this paragraph 8 is £446,548.
- 9. SUFFOLK CONSTABULARY FACILITIES CONTRIBUTION**
- 9.1 On or before Commencement, SZC Co shall pay the sum of £185,000 to Suffolk County Council for onward payment to the Suffolk Constabulary as a contribution towards the cost of the construction of Suffolk Constabulary's office facilities in Leiston.
- 9.2 SZC Co shall pay up to £265,000 to Suffolk County Council for onward payment to the Suffolk Constabulary as a contribution towards the cost of the operation and use of Suffolk Constabulary's office facilities in Leiston in the following instalments:
- 9.2.1 on or before Commencement and on or before each anniversary of the Commencement Date occurring during the Construction Period, the sum of £22,083.
- 9.3 SZC Co's maximum liability pursuant to paragraph 9.2 is £265,000.
- 10. COMMUNITY SAFETY WORKING GROUP**
- 10.1 On or before Commencement, SZC Co shall establish the Community Safety Working Group which shall exist until the end of the Construction Period.
- 10.2 The Community Safety Working Group shall comprise the following members:
- 10.2.1 four representatives to be nominated by SZC Co;
- 10.2.2 the Transport Co-ordinator;
- 10.2.3 two representatives from a department or service relevant to community safety to be nominated by East Suffolk Council;
- 10.2.4 two representatives from a department or service relevant to Public Health, Community Safety, Adult and Community Services and/or Children and Young People's Services to be nominated by Suffolk County Council;
- 10.2.5 two representatives to be nominated by Suffolk Constabulary;
- 10.2.6 two representatives to be nominated by Suffolk Fire and Rescue Service; and
- 10.2.7 two representatives to be nominated by East of England Ambulance Service NHS Trust,
- or such alternates as may be nominated by those representatives from time to time.
- 10.3 The Community Safety Working Group shall also invite the following representatives to attend as observers and participate in discussions at its meetings:
- 10.3.1 one representative from each department or service relevant to such other department or service relevant to community safety or other relevant effects of the Project as the Community Safety Working Group shall consider necessary (acting reasonably) to be nominated by East Suffolk Council;
- 10.3.2 one representative from each department or service relevant to such other department or service relevant to community safety or other relevant effects of the Project as the Community Safety Working Group shall consider necessary (acting reasonably) to be nominated by Suffolk County Council;
- 10.3.3 the Health and Wellbeing Officer;
- 10.3.4 one representative to be nominated by Maritime Coastguard Agency;
- 10.3.5 one representative to be nominated by Royal National Lifeboat Institution;
- 10.3.6 one representative to be nominated by East Anglian Air Ambulance; and

- 10.3.7 representatives from any voluntary or charitable organisation as the Community Safety Working Group shall agree are necessary (acting reasonably).
- 10.4 The Community Safety Working Group shall:
 - 10.4.1 meet quarterly (or less frequently where agreed by the members of the Community Safety Working Group) either virtually or in a convenient location in East Suffolk or Ipswich to be identified by SZC Co from time to time;
 - 10.4.2 meet no later than three months after the Commencement Date;
 - 10.4.3 review and approve the proposed Community Safety Resilience Measures, School and Early Years Resilience Measures, Social Care Resilience Measures (Adult Community Services) and Social Care Resilience Measures (Children and Young People's Services) in accordance with Schedule 5, paragraph 3;
 - 10.4.4 review the number of SZC-related Investigations for each Construction Year;
 - 10.4.5 determine a reporting protocol to ensure transparency, consistency and independence; and
 - 10.4.6 refer to the Social Review Group for its determination on any matter upon which the members of the Community Safety Working Group are unable to agree unanimously.
- 10.5 Following each meeting in accordance with paragraph 10.4.1, the Community Safety Working Group shall report to the Social Review Group on the following matters:
 - 10.5.1 evidenced effects of the Project on community safety, the provision of emergency services and the provision of relevant public services in Suffolk;
 - 10.5.2 any relevant community safety matters that arise and any related actions taken by SZC Co and/or others (e.g. noise complaints, fly parking, littering); and
 - 10.5.3 expenditure from the Ambulance Services Contribution, Emergency Services Contingency Contribution, Fire and Rescue Contribution, Police Contribution, Public Services Resilience Fund and police reserve fund pursuant to paragraph 7, and the effectiveness of such contributions.
- 10.6 Following each meeting in accordance with paragraph 10.4.1, the Community Safety Working Group shall report to the Transport Review Group on any matters related to transport.
- 10.7 SZC Co and the Councils agree that meetings of the Community Safety Working Group shall be quorate if at least three members (at least one of which is a member representing SZC Co, one of which is a member representing East Suffolk Council, and one of which is a member representing Suffolk County Council) are present and shall be chaired by Suffolk County Council.
- 10.8 SZC Co shall be responsible for the administration of convening and holding meetings of the Community Safety Working Group.
- 10.9 The Community Safety Working Group:
 - 10.9.1 shall make such terms of reference for its governance and administration as it considers appropriate at the first meeting of the Community Safety Working Group; and
 - 10.9.2 may make such further administrative arrangements and terms of reference as it considers appropriate for the proper and efficient functioning of the Community Safety Working Group from time to time,
 - with such further arrangements or terms of reference to be approved by the Social Review Group.
- 10.10 In the event that any of the Quorate Members of the Community Safety Working Group considers that a matter needs to be referred to the Social Review Group for urgent

resolution, it shall notify the members of the Social Review Group accordingly to invoke the urgency process in Schedule 17, paragraph 6.2.7.

11. **ON-SITE ACCOMMODATION**

- 11.1 On or before Commencement, SZC Co shall consult with the Suffolk Constabulary on the proposed specification and security arrangements of the dedicated police accommodation to be provided by SZC Co, at its cost, within the SZC Development Site (the "**On-Site Police Accommodation**") and will have regard to comments received from the Suffolk Constabulary on that proposed specification for the On-Site Police Accommodation.
- 11.2 Throughout the Construction Period, SZC Co shall provide the On-Site Police Accommodation.

**SCHEDULE 5
PUBLIC SERVICES AND COMMUNITY SAFETY**

1. DEFINITIONS AND INTERPRETATION

1.1 Where in this Schedule the following defined terms and expressions are used they shall have the following respective meanings unless otherwise stated:

"Anticipated Demand" means the maximum demand for early years and school places anticipated to arise in a particular area as a direct result of Workforce Children to be mitigated through School and Early Years Capacity Measures funded by the School and Early Years Capacity Contribution, being:

Ward / Area	Pre-School Age (0 to 3 years)	Primary School Age (4 to 10 years)	Secondary School Age (11 to 17 years)
Leiston	30	31	5
Saxmundham	11	12	2
Aldeburgh	14	15	3
Rest of Suffolk	125	132	23
Total	180	190	33

"Community Safety Partnerships" means the bodies with that name formed by East Suffolk Council;

"Community Safety Resilience Measures" means initiatives to support the resilience and service provision of Suffolk County Council's Community Safety Services, including:

- (a) resourcing of training provision and awareness raising in respect of crime types that affect vulnerable people (including county lines, modern slavery, sexual exploitation, and gang activity, as well as domestic abuse and sexual violence); and
- (b) extension of existing projects relating to specific community safety risks, 47, which Suffolk County Council considers (acting reasonably) are required to reduce the risk of potential effects arising from the Project and the Sizewell C Construction Workforce, such as protecting and supporting vulnerable people against exploitation (including county lines, modern slavery, sexual exploitation, and gang activity), and domestic abuse and sexual violence,

whether provided by the Councils or by such multi-agency groups or third parties as Suffolk County Council considers (acting reasonably) is a fit and proper person to provide the initiatives required to address the impacts of the Project;

"Community Safety Working Group" has the meaning given in Schedule 4;

"Local Community Safety Measures" means resourcing provided for the following measures to be undertaken or commissioned or resources provided by East Suffolk Council that focus on the promotion of community safety, wellbeing and cohesion:

- (a) community safety initiatives with the aim of reducing crime and disorder and anti-social behaviour and/or protecting vulnerable people and those who may experience differential or disproportionate effects due to their Protected Characteristics against violence (e.g. gang violence), domestic abuse, and exploitation (e.g. trafficking, prostitution and modern slavery);
- (b) safeguarding initiatives;

- (c) initiatives that promote community cohesion and wellbeing;
- (d) initiatives with the aim of supporting people experiencing differential or disproportionate effects due to their Protected Characteristics;
- (e) initiatives with the aim of raising awareness of drugs and alcohol issues and promoting the safe use of alcohol; and
- (f) initiatives with the aim of promoting road safety,

whether provided by East Suffolk Council or by such multi-agency groups or third parties as East Suffolk Council considers (acting reasonably) is a fit and proper person to provide the initiatives;

"Protected Characteristics" means disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation as defined by the Equality Act 2010;

"Public Services Resilience Fund" means the fund payable pursuant to paragraph 2 to deliver:

- (a) Community Safety Resilience Measures;
- (b) Local Community Safety Measures;
- (c) School and Early Years Resilience Measures;
- (d) Social Care Resilience Measures (Adult Community Services); and
- (e) Social Care Resilience Measures (Children and Young People's Services);

"Safer Stronger Communities Board" means the body with that name led by Suffolk County Council as a partnership made up of: Suffolk County Council, East Suffolk Council, West Suffolk Council, Ipswich Borough Council, Mid Suffolk and Babergh Councils, Suffolk Police, OPCC, the clinical commissioning groups responsible for services in Suffolk, and Suffolk Community Safety Partnerships;

"School and Early Years Capacity Contingency Contribution" means a financial contribution of £2,169,102 to implement School and Early Years Capacity Measures subject to paragraph 5;

"School and Early Years Capacity Contribution" means a financial contribution of £1,920,252 to implement School and Early Years Capacity Measures;

"School and Early Years Capacity Measures" means initiatives to enable the delivery of capacity to account for the predicted temporary net additional demand for school places and places in early years settings in those areas likely to be most affected based on the distribution of demand related to Workforce Children, including:

- (a) the temporary or permanent expansion of 30 places in early years settings;
- (b) the temporary or permanent expansion of 60 places in primary schools;
- (c) the temporary or permanent expansion of two places in special educational needs settings; and
- (d) the provision of school transport;

"School and Early Years Resilience Measures" means support for schools and early years settings where additional integration/administration demand or educational demand could be placed on existing services as a result of Workforce Children (e.g. to support English as an additional language and/or pastoral care/support, personal, social, health and economic education and safeguarding initiatives, special educational needs and/or disabilities support);

"Social Care Resilience Measures (Adult Community Services)" means initiatives to support the resilience and service provision of Suffolk County Council's Adult Community Services, including:

- (a) support for the commissioning and delivery of in-home care services to residents including to people who may experience differential or disproportionate effects as a result of their Protected Characteristics; and
- (b) support for additional demand placed on Suffolk County Council's Adult Community Services required as a result of the temporary, net additional change in population related to the Sizewell C Construction Workforce including risks to people who may experience differential or disproportionate effects as a result of their Protected Characteristics,

whether provided by the Councils or by such multi-agency groups or third parties as Suffolk County Council considers (acting reasonably) is a fit and proper person to provide the initiatives required to address the impacts of the Project;

"Social Care Resilience Measures (Children and Young People's Services)" means initiatives to support the resilience and service provision of Suffolk County Council's Children's and Young People's Services, including:

- (a) support for additional demand placed on Suffolk County Council's Children and Young People's Services required as a result of the temporary, net additional change in population related to the Sizewell C Construction Workforce including risks to people who may experience differential or disproportionate effects as a result of their Protected Characteristics; and
- (b) a contribution towards the provision of health worker resource required as a result of the temporary, net additional change in population related to the Sizewell C Construction Workforce,

whether provided by the Councils or by such multi-agency groups or third parties as Suffolk County Council considers (acting reasonably) is a fit and proper person to provide the initiatives required to address the impacts of the Project;

"Social Care Workforce Resilience Planning Measures" means measures to provide resilience to workforce planning within Suffolk County Council's Adult Community Services and Children and Young People's Services including support for recruitment, training and retention of staff;

"Worker Code of Conduct" means a document prepared by SZC Co setting standards of behaviour required of the Sizewell C Construction Workforce; and

"Workforce Children" means pre-school and school-aged children who are dependants of NHB Workers and who have moved schools or early years settings as a result of the Project.

2. PUBLIC SERVICES RESILIENCE FUND

2.1 Community Safety Resilience Measures

2.1.1 During and prior to the end of the Construction Period, SZC Co shall pay a total sum of up to £1,908,392 from the Public Services Resilience Fund to Suffolk County Council in the following instalments:

- (A) the sum of £128,032 on or within 3 months of the Commencement Date;
- (B) the sum of £88,133 on or before the first anniversary of the Commencement Date;
- (C) the sum of £127,526 on or before the 1 May following the second anniversary of the Commencement Date;
- (D) the sum of £160,524 on or before the 1 May following the third anniversary of the Commencement Date;
- (E) the sum of £222,419 on or before the 1 May following the fourth anniversary of the Commencement Date;

- (F) the sum of £247,158 on or before the 1 May following the fifth anniversary of the Commencement Date;
- (G) the sum of £276,521 on or before the 1 May following the sixth anniversary of the Commencement Date;
- (H) the sum of £235,557 on or before 1 May following the seventh anniversary of the Commencement Date;
- (I) the sum of £170,090 on or before the 1 May following the eighth anniversary of the Commencement Date;
- (J) the sum of £94,244 on or before the 1 May following the ninth anniversary of the Commencement Date;
- (K) the sum of £83,907 on or before the 1 May following the tenth anniversary of the Commencement Date; and
- (L) the sum of £74,281 on or before the 1 May following the eleventh anniversary of the Commencement Date,

to be applied towards commissioning and/or delivery of the Community Safety Resilience Measures approved by the Community Safety Working Group.

2.1.2 SZC Co's maximum liability under paragraph 2.1.1 shall be £1,908,392.

2.2 Local Community Safety Measures

2.2.1 During the Construction Period, SZC Co shall pay a total sum of up to £1,601,960 from the Public Services Resilience Fund to East Suffolk Council in the following instalments:

- (A) the sum of £395,324 within 3 months of the Commencement Date or on or before the 1 May following Commencement (if earlier);
- (B) from and following the first anniversary of the Commencement Date until and including the sixth anniversary of the Commencement Date, the sum of £128,331 annually on or before each 1 May; and
- (C) from and following the seventh anniversary of the Commencement Date, the sum of £87,330 annually on or before each 1 May until the end of the Construction Period,

to be applied towards commissioning and/or delivery of the Local Community Safety Measures approved by the Community Safety Working Group.

2.2.2 SZC Co's maximum liability under paragraph 2.2.1 shall be £1,601,960.

2.3 Social Care Resilience Measures (Adult Community Services)

2.3.1 During the Construction Period, SZC Co shall pay a total sum of up to £2,077,188 from the Public Services Resilience Fund to Suffolk County Council in the following instalments:

- (A) the sum of £17,593 on or before the first anniversary of the Commencement Date;
- (B) the sum of £17,593 on or before the 1 May following the second anniversary of the Commencement Date;
- (C) the sum of £342,544 on or before the 1 May following the third anniversary of the Commencement Date;
- (D) the sum of £342,544 on or before the 1 May following the fourth anniversary of the Commencement Date;
- (E) the sum of £342,544 on or before the 1 May following the fifth anniversary of the Commencement Date;

- (F) the sum of £342,544 on or before the 1 May following the sixth anniversary of the Commencement Date;
- (G) the sum of £342,544 on or before 1 May following the seventh anniversary of the Commencement Date;
- (H) the sum of £299,609 on or before the 1 May following the eighth anniversary of the Commencement Date;
- (I) the sum of £15,592 on or before the 1 May following the ninth anniversary of the Commencement Date;
- (J) the sum of £9,658 on or before the 1 May following the tenth anniversary of the Commencement Date; and
- (K) the sum of £4,422 on or before the 1 May following the eleventh anniversary of the Commencement Date,

to be applied towards commissioning and/or delivery of the Social Care Resilience Measures (Adult Community Services) approved by the Community Safety Working Group.

2.3.2 SZC Co's maximum liability under paragraph 2.3.1 shall be £2,077,188.

2.4 Social Care Resilience Measures (Adult Community Services) Contingency

- 2.4.1 On the first anniversary of the Commencement Date and on each anniversary thereafter during the Construction Period, Suffolk County Council shall assess whether there has been a material increase in the cost of commissioning home care services in parishes within 10 miles from the Main Development Site compared to the levels that existed prior to Commencement and national and county-wide benchmarks caused by the Project and where it considers that there has been such a material increase Suffolk County Council shall provide to the Community Safety Working Group written evidence of that material increase, to include (but not be limited to) details of:
- (A) which parishes have experienced such a material increase; and
 - (B) the number of hours of care provided per week in the affected parishes.
- 2.4.2 Upon receipt of any evidence provided pursuant to paragraph 2.4.1, the Community Safety Working Group shall consider that evidence and reach a decision, acting reasonably, on whether there has been a material increase in the cost of commissioning home care services in parishes within 10 miles from the Main Development Site caused by the Project.
- 2.4.3 Where the Community Safety Working Group decides unanimously pursuant to paragraph 2.4.2 that there has been a material increase in the cost of commissioning home care services in parishes within 10 miles from the Main Development Site caused by the Project, it shall notify SZC Co in writing of this decision and the amount of funding that is necessary in order to put in place appropriate measures to address that material increase, which shall be calculated as the number of hours of care provided per week in the affected parishes multiplied by £2.27.
- 2.4.4 Within 30 days of receipt of a notice pursuant to paragraph 2.4.3, SZC Co shall pay to Suffolk County Council the amount of funding specified in the notice from the Public Services Resilience Fund to be applied towards appropriate measures to address the material increase.
- 2.4.5 SZC Co's maximum liability under paragraph 2.4.4 shall be £1,000,000.

2.5 Social Care Resilience Measures (Children and Young People's Services)

2.5.1 During the Construction Period, SZC Co shall pay a total sum of £1,920,814 from the Public Services Resilience Fund to Suffolk County Council in the following instalments:

- (A) the sum of £1,226 on or within 3 months of the Commencement Date;
- (B) the sum of £61,628 on or before the first anniversary of the Commencement Date;
- (C) the sum of £64,135 on or before the 1 May following the second anniversary of the Commencement Date;
- (D) the sum of £302,781 on or before the 1 May following the third anniversary of the Commencement Date;
- (E) the sum of £305,886 on or before the 1 May following the fourth anniversary of the Commencement Date;
- (F) the sum of £307,469 on or before the 1 May following the fifth anniversary of the Commencement Date;
- (G) the sum of £309,236 on or before the 1 May following the sixth anniversary of the Commencement Date;
- (H) the sum of £306,772 on or before 1 May following the seventh anniversary of the Commencement Date;
- (I) the sum of £157,743 on or before the 1 May following the eighth anniversary of the Commencement Date;
- (J) the sum of £54,567 on or before the 1 May following the ninth anniversary of the Commencement Date;
- (K) the sum of £33,845 on or before the 1 May following the tenth anniversary of the Commencement Date; and
- (L) the sum of £15,526 on or before the 1 May following the eleventh anniversary of the Commencement Date,

to be applied towards commissioning and/or delivery of the Social Care Resilience Measures (Children and Young People's Services) approved by the Community Safety Working Group.

2.5.2 SZC Co's maximum liability under paragraph 2.5.1 shall be £1,920,814.

2.6 Social Care Workforce Resilience Planning Measures

2.6.1 Within 3 months of the Commencement Date, SZC Co shall pay the sum of £100,000 from the Public Services Resilience Fund to Suffolk County Council to be applied towards commissioning and/or delivery of Social Care Workforce Resilience Planning Measures approved by the Community Safety Working Group pursuant to paragraph 3.

2.7 School and Early Years Resilience Measures

2.7.1 During the Construction Period, SZC Co shall pay a total sum of up to £735,660 from the Public Services Resilience Fund to Suffolk County Council in the following instalments:

- (A) the sum of £61,305 within 3 months of the Commencement Date or on or before the 1 May following Commencement (if earlier); and
- (B) following the first anniversary of the Commencement Date until the end of the Construction Period, the sum of £61,305 annually on or before each 1 May,

to be applied towards commissioning and/or delivery of the School and Early Years Resilience Measures approved by the Community Safety Working Group.

- 2.7.2 Suffolk County Council shall deliver or procure the delivery of the School and Early Years Resilience Measures approved and funded in accordance with this Schedule 5.
- 2.7.3 SZC Co's maximum liability under paragraph 2.7.1 shall be £735,660.
- 2.7.4 On the first anniversary of the Commencement Date and on each anniversary thereafter during the Construction Period, Suffolk County Council shall assess whether there is an additional demand for resources caused directly by the Project in terms of:
- (A) the in-year turnover in schools and early years settings during the Construction Period compared to the levels that existed prior to Commencement and national benchmarks; and
 - (B) the proportion of children in schools and early years settings with English as an additional language compared to the levels that existed prior to Commencement and national benchmarks,
- and where it considers that there is such an additional demand for resources Suffolk County Council shall provide to the Community Safety Working Group written evidence of that additional demand and the amount of funding that Suffolk County Council considers necessary in order to put in place appropriate measures to address that additional demand.
- 2.7.5 Upon receipt of any evidence provided pursuant to paragraph 2.7.4, the Community Safety Working Group shall consider that evidence and reach a decision, acting reasonably, on whether there is an additional demand for resources caused directly by the Project and if so the amount of funding that is necessary in order to put in place appropriate measures to address that additional demand.
- 2.7.6 Where the Community Safety Working Group decides unanimously pursuant to paragraph 2.7.5 that there is an additional demand for resources caused directly by the Project, it shall notify SZC Co in writing of this decision and the amount of funding that the Community Safety Working Group unanimously considers to be necessary in order to put in place appropriate measures to address that additional demand.
- 2.7.7 Within 30 days of receipt of a notice pursuant to paragraph 2.7.6, SZC Co shall pay to Suffolk County Council the amount of funding specified in the notice, up to a maximum of £29,454.55 per year, from the Public Services Resilience Fund to be applied towards appropriate measures to address the additional demand.
- 2.7.8 SZC Co's maximum liability under paragraph 2.7.7 shall be £324,000.

3. APPLICATION OF THE PUBLIC SERVICES RESILIENCE FUND

- 3.1 Suffolk County Council and East Suffolk Council may use monies paid to them from the Public Services Resilience Fund pursuant to paragraphs 2.1 to 2.7 for:
- 3.1.1 the enhancement of and addition to pre-existing Social Care Resilience Measures (Adult Community Services), Social Care Resilience Measures (Children and Young People's Services), Community Safety Resilience Measures, School and Early Years Resilience Measures, Social Care Workforce Resilience Planning Measures and Local Community Safety Measures (as applicable in the context of the relevant sub-paragraph of paragraph 2 pursuant to which the monies were paid); and/or
 - 3.1.2 new Social Care Resilience Measures (Adult Community Services), Social Care Resilience Measures (Children and Young People's Services), Community Safety Resilience Measures, School and Early Years Resilience Measures, Social Care

Workforce Resilience Planning Measures and Local Community Safety Measures (as applicable in the context of the relevant sub-paragraph of paragraph 2 pursuant to which the monies were paid); and/or

- 3.1.3 funding for Social Care Resilience Measures (Adult Community Services), Social Care Resilience Measures (Children and Young People's Services), Community Safety Resilience Measures, School and Early Years Resilience Measures, Social Care Workforce Resilience Planning Measures and Local Community Safety Measures identified, provided or commissioned by East Suffolk Council and/or the Community Safety Partnerships and/or the Safer Stronger Communities Board (as applicable in the context of the relevant sub-paragraph of paragraph 2 pursuant to which the monies were paid),

and PROVIDED ALWAYS THAT the same have been approved by the Community Safety Working Group as required pursuant to this paragraph 3.

- 3.2 No later than 1 April of each year of the Construction Period (or an alternative date at the discretion of the Community Safety Working Group), Suffolk County Council and East Suffolk Council (as relevant) shall submit to the Community Safety Working Group for approval details of the:

- 3.2.1 Social Care Resilience Measures (Adult Community Services);
- 3.2.2 Social Care Resilience Measures (Children and Young People's Services);
- 3.2.3 Community Safety Resilience Measures;
- 3.2.4 School and Early Years Resilience Measures; and
- 3.2.5 Local Community Safety Measures,

to be funded through the payments pursuant to paragraph 2.

- 3.3 The Community Safety Working Group shall have regard to paragraph 3.4 in deciding whether to approve the proposed Social Care Resilience Measures (Adult Community Services), Social Care Resilience Measures (Children and Young People's Services), Community Safety Resilience Measures, School and Early Years Resilience Measures and Local Community Safety Measures.

- 3.4 When considering how to apply a payment from Public Services Resilience Fund pursuant to paragraph 2, where required by paragraph 2, Suffolk County Council or East Suffolk Council (as relevant) shall take into account the reasonable recommendations of the Community Safety Working Group and/or Social Review Group and the extent to which the relevant initiative:

- 3.4.1 is proportionate to the scale and location of the potential impacts of the Project;
- 3.4.2 seeks to prevent reasonably expected effects of the Project from arising wherever practicable;
- 3.4.3 does not obviate or duplicate funding from other measures agreed in this Deed or across different elements of the Public Services Resilience Fund; and
- 3.4.4 complements, promotes or enhances existing programmes and governance structures seeking to achieve similar outcomes within the administrative areas of East Suffolk Council or Suffolk County Council (as relevant), such as the Safer Stronger Communities Board (Suffolk) and Community Safety Partnerships (East Suffolk).

4. SCHOOL AND EARLY YEARS CAPACITY CONTRIBUTION

- 4.1 Subject always to the cumulative financial cap of £1,920,252, during the Construction Period, Suffolk County Council may apply to the Social Review Group for:
 - 4.1.1 up to £615,240 for the temporary or permanent expansion of 30 places in early years settings;

- 4.1.2 up to £1,036,080 for the temporary or permanent expansion of 60 places in primary schools;
 - 4.1.3 up to £131,478 for the temporary or permanent expansion of two places in special educational needs settings;
 - 4.1.4 up to £137,454 for the provision of school transport; or
 - 4.1.5 such other amount from the School and Early Years Capacity Contribution for the provision of School and Early Years Capacity Measures,
- to be paid by SZC Co to Suffolk County Council.
- 4.2 In its application pursuant to paragraph 4.1, Suffolk County Council shall provide details of:
 - 4.2.1 how temporary expansion, or support for bringing forward permanent expansion (if necessary), would provide sufficient capacity to address any anticipated lack of capacity in the school and early years places in Suffolk; and
 - 4.2.2 how capacity to be provided is in accordance with the identified School and Early Years Capacity Measures.
 - 4.3 The Social Review Group shall review any application made pursuant to paragraph 4.1, and shall approve the amount of funds to be paid by SZC Co to Suffolk County Council, where it is agreed by the Social Review Group to be required based on evidence or to meet a statutory responsibility of Suffolk County Council in its capacity as local education authority PROVIDED THAT:
 - 4.3.1 the application is in accordance with paragraphs 4.1 to 4.2;
 - 4.3.2 the measures to which the application relates are proportionate to the scale and location of the potential impacts of the Project; and
 - 4.3.3 taking account of all previous applications pursuant to this paragraph 4, the cumulative financial cap of £1,920,252 is not exceeded by the approval of the relevant application.
 - 4.4 Until either the whole of the School and Early Years Capacity Contribution has been paid to Suffolk County Council pursuant to this paragraph or the end of the Construction Period (whichever is sooner), SZC Co shall pay the amount of funds from the School and Early Years Capacity Contribution approved by the Social Review Group pursuant to paragraph 4.3 to Suffolk County Council and such monies shall be paid within 30 days of the date of the Social Review Group's approval of the relevant application.
 - 4.5 Suffolk County Council shall deliver or procure the delivery of the relevant School and Early Years Capacity Measures approved by the Social Review Group.
 - 4.6 SZC Co's maximum liability under paragraph 4.4 shall be £1,920,252.
- 5. SCHOOL AND EARLY YEARS CAPACITY CONTINGENCY CONTRIBUTION**
- 5.1 At each meeting of the Social Review Group immediately following each anniversary of the Commencement Date occurring during the Construction Period, Suffolk County Council may apply to the Social Review Group for an amount from the School and Early Years Capacity Contingency Contribution to be paid by SZC Co for the provision of School and Early Years Capacity Measures.
 - 5.2 In its application pursuant to paragraph 5.1, Suffolk County Council shall provide details of:
 - 5.2.1 the number of additional spaces required to be provided through School and Early Years Capacity Measures, based upon the observed number of Workforce Children measured against the Anticipated Demand;
 - 5.2.2 the amount sought from the School and Early Years Contingency Contribution, calculated in accordance with the following rates:
 - (A) Early Years: £17,268 per place;
 - (B) Primary: £17,268 per place; and

- (C) Secondary: £23,775 per place; and
- 5.2.3 details of the proposed School and Early Years Capacity Measures to be funded.
- 5.3 The Social Review Group shall approve an application made by Suffolk County Council if it agrees (acting reasonably) that:
 - 5.3.1 the application is in accordance with paragraphs 5.1 and 5.2;
 - 5.3.2 the additional demand for school capacity and/or early years capacity related directly to the Project exceeds the Anticipated Demand; and
 - 5.3.3 the proposed School and Early Years Capacity Measures to be funded are proportionate to the scale and location of the impacts of the Project.
- 5.4 Subject to paragraph 5.6, SZC Co shall pay the amount of funds from the School Capacity Contingency Contribution approved by the Social Review Group pursuant to paragraph 5.3 to Suffolk County Council within 30 days of the date of the Social Review Group's approval of the relevant application.
- 5.5 Suffolk County Council shall deliver or procure the delivery of the relevant School and Early Years Capacity Contingency Measures approved by the Social Review Group.
- 5.6 SZC Co's maximum liability under this paragraph 5 is £2,169,102.
- 6. **WORKER CODE OF CONDUCT**
- 6.1 SZC Co shall procure that each member of the Sizewell C Construction Workforce shall sign the Worker Code of Conduct.

SCHEDULE 6 HEALTH AND WELLBEING

1. DEFINITIONS AND INTERPRETATION

1.1 Where in this Schedule the following defined terms and expressions are used they shall have the following respective meanings unless otherwise stated:

"GP" means a general practitioner";

"GP Contribution" means the sum of £16,900 to be paid pursuant to paragraph 5;

"Health and Wellbeing Key Performance Indicators" means the key performance indicators for the Project set out in Annex E;

"Health and Wellbeing Officer" means an officer appointed and employed by Ipswich and East Suffolk Clinical Commissioning Group during the Construction Period whose role will be developed with key responsibilities being (but not limited to) the following unless otherwise agreed with the Health and Wellbeing Working Group:

- (a) engage proactively with SZC Co to ensure that the Health and Wellbeing Working Group has a comprehensive understanding of the Project;
- (b) develop, agree and monitor the Health and Wellbeing Key Performance Indicators with relevant stakeholders and SZC Co;
- (c) ensure stakeholders within the integrated care system including the Ipswich and East Suffolk Alliance and Suffolk Health & Wellbeing Board receive timely and relevant information in relation to the Project, seeking support and decisions as required;
- (d) engage proactively with system partners specifically the East of England Ambulance Service NHS Trust and Public Health Suffolk representatives to ensure they receive timely and relevant information, reports and progress in relation to the outlined objectives of the Health and Wellbeing Working Group and have the opportunity to provide feedback where required, and provide support to their reporting functions as necessary;
- (e) prepare for all Health and Wellbeing Working Group meetings, ensuring as far as practicable that agendas and relevant papers are circulated at least two weeks in advance of each meeting, and collate written information to be reported to the Health and Wellbeing Working Group and Social Review Group (including the information at Part 2 of the Health and Wellbeing Key Performance Indicators);
- (f) attend meetings of the Community Safety Working Group where the agenda is relevant to health and wellbeing, reporting back to stakeholders and the Health and Wellbeing Working Group relevant information and actions as required; and
- (g) ensure effective use of and investment of the Residual Healthcare Contribution and provide reports on the performance of the measures introduced pursuant to funding by the Residual Healthcare Contribution to the Health and Wellbeing Working Group;

"Health and Wellbeing Officer Contribution" means the sum of £447,697 to be paid pursuant to paragraph 4;

"Health and Wellbeing Working Group" means the group of that name established pursuant to paragraph 6;

"Health and Wellbeing Working Group Terms of Reference" means the terms of reference for the Health and Wellbeing Working Group to be developed pursuant to paragraph 6.3.3 and which shall incorporate the Health and Wellbeing Key Performance Indicators;

"iCaSH Service" means the integrated contraception and sexual health service provided within Suffolk;

"Residual Healthcare Contribution" means the sum of £1,112,618 to be paid pursuant to paragraph 3;

"Sexual Health Service Provision" means National Clinical Standard Level 3 sexual health services (as defined in Integrated Sexual Health Services: A suggested national service specification (publishing.service.gov.uk) and Sexual health clinical governance (publishing.service.gov.uk) or as updated from time to time) including a monthly sexual health clinic at Sizewell Health, to be contracted through Public Health Suffolk's iCaSH Service, unless otherwise agreed between Suffolk County Council and SZC Co; and

"Sizewell Health" means the private occupational healthcare service to be located on the SZC Development Site and to be provided on behalf of SZC Co to members of the Sizewell C Construction Workforce during the Construction Period, which will provide a package of risk prevention, health promotion and treatment initiatives in accordance with the specification in Volume 2 Appendix 28A of the Environmental Statement, as developed in consultation with the Health and Wellbeing Working Group, and which will include Sexual Health Service Provision.

2. **SIZEWELL HEALTH**

SZC Co shall establish Sizewell Health on or before Commencement and provide Sizewell Health throughout the Construction Period.

3. **RESIDUAL HEALTHCARE CONTRIBUTION**

3.1 SZC Co shall pay the Residual Healthcare Contribution to Suffolk County Council for onward payment to the Ipswich and East Suffolk Clinical Commissioning Group (or successor body) in the following instalments:

3.1.1 on or before Commencement the sum of £200,000;

3.1.2 on or before the second anniversary of the Commencement Date the sum of £200,000;

3.1.3 on or before the fifth anniversary of the Commencement Date the sum of £270,000;

3.1.4 on or before the seventh anniversary of the Commencement Date the sum of £310,000; and

3.1.5 on or before the ninth anniversary of the Commencement Date the sum of £132,618.

3.2 Suffolk County Council shall procure that the Ipswich and East Suffolk Clinical Commissioning Group (or successor body) shall apply the Residual Healthcare Contribution towards the cost of mitigating the impact of the Project on local health and wellbeing services, including NHB Workers and their dependants.

4. **HEALTH AND WELLBEING OFFICER CONTRIBUTION**

4.1 SZC Co shall pay the Health and Wellbeing Officer Contribution to Suffolk County Council for onward payment to the Ipswich and East Suffolk Clinical Commissioning Group (or successor body) in the following instalments:

4.1.1 on or before Commencement the sum of £113,461;

4.1.2 on or before the second anniversary of the Commencement Date the sum of £170,191;

4.1.3 on or before the fifth anniversary of the Commencement Date the sum of £113,461, and

4.1.4 on or before the seventh anniversary of the Commencement Date the sum of £50,584.

4.2 Suffolk County Council shall procure that the Ipswich and East Suffolk Clinical Commissioning Group (or successor body) shall apply the Health and Wellbeing Officer

Contribution towards the cost of appointing and employing a Health and Wellbeing Officer during the Construction Period.

5. GP CONTRIBUTION

5.1 SZC Co shall pay the GP Contribution to Suffolk County Council for onward payment to the Ipswich and East Suffolk Clinical Commissioning Group (or successor body) in the following instalments:

- 5.1.1 on or before Commencement the sum of £2,600;
- 5.1.2 on or before the second anniversary of the Commencement Date the sum of £3,900;
- 5.1.3 on or before the fifth anniversary of the Commencement Date the sum of £2,600;
- 5.1.4 on or before the seventh anniversary of the Commencement Date the sum of £2,600; and
- 5.1.5 on or before the ninth anniversary of the Commencement Date the sum of £5,200.

5.2 Suffolk County Council shall procure that the Ipswich and East Suffolk Clinical Commissioning Group (or successor body) shall apply the GP Contribution towards the cost of funding the attendance of a GP at the Health and Wellbeing Working Group along with related preparation time.

6. HEALTH AND WELLBEING WORKING GROUP

6.1 On or before Commencement, SZC Co shall establish the Health and Wellbeing Working Group which shall exist until the end of the Construction Period and shall operate in accordance with the Health and Wellbeing Working Group Terms of Reference.

6.2 The Health and Wellbeing Working Group shall comprise:

- 6.2.1 one representative to be nominated by East Suffolk Council;
- 6.2.2 one representative to be nominated by Suffolk County Council;
- 6.2.3 two representatives to be nominated by Public Health Suffolk;
- 6.2.4 up to four representatives to be nominated by Ipswich and East Suffolk Clinical Commissioning Group (or successor body), one of which shall be the nominated Chair, one of which shall be the Health and Wellbeing Officer (if different from the Chair) and one of which shall be a GP from a practice that is based within East Suffolk; and
- 6.2.5 up to two representatives to be nominated by SZC Co,
or such alternates as may be nominated by those representatives from time to time.

6.3 The Health and Wellbeing Working Group shall:

- 6.3.1 meet on a quarterly basis (or less frequently where agreed by the members of the Health and Wellbeing Working Group) either virtually or in a convenient location in East Suffolk or Ipswich to be identified by SZC Co;
- 6.3.2 meet no later than three months after the Commencement Date;
- 6.3.3 develop and agree the Health and Wellbeing Working Group Terms of Reference;
- 6.3.4 refer to the Social Review Group any matter upon which the members of the Health and Wellbeing Working Group are unable to agree unanimously;
- 6.3.5 determine a reporting protocol to ensure transparency, consistency and independence; and
- 6.3.6 prepare and deliver reports to the Social Review Group bi-annually and not less than 5 Working Days before the relevant meeting of the Social Review Group,

unless otherwise agreed between the Social Review Group and the Health and Wellbeing Working Group, on the following:

- (A) the performance of the Project against the Health and Wellbeing Key Performance Indicators (or such other key performance indicators as may be agreed by the Health and Wellbeing Working Group from time to time);
- (B) the identified effects of the Project on healthcare demands in East Suffolk;
- (C) the usage and effectiveness of the Residual Healthcare Contribution; and
- (D) collaborative working undertaken in support of the delivery of local public health objectives.

- 6.4 SZC Co and the Councils agree that meetings of the Health and Wellbeing Working Group shall be quorate if:
- 6.4.1 PROVIDED THAT the Ipswich and East Suffolk Clinical Commissioning Group (or successor body) has entered into a Deed of Covenant, at least four members (at least one of which is a member representing SZC Co, one of which is a member representing Ipswich and East Suffolk Clinical Commissioning Group (or successor body), one of which is a member representing East Suffolk Council and one of which is a member representing Suffolk County Council) are present; and
 - 6.4.2 in the event that the Ipswich and East Suffolk Clinical Commissioning Group (or successor body) has not entered into a Deed of Covenant, at least three members (at least one of which is a member representing SZC Co, one of which is a member representing East Suffolk Council and one of which is a member representing Suffolk County Council) are present,
- and shall be chaired by a representative nominated by Ipswich and East Suffolk Clinical Commissioning Group (or successor body) unless otherwise agreed by the Health and Wellbeing Working Group from time to time.
- 6.5 The Health and Wellbeing Working Group may invite third parties or other experts to attend its meetings from time to time in order to observe and participate in discussions or present information to the Health and Wellbeing Working Group when specific issues are being discussed, who may include but will not be limited to representatives from Primary Care, Ipswich & East Suffolk Alliance, Healthwatch Suffolk, East of England Ambulance Service NHS Trust and NHS England.
- 6.6 SZC Co shall be responsible for the administration of convening and holding meetings of the Health and Wellbeing Working Group.
- 6.7 The Health and Wellbeing Working Group:
- 6.7.1 shall make such terms of reference for its governance and administration as it considers appropriate at the first meeting of the Health and Wellbeing Working Group; and
 - 6.7.2 may make such further administrative arrangements and terms of reference as it considers appropriate for the proper and efficient functioning of the Health and Wellbeing Working Group from time to time,
- with such arrangements and terms of reference to be approved by the Social Review Group.
- 6.8 In the event that any of the Quorate Members of the Health and Wellbeing Working Group considers that a matter needs to be referred to the Social Review Group for urgent resolution, it shall notify the members of the Social Review Group accordingly to invoke the urgency process in Schedule 17, paragraph 6.2.7.
- 6.9 SZC Co shall provide to the Health and Wellbeing Working Group the information specified in Part 1 of the Health and Wellbeing Key Performance Indicators for each meeting of the

Health and Wellbeing Working Group (or at such other frequency as the Health and Wellbeing Working Group may agree).

**SCHEDULE 7
EMPLOYMENT, SKILLS, EDUCATION AND SUPPLY CHAIN**

1. DEFINITIONS AND INTERPRETATION

1.1 Where in this Schedule the following defined terms and expressions are used they shall have the following respective meanings unless otherwise stated:

"Almost Ready" means that the business registered with the Supply Chain Portal has submitted the majority of the important data required but there may be clarification required (e.g. on business capability, accreditations, or additional information on projects delivered);

"Annual Skills Implementation Plan" means an annual plan produced for and during the Construction Period (subject to annual review) that translates the relevant Construction Workforce Delivery Strategies and regional skills requirements for that year into implementation activities with regular agreed key performance indicators, in accordance with the relevant Construction Workforce Delivery Strategy, which will:

- (a) identify the amounts to be released and allocated from the Asset Skills Enhancement and Capability Fund in respect of a particular Construction Phase with reference to and informed by the relevant Construction Workforce Delivery Strategies, such amounts to be in accordance with the following proportions (unless otherwise agreed by the ESEWG):
 - (i) not less than 35% and not more than 45% of the Asset Skills Enhancement and Capability Fund together with the Asset Skills Enhancement and Capability Investments shall be applied towards Asset Skills Enhancement and Capability Initiatives relating to or provided in respect of the Construction Workforce Delivery Strategy for the Main Civils Construction Phase;
 - (ii) not less than 15% and not more than 20% of the Asset Skills Enhancement and Capability Fund together with the Asset Skills Enhancement and Capability Investments shall be applied towards Asset Skills Enhancement and Capability Initiatives relating to or provided in respect of the Construction Workforce Delivery Strategy for the Site Operations / Support Services / Enabling Works Phase;
 - (iii) not less than 35% and not more than 45% of the Asset Skills Enhancement and Capability Fund together with the Asset Skills Enhancement and Capability Investments shall be applied towards Asset Skills Enhancement and Capability Initiatives relating to or provided in respect of the Construction Workforce Delivery Strategy for the MEH Phase; and
 - (iv) not more than 10% of the Asset Skills Enhancement and Capability Fund together with the Asset Skills Enhancement and Capability Investments shall be applied towards Asset Skills Enhancement and Capability Initiatives relating to or provided in respect of the Construction Workforce Delivery Strategy for the Commissioning and Pre-Operational Phase;
- (b) identify the amounts to be released and allocated from the Sizewell C Employment Outreach Fund for the relevant year with reference to and informed by the relevant Construction Workforce Delivery Strategies;
- (c) identify the Asset Skills Enhancement and Capability Investments to be provided by SZC Co and/or its Tier 1 Contractors during each Construction Phase, including:
 - (i) in respect of each Asset Skills Enhancement and Capability Investment:
 - (1) the estimated value (based on the estimated cost of the use of such Asset Skills Enhancement and Capability Investment);
 - (2) the intended recipient or class of recipients; and

- (3) the proposed timing of delivery during the relevant Construction Phase; and
 - (ii) the total estimated value of the Asset Skills Enhancement and Capability Investments (based on the estimated cost of the use of such Asset Skills Enhancement and Capability Investment) to be provided during each Construction Phase, such value to be in accordance with the following proportions (unless otherwise agreed by the ESEWG):
 - (1) not less than 35% of the Asset Skills Enhancement and Capability Investments shall be provided during the Main Civils Construction Phase;
 - (2) not less than 15% of the Asset Skills Enhancement and Capability Investments shall be provided during the Site Operations / Support Services / Enabling Works Phase;
 - (3) not less than 35% of the Asset Skills Enhancement and Capability Investments shall be provided during the MEH Phase; and
 - (4) not less than 10% of the Asset Skills Enhancement and Capability Investments shall be provided during the Commissioning and Pre-Operational Phase,

and the proportions set out in paragraph (a) above when calculated together with the Asset Skills Enhancement and Capability Fund;
- (d) identify in accordance with the relevant Construction Workforce Delivery Strategies, monitoring feedback, and regional skills demands, the initiatives, projects and measures to be funded by the Asset Skills Enhancement and Capability Fund and the Sizewell C Employment Outreach Fund that year;
- (e) identify in accordance with the relevant Construction Workforce Delivery Strategies and regional skills demands the key performance indicators and monitoring required to test the effectiveness of the distribution of the Asset Skills Enhancement and Capability Fund and the Sizewell C Employment Outreach Fund for the relevant year, including the Outreach Key Performance Indicators;
- (f) identify in accordance with the relevant Construction Workforce Delivery Strategies and regional skills demands the key performance indicators required to test the effectiveness of Young Sizewell C;
- (g) collect and report labour market intelligence relevant to the distribution of the Asset Skills Enhancement and Capability Fund and the Sizewell C Employment Outreach Fund;
- (h) set out the proportion of the Sizewell C Bursary Scheme Fund to be made available:
 - (i) in the relevant year;
 - (ii) for grants:
 - (A) in excess of £1,000; and
 - (B) of £1,000 or less; and
 - (iii) (if any) in respect of specific locations;
- (i) identify the criteria for allocation of grants from the Sizewell C Bursary Scheme Fund in excess of £1,000 (having drawn on expertise from members and attendees of ESEWG, training providers and third parties as necessary);
- (j) identify the criteria for allocation of grants from the Sizewell C Bursary Scheme Fund of £1,000 or less (having drawn on expertise from members and attendees of ESEWG, training providers and third parties as necessary); and

- (k) identify the providers of skills and training to which the responsibility for allocating funding for grants from the Sizewell C Bursary Scheme Fund of £1,000 or less shall be delegated;

"Apprenticeship" means a new employment in which the employee is working towards the attainment of a formal qualification (registered with the UK Qualifications and Curriculum Authority and as defined in the UK's National Apprenticeship Standards), whilst also gaining experience at work and being paid both at the workplace and in college, spending at least 20% of working hours in formal training for that qualification, usually at a college, university, or with an accredited training provider;

"Apprenticeship Strategy" a strategy forming part of each Construction Workforce Delivery Strategy and informing the Annual Skills Implementation Plan which will:

- (a) set out the Project's mechanisms for Apprenticeship support and enhance/enrich existing outreach to steer people towards regional work/training opportunities relevant to the Project and regional priorities (including construction sector, project management and other support role opportunities);
- (b) inform the Apprenticeship-related priorities of the Regional Skills Co-ordination Function to deliver an effective and coordinated response to demand for the Project's Apprenticeships from local colleges and providers;
- (c) provide information with sufficient lead-in time to local education, skills and training providers, and local people seeking Apprenticeship opportunities, enabling the regional skills and employment support infrastructure to gear-up to provide the curriculum, support and relevant inspiration activities to match the opportunities during the relevant Construction Phase;
- (d) provide information about potential opportunities on the Project during the relevant Construction Phase in the context of wider regional opportunities and focus on promoting roles and skills that members of the ESEWG identify as those that will be required to facilitate the delivery of both the Project and wider regional infrastructure;
- (e) communicate the contractual commitments that SZC Co will seek with contractors on the Project in respect of the provision of Apprenticeships; and
- (f) set out how other commitments and investments in this Schedule will collectively work to achieve Apprenticeships, and provide support and information to other areas of this Deed to maximise effectiveness,

in order to encourage and support local providers to deliver as many Apprenticeships as practicable during each Construction Phase during the Construction Period and to encourage local people to access the Apprenticeship opportunities available;

"Asset Skills Enhancement and Capability Fund" means a fund of a maximum of £7,800,000 to be paid in accordance with paragraph 2.7 to fund Assets Skills Enhancement and Capability Initiatives;

"Asset Skills Enhancement and Capability Initiatives" means initiatives to enhance the supply of skills where they are related to both the Project and regional needs and aspirations, by investing in skills and training provision (such as Apprenticeships) within the region's existing education, further education, training provider and higher education sectors, including:

- (a) revenue projects like curriculum development, development and retention of specialist trainers; and
- (b) working capital projects, such as equipment to deliver courses, re-fit for existing facilities as required to meet the needs of the workforce at each Construction Phase of the Project during the Construction Period,

with the aims of: expanding, enhancing and developing local skills provision to satisfy joint ambitions of ESEWG members and strengthen the supply of skills related to both the region's aspirations and needs and each CWDS requirement at each Construction Phase

of the project during the Construction Period (as set out in the Annual Skills Implementation Plans), effectively supporting the skills infrastructure needed to make the 'work ready' individuals supported by the Sizewell C Employment Outreach Fund 'job ready', supporting regional objectives and using monitoring information to direct the fund to be most effective;

"Asset Skills Enhancement and Capability Investments" means investments of at least £5,000,000 (based on the estimated cost of the use of such investments) to regional skills infrastructure in the form of the provision of equipment or expertise required by the Project and the region, with the aims of:

- (a) expanding, enhancing and developing local skills provision to satisfy joint ambitions of ESEWG members and strengthen the supply of skills related to both the region's aspirations and needs and each CWDS requirement at each Construction Phase (as set out in the Annual Skills Implementation Plans);
- (b) effectively supporting the skills infrastructure needed to make the 'work ready' individuals supported by the Sizewell C Employment Outreach Fund 'job ready';
- (c) supporting regional objectives; and
- (d) using monitoring information to direct the fund to be most effective;

"Commissioning and Pre-Operational Phase" means the phase within the Construction Period that begins with the site mobilisation and readiness meeting under the contract appointing the main commissioning and pre-operational contractor(s) providing for the:

- (a) works that ensure that each nuclear reactor unit authorised by the Development Consent Order is operable at a combined net electrical output of approximately 3,340MW; and
- (b) works that ensure that each nuclear reactor unit authorised by the Development Consent Order upon first operation will achieve any safety and/or operational performance standards required of such a reactor in the UK,

and ending at the end of the Construction Period;

"Construction Phases" means the Main Civils Construction Phase, the MEH Phase, the Site Operations / Support Services / Enabling Works Phase, and the Commissioning and Pre-Operational Phase (each a **"Construction Phase"**);

"Construction Workforce Delivery Strategies" or **"CWDSs"** means the documents (each a **"Construction Workforce Delivery Strategy"** or **"CWDS"**) prepared by SZC Co (in collaboration with the main contractors for the Project and regional stakeholders where relevant) setting out in respect of each Construction Phase the strategic approach for developing the workforce requirements for the Project and shaping a legacy for the region which will include:

- (a) a description of the skills, roles, competencies, and qualifications needed for the relevant Construction Phase;
- (b) the opportunity for skills, training, and employment initiatives, such as Young Sizewell C, to contribute to the delivery of the workforce, for the Construction Phase, highlighting where there is legacy benefit for roles identified as needed for the Project and wider regional infrastructure;
- (c) links to any relevant social partnerships able to deliver skills and training infrastructure to help the region prepare for the skills required for the relevant Construction Phase;
- (d) the measures, including contractual obligations, that each contractor and sub-contractor will undertake to promote the local employment, skills and training benefits of the roles created;
- (e) planning for potential vacancies and skills gaps and opportunities for each Construction Phase;

- (f) interactivity with labour market intelligence and supply chain data to inform a programme for delivery of the Asset Skills Enhancement and Capability Fund and the Sizewell C Employment Outreach Fund to meet the key needs of the Project that align with regional long-term requirements (as determined by the ESEWG) and making funds available at the right time to meet the 'training windows' required for each Construction Phase;
- (g) the Sizewell C Skills Prospectus;
- (h) Local Supply Chain Skills Programme; and
- (i) the Apprenticeship Strategy;

"Early Workforce Information" means such information as can practicably be provided by SZC Co in respect of the anticipated workforce skillsets for the Project in respect of each Construction Phase and the Operational Period through engagement between SZC Co and the wider nuclear sector;

"Economic Development Business Support Service" means the service provided or procured by East Suffolk Council during the Construction Period which shall offer support for businesses in East Suffolk that may have a relationship with the Project;

"Economic Development Function" means a function within East Suffolk Council during the Construction Period to:

- (a) help to manage relationships between businesses, business organisations, the Project and other stakeholders; and
- (b) provide co-ordination for business expertise and leadership to businesses in East Suffolk that may have a relationship with the Project;

"Education and Inspiration Activities" means the following to be delivered by SZC Co during the Construction Period pursuant to paragraph 2.11.1 and (where paragraph 3.1.5 applies) prior to the third anniversary of the end of the Construction Period:

- (a) a programme of funded activity, resources and content to engage and inspire young people in Suffolk to follow a pathway in science, technology, engineering and mathematics, with the primary aim of raising aspiration and attracting school leavers into a career in construction or engineering, such programme to set the framework within which SZC Co and its supply chain partners will engage with education providers (and other relevant organisations) to enrich and enhance current inspiration activity across Suffolk;
- (b) development and delivery of events, experiences, applications, communications, information and guidance which enhance the curriculum and the student experience in Suffolk; and
- (c) activities collectively aimed at inspiring young people in Suffolk;

"Employment, Skills and Education Working Group" or **"ESEWG"** means the group of that name as established pursuant to paragraph 2.13;

"ICanBeA" means the online service for career inspiration focused on helping 12 to 25-year-olds in Norfolk and Suffolk and is aimed directly at students and jobseekers, to support them into work or training (<https://www.icanbea.org.uk>);

"Local Supply Chain Skills Programme" means a programme implemented and funded by SZC Co of skills support for local businesses who engage with the Sizewell C procurement process and ultimately win work on the Project to gain the competencies and capabilities required by the Project (and as such any other major infrastructure project) which shall identify opportunities with local business to cascade the apprentice levy, utilise other funding available and provide early training;

"Main Civils Construction Phase" means the phase within the Construction Period that begins with the site mobilisation and readiness meeting under the contract appointing the main civils contractor(s) providing for the construction of buildings, civil engineering or specialised construction activities and ends at the end of the Construction Period or when

all work packages under the contract appointing the main civils contractor(s) have been completed;

"Maximum Outreach Contingency Amount" means the following amounts:

- (a) £32,667 on the anniversary of the approval of the first Annual Skills Implementation Plan;
- (b) £39,618 on the anniversary of the approval of the second Annual Skills Implementation Plan;
- (c) £54,214 on the anniversary of the approval of the third Annual Skills Implementation Plan;
- (d) £62,902 on the anniversary of the approval of the fourth Annual Skills Implementation Plan;
- (e) £61,859 on the anniversary of the approval of the fifth Annual Skills Implementation Plan;
- (f) £55,951 on the anniversary of the approval of the sixth Annual Skills Implementation Plan;
- (g) £41,008 on the anniversary of the approval of the seventh Annual Skills Implementation Plan;
- (h) £14,596 on the anniversary of the approval of the eighth Annual Skills Implementation Plan;
- (i) £8,341 on the anniversary of the approval of the ninth Annual Skills Implementation Plan; or
- (j) £3,475 on the anniversary of the approval of the tenth Annual Skills Implementation Plan;

"MEH Phase" means the phase within the Construction Period that begins with the site mobilisation and readiness meeting under the contract appointing the main mechanical, electrical and heating contractor(s) providing for the: assembly, construction, dismantling, erection, fabrication, fitting, inspection, installation, maintenance, repair, replacement or testing on site of any apparatus, machinery or plant;

- (a) planning, designing, commissioning or procuring by way of contract or otherwise of any apparatus, machinery or plant;
- (b) supervision of the assembly, construction, dismantling, erection, fabrication, fitting, inspection, installation, maintenance, repair, replacement or testing of any apparatus, machinery or plant; or
- (c) the erection and/or dismantling of the main framework of a building or other structure that is made of steel or other metal where the building or structure is erected or dismantled on any site (not necessarily on a site where a product is processed),

and that ends at the end of the Construction Period or when all work packages under the contract appointing the main mechanical, electrical and heating contractor(s) have been completed;

"Not Ready" means that the business registered with the Supply Chain Portal has not submitted data for key fields relating to capability to deliver contracts on the Project;

"Operational Employment Strategy" means a strategy for developing the approach to employment during the Operational Period which shall inform people of the nature and type of roles to be created during the Operational Period and communicate any opportunities for skills, training and employment initiatives to contribute to the delivery of such roles, to include:

- (a) a description of the skills, roles, competencies, and qualifications needed for the Operational Period;

- (b) the opportunity for skills, training, and employment initiatives to contribute to the delivery of the workforce, for the Operational Period;
- (c) links to any relevant social partnerships able to deliver skills and training infrastructure to help the region prepare for the skills required for the Operational Period;
- (d) engagement with local providers during the Operational Period;
- (e) the measures that SZC Co shall undertake to support the provision of training to promote local employment during the Operational Period;
- (f) the measures that each contractor and sub-contractor will undertake to promote the local employment, skills and training benefits of the roles created; and
- (g) a strategy to encourage and support the delivery of Apprenticeships during the Operational Period, that:
 - (i) provides information on mechanisms for Apprenticeship support and enhance/enrich existing outreach to steer people towards regional work/training opportunities relevant to the Project and regional priorities;
 - (ii) provides information with sufficient lead-in time to local education, skills and training providers, and local people seeking Apprenticeship opportunities, enabling the regional skills and employment support infrastructure to gear-up to provide the curriculum, support and relevant inspiration activities to match the opportunities during the Operational Period; and
 - (iii) communicates any contractual commitments that SZC Co may seek with contractors on the Project in respect of the provision of Apprenticeships;

"Operational Period" means the period from the date that nuclear fuel assemblies for Unit 2 are delivered to the Main Development Site;

"Outreach Contingency Payment" means a payment from the Sizewell C Outreach Contingency Fund in the amount of the lesser of:

- (a) the relevant Maximum Outreach Contingency Amount; or
- (b) $\text{£}800 \times (100 / 45) \times \text{Number of Additional Sizewell C Employment Outreach Placements}$,

where the "Number of Additional Sizewell C Employment Outreach Placements" has been determined by the ESEWG in accordance with paragraph 2.5.1;

"Outreach Key Performance Indicators" means the key performance indicators for the Sizewell C Employment Outreach Fund to be set out in the Annual Skills Implementation Plans in order to demonstrate the effectiveness of the Sizewell C Employment Outreach Initiatives and which shall include the number of job starts from worklessness amongst:

- (a) the employed and economically inactive; and
- (b) the unemployed and economically active,

lasting in each case for at least 12 weeks (where the contract for the role is for no less than 12 weeks) supported by the Sizewell C Employment Outreach Initiatives;

"Ready" means that a business has fully completed its registration on the Supply Chain Portal and correctly, indicating business capabilities, accreditations and project experience;

"Regional Skills Co-ordination Function" means a function within Suffolk County Council during the Construction Period and for up to three years after the end of the Construction Period which shall be responsible for:

- (a) ensuring alignment with and of other regional activities;
- (b) co-ordinating and assisting SZC Co, contractors and members and invitees of ESEWG to develop initiatives to help ensure a sufficient supply of skills and

capabilities are available at the right time to enable the growth of the energy industry in Suffolk;

- (c) promoting the creation of inclusive growth by working to ensure provision and opportunities relevant to regional need identified by the Construction Workforce Delivery Strategies and Annual Skills Implementation Plan are made available to the residents of Suffolk;
- (d) acting as a transparent and centralised contact and providing links and co-ordination between SZC Co, supply chain, contractors, skills/training providers, and wider regional stakeholders;
- (e) co-ordinating the production of a draft Annual Skills Implementation Plan for the agreement of the ESEWG and approval of Economic Review Group;
- (f) provide reports on performance to the ESEWG on performance against the agreed key performance indicators set in the relevant Annual Skills Implementation Plan and monitoring of relevant skills and employment indicators;
- (g) attending meetings of the ESEWG; and
- (h) carrying out such other activities as the ESEWG may consider necessary (acting reasonably) from time to time;

"Site Operations / Site Services / Enabling Works Phase" means the phase within the Construction Period, beginning on the Commencement Date and ending at the end of the Construction Period, that includes any roles and work packages that support the delivery of another Construction Phase;

"Sizewell C Bursary Scheme" means a bursary scheme aimed at supporting the removal of barriers to training, support and employment pathways into:

- (a) the Project; and/or
- (b) other local opportunities requiring similar skills to the Project,

for local people that either have not reached the required entry level requirements or that need some support to successfully complete their course, particularly in areas of relative deprivation;

"Sizewell C Bursary Scheme Fund" means a sum of £750,000 to fund the Sizewell C Bursary Scheme in accordance with paragraph 2.6;

"Sizewell C Employment Outreach Contingency Fund" means the sum of £400,000 payable in accordance with paragraph 2.5;

"Sizewell C Employment Outreach Fund" means the sum of £1,600,000 payable in accordance with paragraph 2.4;

"Sizewell C Employment Outreach Initiatives" means initiatives provided by Suffolk County Council (or in partnership with not-for-profit organisations, where deemed appropriate through the relevant Annual Skills Implementation Plan) to be agreed by the ESEWG and approved by the Economic Review Group which are intended to support the delivery of measures and/or programmes that increase the pool of 'work ready' individuals within the region's talent pool or deliver social value by bridging the gap to the labour market and increasing the supply of people ready to access 'job ready' programmes in relation to:

- (a) existing skills and training infrastructure;
- (b) outreach programmes;
- (c) partnership working with successful third sector organisations; and
- (d) the requirements identified by the relevant Construction Workforce Delivery Strategies and Annual Skills Implementation Plan,

with a focus on delivering local priorities and hard-to-reach groups and communities in geographical areas within Suffolk experiencing relative deprivation (as identified through

the relevant Annual Skills Implementation Plan) and increasing diversity in the Sizewell C Construction Workforce;

"Sizewell C Employment Outreach Placements" means the placement into employment of an individual pursuant to a Sizewell C Employment Outreach Initiative;

"Sizewell C Jobs Co-ordinator" means a suitably qualified and experienced co-ordinator who shall be based in Suffolk;

"Sizewell C Jobs Service" means a service established, funded and run by SZC Co (linked to local or regional infrastructure for employment brokerage such as regional provision where considered effective and relevant by ESEWG) during the Construction Period that builds, maintains and manages a talent pool of local people to drive local employment for the Project (as well as being made available to other related regional projects and employers), which shall:

- (a) deliver employment (via a talent pool of relevant skills) needed for the Project;
- (b) provide re-brokerage within the Project and its supply chain to reduce churn and promote sustainable careers;
- (c) be capable of being accessed by:
 - (i) local businesses that may be part of the Sizewell C supply chain or offer goods/services needed for the Project; and
 - (ii) wider regional infrastructure,where the ESEWG considers (on the basis of the monitoring to be commissioned by SZC Co and acting reasonably) that re-brokerage of Sizewell C Jobs Service users may be beneficial for backfilling vacancies in existing local firms where there is an identified risk of increased labour market churn as a result of the Project making such vacancies harder to fill;
- (d) link to appropriate existing activities relating to employment brokerage as well as other measures provided by SZC Co in this Schedule;
- (e) offer vacancies created by the Sizewell C supply chain, including Apprenticeships; and
- (f) generate labour market intelligence for the purposes of Project and regional analytical benefit, in order to support the effective implementation of other measures set out in this Schedule;

"Sizewell C Skills Prospectus" means a prospectus developed by SZC Co and contractors setting out the nature and type of roles to be created during the Construction Period, which will include the number, type and range of employment positions, qualification and competence requirements for each role, skills opportunities, and training opportunities, and promotion of relevant measures provided or funded pursuant to this Schedule, and will provide information for:

- (a) people in education and likely to seek entry to the workforce in roles linked to the Project (and wider regionally important skillsets and legacy roles), and to inform inspiration activity at all ages of education;
- (b) people who are 'work ready' but not 'job ready' by demonstrating the pathways to employment and opportunities for upskilling and support outreach activities;
- (c) people who are 'job ready' who need support to enter the Project (e.g. via the Sizewell C Jobs Service);
- (d) training providers, education institutions and regional skills and employment services so as to support them in accessing any relevant funding provided pursuant to this Deed where outcomes would support the Project's skill demand and regional legacy skills;
- (e) businesses and employers seeking to gain skills accreditations, and support to retain employees and win work on the Project; and

- (f) agencies and local services who provide information, advice and/or guidance to those seeking an Apprenticeship or employment, such as Department for Work and Pensions, ICanBeA and not-for-profit organisations;

"Supply Chain Principles" means the principles of SZC Co's approach to engaging the local and regional supply chain for the Project, including:

- (a) specific measures (such as a website (the 'Supply Chain Portal') providing information in respect of the Project's supply chain, engagement process) and processes that have been or will be put in place to support local and regional supply chain engagement to enable businesses in the east of England to compete for opportunities on the Project;
- (b) SZC Co's partnership with Suffolk Chamber of Commerce to assist local and regional businesses in successfully contracting for the supply of goods and services and to support the legacy of industrial inward investment arising from the Project;
- (c) monitoring and reporting principles; and
- (d) details of integration between SZC Co's proposed measures for employment, skills, and education (set out within this Schedule) and supply chain engagement defined as the **"Local Supply Chain Skills Programme"** in this Schedule;

"Supply Chain Work Plan" means a plan, including a list of activities that SZC Co will undertake or procure in order to deliver the Supply Chain Principles, to be updated every six months (as appended at Annex F);

"Supply Chain Working Group" means the group of that name established pursuant to paragraph 4.3;

"Tier 1 Contractor" means a contractor contracted directly from SZC Co;

"Tier 2 Contractor" means a contractor sub-contracted by a Tier 1 Contractor; and

"Young Sizewell C" means a programme for those aged 16 to 21 provided by SZC Co including a suite of measures to support the creation of pathways into jobs, building on and enhancing existing measures in the region which will:

- (a) help people understand the size and scale of opportunity, creating a pipeline into the Project or to backfill other positions;
- (b) provide young people with the first opportunity to see and access Apprenticeships on the Project;
- (c) provide links to the supply chain through work experience, advice and information;
- (d) work with a regional development team and cross-cut different existing platforms, Councils and education sector representatives;
- (e) be relevant to the region and its skills needs and programmes, for example by using integrated platforms like ICanBeA which would be identified in the relevant Annual Skills Implementation Plan;
- (f) generate information and intelligence in order to capture those most at risk of being 'not in education, employment or training', which shall be reported to the Employment, Skills and Education Working Group in order to inform the development of Construction Workforce Delivery Strategies and Annual Skills Implementation Plan, as well as wider regional measures developed outside of the remit of the Project; and
- (g) provide support for young people who may require information, advice and guidance on maximising their opportunities and breaking down barriers to employment.

2. EMPLOYMENT, SKILLS, AND EDUCATION (CONSTRUCTION PERIOD)

2.1 Construction Workforce Delivery Strategy / Strategies

- 2.1.1 Within three months after the date on which the Development Consent Order comes into force and annually thereafter until the final Construction Workforce Delivery Strategy has been provided pursuant to paragraph 2.1.5(B), SZC Co shall provide the Councils with the Early Workforce Information in respect of the each Construction Phase for which a Construction Workforce Delivery Strategy has not been produced.
- 2.1.2 SZC Co shall:
- (A) before Commencement (in consultation with the Councils) produce or commission a Construction Workforce Delivery Strategy in respect of the Site Operations / Site Services / Enabling Works Phase;
 - (B) on or before Commencement, provide a copy of such Construction Workforce Delivery Strategy in respect of the Site Operations / Site Services / Enabling Works Phase to the Councils; and
 - (C) adhere to the Construction Workforce Delivery Strategy in respect of the Site Operations / Site Services / Enabling Works Phase for the duration of the Site Operations / Site Services / Enabling Works Phase.
- 2.1.3 SZC Co shall (in consultation with the ESEWG) produce or commission a Construction Workforce Delivery Strategy in respect of the following in accordance with paragraph 2.1.4:
- (A) the Main Civils Construction Phase;
 - (B) the MEH Phase; and
 - (C) the Commissioning and Pre-Operational Phase.
- 2.1.4 SZC Co shall:
- (A) on or before Commencement, prepare and submit a programme for the production of the Construction Workforce Delivery Strategies listed under paragraph 2.1.3 to the Councils for their approval, such programme to ensure that the period of time between the implementation of each Construction Workforce Delivery Strategy and the start of the relevant Construction Phase is sufficient (in the opinion of the Councils acting reasonably) to develop the required training and services for such Construction Phase; and
 - (B) prior to the first anniversary of the Commencement Date, the ESEWG shall review the programme for the production of Construction Workforce Delivery Strategies approved by the Councils pursuant to paragraph 2.1.4(A) and shall agree any amendments to the programme as are considered necessary.
- 2.1.5 SZC Co shall:
- (A) prepare the Construction Workforce Delivery Strategies listed in paragraph 2.1.3 in accordance with the programme approved by the Councils under paragraph 2.1.4(A) or approved by the ESEWG under paragraph 2.1.4(B);
 - (B) provide a copy to the Councils of each of the Construction Workforce Delivery Strategies listed in paragraph 2.1.3 in accordance with the programme approved by the Councils under paragraph 2.1.4(A) or approved by the ESEWG under paragraph 2.1.4(B); and
 - (C) implement the relevant Construction Workforce Delivery Strategies under paragraph 2.1.3 in accordance with the programme approved by the Councils under paragraph 2.1.4(A) or the ESEWG under paragraph

2.1.4(B) and throughout the Main Civils Construction Phase, MEH Phase and Commissioning and Pre-Operational Phase (as appropriate).

2.1.6 SZC Co shall:

- (A) review each Construction Workforce Delivery Strategy for each Construction Phase at least every three years (in consultation with the ESEWG); and
- (B) implement any revised Construction Workforce Delivery Strategy under paragraph 2.1.6(A) throughout the remainder of the Main Civils Construction Phase, MEH Phase and Commissioning and Pre-Operational Phase (as appropriate).

2.1.7 SZC Co shall:

- (A) as part of the development of the Construction Workforce Delivery Strategies in accordance with paragraphs 2.1.2 and 2.1.3, produce or commission a Sizewell C Skills Prospectus which shall be submitted with the relevant CWDS in accordance with paragraphs 2.1.2 and/or 2.1.3; and
- (B) review the Sizewell C Skills Prospectus at least every three years alongside the review of the relevant CWDS, taking account of:
 - (1) the content and review process of Construction Workforce Delivery Strategies; and
 - (2) any reasonable requirement agreed by the Employment, Skills and Education Working Group for use of the Sizewell C Skills Prospectus information by relevant stakeholders and for relevant purposes.

2.1.8 SZC Co shall:

- (A) as part of the development of the CWDSs in accordance with paragraphs 2.1.2 and 2.1.3, produce or commission an Apprenticeship Strategy which shall be submitted with the relevant CWDS in accordance with paragraphs 2.1.2 and 2.1.3; and
- (B) review the Apprenticeship Strategy at least every three years alongside the review of the relevant CWDS, taking account of the following and which shall be submitted with the review of the relevant CWDS in accordance with paragraph 2.1.6:
 - (1) the content and review process of Construction Workforce Delivery Strategies; and
 - (2) any requirement agreed by the Employment, Skills and Education Working Group; and
- (C) during the Construction Period, work with the members of the ESEWG to enact the initiatives set out within the Apprenticeship Strategy (as may be reviewed and amended from time to time), informed each year by Annual Skills Implementation Plan.

2.1.9 The Apprenticeship Strategy to be produced pursuant to paragraph 2.1.8(A) shall make provision for a targeted delivery of a minimum of 540 Apprenticeships to Suffolk residents during the Construction Period.

2.2 Annual Skills Implementation Plan

2.2.1 Suffolk County Council shall procure that the Regional Skills Coordination Function, in consultation with the ESEWG, shall within three months after the Commencement Date, and annually thereafter during the Construction Period on the anniversary of approval of the prior Annual Skills Implementation Plan, submit

a draft Annual Skills Implementation Plan to the Economic Review Group for approval.

2.3 Regional Skills Co-ordination Function

2.3.1 On or before Commencement and on each anniversary of the Commencement Date occurring during the Construction Period, SZC Co shall pay Suffolk County Council up to £1,300,000 in:

- (A) equal annual instalments; or
- (B) annual instalments proposed by Suffolk County Council and approved by the ESEWG,

to be applied by Suffolk County Council following receipt as contributions towards the cost of funding of the Regional Skills Co-ordination Function.

2.3.2 Suffolk County Council shall establish the Regional Skills Co-ordination Function and procure that it shall carry out all obligations allocated to the Regional Skills Co-ordination Function in this Deed.

2.3.3 SZC Co's maximum liability under this paragraph 2.3 is £1,300,000.

2.4 Sizewell C Employment Outreach Fund

2.4.1 During the Construction Period, subject to paragraph 2.4.2, SZC Co shall pay Suffolk County Council the sum of £1,600,000 in:

- (A) equal annual instalments; or
- (B) such alternative annual instalments as are approved in the Annual Skills Implementation Plan,

on the date of the approval of each Annual Skills Implementation Plan for the funding of relevant Sizewell C Employment Outreach Initiatives.

2.4.2 Suffolk County Council shall use the Sizewell C Employment Outreach Fund to fund Sizewell C Employment Outreach Initiatives in relation to each Construction Phase in the following proportions, which shall be co-ordinated and agreed by the ESEWG and reflected in each relevant Annual Skills Implementation Plan:

- (A) not less than 35% and not more than 45% of the total identified in paragraph 2.4.1 for the Construction Workforce Delivery Strategy for the Main Civils Construction Phase;
- (B) not less than 15% and not more than 20% of the total identified in paragraph 2.4.1 for the Construction Workforce Delivery Strategy for the Site Operations / Support Services / Enabling Works Phase;
- (C) not less than 35% and not more than 45% of the total identified in paragraph 2.4.1 for the Construction Workforce Delivery Strategy for the MEH Phase; and
- (D) not more than 10% of the total identified in paragraph 2.4.1 for the Construction Workforce Delivery Strategy for the Commissioning and Pre-Operational Phase.

2.4.3 Suffolk County Council shall deliver or procure the delivery of the Sizewell C Employment Outreach Initiatives.

2.4.4 SZC Co's maximum liability under this paragraph 2.4 is £1,600,000.

2.5 Sizewell C Employment Outreach Contingency Fund

2.5.1 During the Construction Period, within three months after the first anniversary of the approval of a particular Annual Skills Implementation Plan, the ESEWG shall determine:

- (A) the number of "Successful Sizewell C Employment Outreach Placements" in respect of the unemployed and economically active, on the basis of the Outreach Key Performance Indicators set out in the relevant Annual Skills Implementation Plan; and
- (B) the number of additional Sizewell C Employment Outreach Placements required to meet the target of 45% (or such other percentage as may have been approved by the ESEWG in that Annual Skills Implementation Plan) in respect of the unemployed and economically active, in accordance with the following formula:

$$\begin{array}{l} \text{Number of Additional} \\ \text{Sizewell C Employment} \\ \text{Outreach Placements} \end{array} = 45\% \text{ (or such other} \quad - \text{ Number of Successful} \\ \text{percentage as may have} \\ \text{been approved by the} \\ \text{ESEWG in that Annual} \\ \text{Skills Implementation Plan)} \\ \text{of the Sizewell Employment} \\ \text{Outreach Placements in} \\ \text{respect of the unemployed} \\ \text{and economically active} \\ \text{funded by the Sizewell C} \\ \text{Employment Outreach Fund} \\ \text{pursuant to the relevant} \\ \text{Annual Skills} \\ \text{Implementation Plan} \end{array}$$

2.5.2 In the event that the ESEWG determines that the Number of Additional Sizewell C Employment Outreach Placements is greater than or equal to one, SZC Co shall pay an Outreach Contingency Payment to Suffolk County Council to deliver or procure the delivery of further Sizewell C Employment Outreach Initiatives in accordance with the current Annual Skills Implementation Plan.

2.5.3 The maximum liability of SZC Co pursuant to this paragraph 2.5 is £400,000.

2.6 Sizewell C Bursary Scheme

2.6.1 During the Construction Period, SZC Co shall make available the sum of £750,000 to be applied towards the provision of the Sizewell C Bursary Scheme in accordance with the Annual Skills Implementation Plan.

2.6.2 SZC Co and the Councils agree that applications from individuals for funding from the portion of the Sizewell C Bursary Scheme Fund identified for grants in excess of £1,000 each year shall be approved on an ad hoc basis by a committee of SZC Co, Suffolk County Council and appropriate not-for-profit organisations selected by SZC Co (which shall have prior experience of management of an educational bursary and/or grant scheme, knowledge of education in Suffolk, and prior experience of post-16 education).

2.7 Asset Skills Enhancement and Capability Fund

2.7.1 During the Construction Period, subject to paragraph 2.7.2, SZC Co shall pay Suffolk County Council the Asset Skills Enhancement and Capability Fund in four instalments, each relating to a particular Construction Phase and each to be paid within 30 days of the date that the Employment, Skills and Education Working Group approves the first Annual Skills Implementation Plan relating to that Construction Phase.

2.7.2 Suffolk County Council shall use or shall procure that the Regional Skills Coordination Function shall use each instalment of the Asset Skills Enhancement and Capability Fund to deliver or procure the delivery of the Asset Skills Enhancement and Capability Initiatives relating to the relevant Construction Phase in accordance with the Annual Skills Implementation Plan.

- 2.7.3 The Regional Skills Coordination Function or Suffolk County Council (as relevant) shall invite applications for the receipt of funding from the Asset Skills Enhancement and Capability Fund to carry out the Asset Skills Enhancement and Capability Initiatives in accordance with the Annual Skills Implementation Plan.
- 2.7.4 In reviewing applications for funding and determining the allocation of such funding, the Regional Skills Coordination Function or Suffolk County Council shall have regard to the following principles, so that the allocation of funding is:
- (A) fair, neutral, open, and equitable to those applying for funding;
 - (B) focussed directly on maximising the number of HB Workers into identified legacy roles required by the Project;
 - (C) linked to wider regional legacy roles and industrial policy; and
 - (D) linked to the generation of match funding from wider industrial bodies including the New Anglia Local Enterprise Partnership, UK Government, and relevant industrial training bodies.
- 2.7.5 The maximum liability of SZC Co pursuant to this paragraph 2.7 is £7,800,000.
- 2.8 Asset Skills Enhancement and Capability Investments**
- 2.8.1 During the Construction Period, SZC Co shall or shall procure that its Tier 1 Contractors shall provide the Asset Skills Enhancement and Capability Investments to Suffolk County Council for each Construction Phase in accordance with:
- (A) the first Annual Skills Implementation Plan relating to that Construction Phase; or
 - (B) any Annual Skills Implementation Plan relating to that Construction Phase from time to time approved following a review in accordance with paragraph 2.8.2.
- 2.8.2 Through the preparation of the Annual Skills Implementation Plan produced by the Regional Skills Coordination Function immediately following each review by SZC Co of the CWDS in accordance with paragraph 2.1, Suffolk County Council shall procure that the Regional Skills Coordination Function shall:
- (A) review the provision of Asset Skills Enhancement and Capability Investments in respect of that Construction Phase; and
 - (B) submit for the ESEWG's approval any proposed amendments to the minimum value of Asset Skills Enhancement and Capability Investments in respect of that Construction Phase so as to enable the provision of additional Asset Skills Enhancement and Capability Investments in respect of another Construction Phase.
- 2.8.3 Suffolk County Council shall allocate or shall procure that the Regional Skills Coordination Function shall allocate any Asset Skills Enhancement and Capability Investments received pursuant to paragraph 2.8.1 in accordance with the relevant Annual Skills Implementation Plan, having regard to the following principles, so that the allocation of investments is:
- (A) fair, neutral, open and equitable to those applying for funding;
 - (B) focussed directly on maximising the number of HB Workers into identified legacy roles required by the Project; and
 - (C) linked to wider regional legacy roles and industrial policy.
- 2.8.4 The maximum liability of SZC Co pursuant to this paragraph 2.8 shall be £5,000,000.

2.9 Sizewell C Jobs Service

- 2.9.1 Before Commencement, SZC Co shall establish the Sizewell C Jobs Service and shall provide the Sizewell C Jobs Service until the end of the Construction Period.
- 2.9.2 On or before Commencement, SZC Co shall appoint a Sizewell C Jobs Coordinator and shall ensure that a Sizewell C Jobs Co-ordinator is in place for the duration of the Construction Period.
- 2.9.3 During the Construction Period, SZC Co shall:
- (A) review the scope and implementation of the Sizewell C Jobs Service in-line with the programme of reviews of the relevant CWDS pursuant to paragraph 2.1.6 in order to improve effectiveness;
 - (B) consult with the Employment, Skills and Education Working Group on any proposed changes to the Sizewell C Jobs Service;
 - (C) implement any revised Sizewell C Jobs Service following consultation with ESEWG pursuant to paragraph 2.9.3(A) until the end of the Construction Period; and
 - (D) procure that the Sizewell C Jobs Co-ordinator interacts with existing employment infrastructure such as Jobcentre Plus and existing community hubs on a quarterly basis including sharing of job brokerage information, expertise and support and resources (training and materials) in order to assist understanding of the Sizewell C Jobs Service and the roles available.

2.10 Young Sizewell C

- 2.10.1 On or before Commencement, SZC Co shall establish Young Sizewell C and shall provide Young Sizewell C until the end of the Construction Period.
- 2.10.2 During the Construction Period, SZC Co shall:
- (A) review the scope and implementation of Young Sizewell C in-line with the programme of reviews of the relevant CWDS pursuant to paragraph 2.1.6 and shall submit such revisions to ESEWG with the review of the relevant CWDS in accordance with paragraph 2.1.6; and
 - (B) implement any revisions to Young Sizewell C following consultation with ESEWG pursuant to paragraph 2.10.2(A) until the end of the Construction Period in order to improve effectiveness.

2.11 Education and Inspiration Activities

- 2.11.1 Throughout the Construction Period, SZC Co shall deliver Education and Inspiration Activities in Suffolk.
- 2.11.2 On or before Commencement, and on each anniversary of the Commencement Date occurring during the Construction Period, SZC Co shall provide a draft programme of Education and Inspiration Activities to the ESEWG, including in respect of each proposed Education and Inspiration Activity:
- (A) its location;
 - (B) the proposed recipient or partner;
 - (C) the estimated cost;
 - (D) proposed metrics and key performance indicators to be used to measure its success; and
 - (E) any other relevant information considered relevant by SZC Co.
- 2.11.3 The ESEWG shall provide SZC Co with its comments (if any) on the draft programme of Education and Inspiration Activities provided pursuant to

paragraph 2.11.2 within 20 Working Days (or such longer period as may be agreed by the ESEWG).

- 2.11.4 In preparing each draft programme of Education and Inspiration Activities and in delivering the Education and Inspiration Activities, SZC Co shall have regard to:
- (A) any comments provided by the ESEWG on the draft programme of Education and Inspiration Activities; and
 - (B) any measurements of the effectiveness of the Education and Inspiration Activities against the metrics and key performance indicators set out in the relevant Annual Skills Implementation Plan.
- 2.11.5 The ESEWG shall within the Annual Skills Implementation Plan agree metrics and key performance indicators to measure the effectiveness of Education and Inspiration Activities.

2.12 **Economic Review Group**

- 2.12.1 On or before Commencement, SZC Co shall establish the Economic Review Group, which shall exist until the end of the Construction Period.
- 2.12.2 The Economic Review Group shall comprise:
- (A) one representative of SZC Co;
 - (B) one representative of Suffolk County Council;
 - (C) one representative of East Suffolk Council; and
 - (D) one representative of New Anglia Local Enterprise Partnership,
- or such alternates as may be nominated by those representatives from time to time.
- 2.12.3 The Economic Review Group shall also invite the following representatives to attend as observers and participate in discussions at its meetings:
- (A) up to four representatives of the Tier 1 Contractors (including up to one Tier 1 Contractor in respect of each Construction Phase); and
 - (B) one representative of the Suffolk Chamber of Commerce.
- 2.12.4 The Economic Review Group shall:
- (A) meet no later than three months after the Commencement Date;
 - (B) consider the effectiveness of measures implemented for education, employment, skills and training set out in this Schedule in accordance with the relevant agreed key performance indicators and using labour market information collected by regional stakeholders as well as generated by the Project's measures;
 - (C) approve the Annual Skills Implementation Plan agreed by the ESWG;
 - (D) consider any requirement for tailoring or further development of measures in response to any education, skills and employment impact identified through monitoring as resulting from the Project;
 - (E) review and support the implementation of measures – including the distribution of the Sizewell C Employment Outreach Fund and the Asset Skills Enhancement and Capability Fund – using the Construction Workforce Delivery Strategy for each Construction Phase and Annual Skills Implementation Plan;
 - (F) report (and publish for the community) outcomes including but not limited to the number of Apprenticeships, and work starts for local residents;

- (G) work directly with regional boards and groups including other large construction and infrastructure projects to identify opportunities for collaboration and investment;
 - (H) receive reports from the Economic Working Groups;
 - (I) consider and decide any matter referred to it from the Economic Working Groups regarding outstanding disputes within the relevant Economic Working Group or any matter where the relevant Economic Working Group has failed to reach a decision;
 - (J) consider and provide guidance to SZC Co or the Social Review Groups in respect of any matter where the Economic Review Group considers there are interfaces between the Economic Working Groups that need a more strategic approach; and
 - (K) report to and refer any matter (including any matter considered by the Economic Review Group pursuant to paragraph 2.12.4(I)) upon which the members are unable to agree unanimously to the Delivery Steering Group, particularly where there are interface issues across topics that require a more strategic approach or direction.
- 2.12.5 SZC Co and the Councils agree that meetings of the Economic Review Group shall:
- (A) take place quarterly during the Construction Period (or less frequently where agreed by the Economic Review Group) either virtually or at a convenient location in East Suffolk to be notified by SZC Co to the members of the Economic Review Group from time to time;
 - (B) be quorate if at least three members (at least one of which is a member representing SZC Co, one of which is a member representing East Suffolk Council and one of which is a member representing Suffolk County Council) are present;
 - (C) be chaired by one of the members representing SZC Co; and
 - (D) be attended by members or representatives of the Economic Working Groups, third parties or other experts from time to time and as agreed by the Economic Review Group members in order to observe and participate in discussions or present information to the Economic Review Group.
- 2.12.6 SZC Co shall be responsible for the administration of convening and holding meetings of the Economic Review Group.
- 2.12.7 The Economic Review Group:
- (A) shall make such terms of reference for its governance and administration as it considers appropriate at the first meeting of the Economic Review Group; and
 - (B) may make such further administrative arrangements and terms of reference as it considers appropriate for its proper and efficient functioning from time to time,
with such arrangements and terms of reference to be approved by the Delivery Steering Group.
- 2.12.8 In the event that any of the Quorate Members of one of the Economic Working Groups refers a matter to the Economic Review Group for urgent resolution, the Economic Review Group shall:
- (A) meet as soon as reasonably practicable after the members of the Economic Review Group are notified and in any event within 10 Working Days for the sole purpose of resolving the relevant matter (with such urgent meeting not counting as a meeting of the Economic Review Group required to be held pursuant to paragraph 2.12.5); and

- (B) be entitled to vary any of the requirements of this paragraph 2.12 by agreement of the members of the Economic Review Group to facilitate such meeting occurring as soon as reasonably practicable and the early resolution of the relevant matter.

2.12.9 In the event that any of the Quorate Members of the Economic Review Group considers that a matter needs to be referred to the Delivery Steering Group for urgent resolution it shall notify the members of the Delivery Steering Group accordingly to invoke the urgency process in paragraph 3.8 in Schedule 17.

2.13 **Employment, Skills and Education Working Group**

2.13.1 On or before Commencement, SZC Co shall establish the Employment, Skills and Education Working Group, which shall exist until the end of the Construction Period.

2.13.2 The Employment, Skills and Education Working Group shall comprise:

- (A) one representative of SZC Co;
- (B) one representative of Suffolk County Council;
- (C) one representative of the Regional Skills Co-ordination Function established by Suffolk County Council;
- (D) one representative of East Suffolk Council; and
- (E) one representative of New Anglia Local Enterprise Partnership,

or such alternates as may be nominated by those representatives from time to time.

2.13.3 The Employment, Skills and Education Working Group shall agree Annual Skills Implementation Plans provided by the Regional Skills Co-ordination Function.

2.13.4 The Employment, Skills and Education Working Group shall, where deemed appropriate in accordance with the relevant approved Annual Skills Implementation Plan, meet and act in the form of thematic delivery-focussed groups (e.g. employment, young people and Apprenticeships, and skills) which shall guide and inform the decisions to be made by the Employment, Skills and Education Working Group pursuant to this Schedule, including members of Employment, Skills and Education Working Group, and may be used as vehicles for delivery of activities set out by the Annual Skills Implementation Plan should that be agreed by the Employment, Skills and Education Working Group.

2.13.5 The Employment, Skills and Education Working Group may invite relevant and appropriate third parties, including Tier 1 Contractors, local education and skills providers, colleges and industry bodies to attend any delivery-focussed groups which are formed in accordance with paragraph 2.13.4.

2.13.6 The Employment, Skills and Education Working Group shall meet on a quarterly basis (or less frequently where agreed by the members of the Employment, Skills and Education Working Group), with such meetings to be:

- (A) either virtual or in a convenient location in East Suffolk or Ipswich to be identified by SZC Co from time to time;
- (B) chaired by the representative of the Regional Skills Co-ordination Function, unless otherwise agreed by the Employment, Skills and Education Working Group; and
- (C) quorate if at least three members (at least one of whom is a member representing East Suffolk Council, one of which is a member representing Suffolk County Council and one of which is a member representing SZC Co) are present.

- 2.13.7 The Employment, Skills and Education Working Group shall meet no later than three months after the Commencement Date.
- 2.13.8 The Employment, Skills and Education Working Group shall report to and refer any matter upon which the members are unable to agree unanimously to the Economic Review Group.
- 2.13.9 SZC Co shall be responsible for the administration of convening and holding meetings of the Employment, Skills and Education Working Group.
- 2.13.10 The Employment, Skills and Education Working Group
 - (A) shall make such terms of reference for its governance and administration as it considers appropriate at the first meeting of the Employment, Skills and Education Working Group; and
 - (B) may make such further administrative arrangements and terms of reference as it considers appropriate for its proper and efficient functioning from time to time,
 - with such arrangements and terms of reference to be approved by the Economic Review Group.
- 2.13.11 The Employment, Skills and Education Working Group will review monitoring undertaken on the employment and skills impact of the Project and provide recommendations to the Economic Review Group on any identified requirement for mitigating actions.
- 2.13.12 In the event that any of the Quorate Members of the Employment, Skills and Education Working Group considers that a matter needs to be referred to the Economic Review Group for urgent resolution, it shall notify the members of the Economic Review Group accordingly to invoke the urgency process in Schedule 7, paragraph 2.12.8.

2.14 Employment, Skills and Education Monitoring

- 2.14.1 During the Construction Period, SZC Co will provide the ESEWG with the following information on an annual basis (unless more regularly as specified) and any other information requested by the ESEWG (acting reasonably) that can reasonably be provided or funded by SZC Co that would aid the activity of regional stakeholders:
 - (A) number of Sizewell C Construction Workers based on onboarding data at least every six months;
 - (B) estimated proportion of HB Workers and NHB Workers, broken down by District based on workforce survey reports every six months;
 - (C) number of Apprenticeships and number of Suffolk-based and home-based Apprenticeships as reported by contractors;
 - (D) number of HB Workers who were previously unemployed at least every six months;
 - (E) number of Successful Sizewell C Employment Outreach Placements;
 - (F) number of Suffolk residents placed into work by the Sizewell C Jobs Service by duration of continuous employment, and socio-economic and demographic characteristics of those residents which may be practicably and reasonably collected and is considered to provide relevant information on social mobility and social value (to be determined by the ESEWG for each Annual Skills Implementation Plan);
 - (G) number of people supported by the Sizewell C Jobs Service into further employment outside of the Project at least every six months;

- (H) itemised list (by value based on the estimated cost of the use of such Asset Skills Enhancement and Capability Investment) of Asset Skills Enhancement and Capability Investments;
 - (I) itemised list (including costings) of Education and Inspiration Activities undertaken at least every six months;
 - (J) number of Sizewell C Construction Workers in Apprenticeships and/or other 'earn and learn' training at least every six months;
 - (K) reasons for, and implications of, any deviation from forecasting set out in any Construction Workforce Delivery Strategy to give a broad outlook of skills needs for the Project for the forthcoming 12-month period (annually at the meeting of the ESEWG prior to that at which each Annual Skills and Implementation Plan is approved) if different from that set out in the Construction Workforce Delivery Strategy; and
 - (L) analysis from such bespoke third party analytical tools and economic modelling as are used by SZC Co to measure change in labour market churn and any other employment, skills and education indicator reasonably agreed by the Economic Review Group to relate to the potential effects of the Project on the labour market.
- 2.14.2 The Annual Skills Implementation Plan may set out, where agreed by the ESEWG and acting reasonably and proportionately, additional monitoring measures including measures to test the effectiveness of the Annual Skills Implementation Plan, Sizewell C Jobs Service, Sizewell C Bursary, Sizewell C Employment Outreach Fund, and Asset Skills Enhancement and Capability Fund.

3. EMPLOYMENT, SKILLS AND EDUCATION (OPERATIONAL PERIOD)

- 3.1.1 On or before the sixth anniversary of the Commencement Date and annually thereafter until the Operational Employment Strategy has been submitted pursuant to paragraph 3.1.2, SZC Co shall provide the ESEWG with the Early Workforce Information in respect of the Operational Period.
- 3.1.2 Prior to the end of the Construction Period, SZC Co shall prepare and submit an Operational Employment Strategy to the ESEWG for its approval.
- 3.1.3 SZC Co shall implement the Operational Employment Strategy, as approved pursuant to paragraph 3.1.2, from the start of the Operational Period until the fifth anniversary of the start of the Operational Period.
- 3.1.4 SZC Co shall:
 - (A) review the Operational Employment Strategy within three months of the third anniversary of the start of the Operational Period;
 - (B) submit any revisions to the Operational Employment Strategy considered necessary by SZC Co as a result of this review to the Councils for their approval; and
 - (C) implement any revised Operational Employment Strategy approved under paragraph 3.1.4(B) until the fifth anniversary of the start of the Operational Period.
- 3.1.5 In the event that the value of the Education and Inspiration Activities provided by SZC Co during the Construction Period (the "**EIA Construction Amount**") is less than the amount calculated in accordance with the below formula (the "**EIA Target Amount**"):

EIA Target Amount = £100,000 x (length of the Construction Period in years),

SZC Co shall deliver further Education and Inspiration Activities prior to the third anniversary of the end of the Construction Period to the value of:

Sum = EIA Target Amount – EIA Construction Amount.

3.1.6 SZC Co's maximum liability under paragraph 3.1.5 is £1,200,000.

3.1.7 In the event that the value (based on the estimated cost of the use of such Asset Skills Enhancement and Capability Investments) of the Asset Skills Enhancement and Capability Investments provided by SZC Co during the Construction Period (the "**ASECI Construction Amount**") is less than £5,000,000, SZC Co shall within three months from the end of the Construction Period pay to Suffolk County Council a sum calculated as follows:

Sum = £5,000,000 – ASECI Construction Amount,

to be applied by Suffolk County Council prior to the third anniversary of the end of the Construction Period towards the provision of initiatives to enhance the supply of skills related to the Project and regional needs and aspirations, through investing in revenue and working capital projects within the region's existing education and training sectors with the aim of strengthening the supply of skills related to the region's aspirations and needs and the requirements of the Project set out in the Operational Employment Strategy.

4. SUPPLY CHAIN

4.1 Supply Chain Activities

4.1.1 SZC Co shall implement or procure the implementation of the measures described in the Supply Chain Work Plan (determined by the Supply Chain Principles) with effect from Commencement until the end of the Construction Period.

4.1.2 During the Construction Period, SZC Co shall prepare an updated Supply Chain Work Plan and provide such updated Supply Chain Work Plan to the Supply Chain Working Group every six months to allow stakeholders to plan wider activities that align with and maximise benefits beyond the Project and that relate to strategic long term legacy benefits of the Project including:

- (A) recognition for the Project's regional role as an essential part of Suffolk's 'Energy Cluster' accelerating inward investment of Tier 1 Contractor and Tier 2 Contractor suppliers who may be working in multiple energy construction projects locally;
- (B) opportunities for growth in existing and newly accredited nuclear related businesses associated with supporting the delivery of the Main Civils Construction Phase and MEH Phase;
- (C) opportunities for growth in non-nuclear related businesses associated with supporting the delivery of the Project, for example local catering, leisure and retail companies, in order to provide benefits to the local economy and population as well as the nuclear supply chain;
- (D) provision of inward investment and trade stimulation opportunities to ally with other existing programmes;
- (E) research and development and innovation opportunities (such as work on hydrogen and linkages to the proposed freeport centred at the Port of Felixstowe and Harwich International Port, 'Freeport East');
- (F) working across South West and East of England to assist with knowledge transfer from Hinkley Point C to the Project and to enhance best practice to drive efficiencies;
- (G) legacy through companies new to the nuclear and energy supply chain taking opportunities for future growth in the UK new nuclear market as well as the wider global supply chain; and

- (H) supporting the 'Nuclear Sector Deal' (published by the UK government in June 2018), the UK government's 'Energy White Paper: Powering our net zero future' (published December 2020), the 'Ten Point Plan for a Green Industrial Revolution' (published by the UK government in November 2020) and 'Build Back Better' in delivering clean growth and achieving a net zero economy (published by the UK government March 2021).
 - 4.1.3 During the Construction Period, the Supply Chain Working Group shall review the effectiveness of the measures in the Supply Chain Work Plan at least every six months.
 - 4.1.4 The parties agree that all members of the Supply Chain Working Group shall be provided with and entitled to use any information gained during the review pursuant to paragraph 4.1.3 in regional activities, to allow stakeholders the opportunity to plan wider activities that align with and maximise benefits beyond the Project.
 - 4.1.5 SZC Co shall have regard to the results of the review undertaken by the Supply Chain Working Group pursuant to paragraph 4.1.3 in preparing any subsequent updated Supply Chain Work Plans.
- 4.2 Supply Chain Monitoring**
- 4.2.1 During the Construction Period, SZC Co shall provide the Supply Chain Working Group with the following information on an annual basis and any other information requested by the Supply Chain Working Group (acting reasonably) that can reasonably be provided by SZC Co identified in consultation with SZC Co and Tier 1 Contractors that would aid the activity of regional stakeholders as set out at paragraph 4.1.4 and inform the development of Supply Chain Work Plans:
 - (A) total value of contracts awarded to businesses based in East of England, by District;
 - (B) value of contracts awarded to businesses based in East of England by work package / sector, by District;
 - (C) total number and sector of businesses registered on the 'Supply Chain Portal' website by completeness of profile (Not Ready, Almost Ready, Ready), by District;
 - (D) number of transitions from Not Ready to Almost Ready and the number of transitions from Almost Ready to Ready;
 - (E) number of pre-qualification questionnaires and contracts applied for by businesses based in East of England by District; and
 - (F) activities/events undertaken in accordance with the Supply Chain Principles and set out by the Supply Chain Work Plan by District.
- 4.3 Supply Chain Working Group**
- 4.3.1 On or before Commencement, SZC Co shall establish the Supply Chain Working Group, which shall exist until the end of the Construction Period.
 - 4.3.2 The Supply Chain Working Group shall comprise:
 - (A) one representative of SZC Co;
 - (B) one representative of the Tier 1 Contractors;
 - (C) one representative of Suffolk County Council;
 - (D) one representative of East Suffolk Council;
 - (E) one representative of New Anglia Local Enterprise Partnership; and
 - (F) one representative of Suffolk Chamber of Commerce,

- or such alternates as may be nominated by those representatives from time to time.
- 4.3.3 The Supply Chain Working Group may agree to extend invitations to other bodies to attend meetings of the Supply Chain Working Group, where the Supply Chain Working Group agrees there is value in their attendance, including but not limited to, contractors and consortia within the supply chain and relevant representatives of other major construction and infrastructure projects in the region.
- 4.3.4 The Supply Chain Working Group shall meet at least once per year to enable the Councils, Suffolk Chamber of Commerce and New Anglia Local Enterprise Partnership to:
- (A) view and discuss the Supply Chain Work Plan;
 - (B) view and discuss monitoring information provided by SZC Co on the scale of regional contracts awarded by type, value, and location; and
 - (C) view SZC Co's supply chain activities in the context of local/regional plans and policies in order to facilitate collaboration and share information and advice.
- 4.3.5 The Supply Chain Working Group shall meet no later than three months after the Commencement Date.
- 4.3.6 SZC Co and the Councils agree that meetings of the Supply Chain Working Group shall be:
- (A) either virtual or in a convenient location in East Suffolk or Ipswich to be identified by SZC Co from time to time;
 - (B) chaired alternately by Suffolk County Council and East Suffolk Council with the first meeting to be chaired by Suffolk County Council; and
 - (C) quorate if at least three members (one of which is a member representing SZC Co, one of which is a member representing East Suffolk Council and one of which is a member representing Suffolk County Council) are present.
- 4.3.7 The Supply Chain Working Group shall report to and refer any matter upon which the members are unable to agree unanimously to the Economic Review Group.
- 4.3.8 SZC Co shall be responsible for the administration of convening and holding meetings of the Supply Chain Working Group.
- 4.3.9 The Supply Chain Working Group:
- (A) shall make such terms of reference for its governance and administration as it considers appropriate at the first meeting of the Supply Chain Working Group; and
 - (B) may make such further administrative arrangements and terms of reference as it considers appropriate for the proper and efficient functioning of the Supply Chain Working Group from time to time, with such arrangements and terms of reference to be approved by the Economic Review Group.
- 4.3.10 In the event that any of the Quorate Members of the Supply Chain Working Group considers that a matter needs to be referred to the Economic Review Group for urgent resolution, it shall notify the members of the Economic Review Group accordingly to invoke the urgency process in Schedule 7, paragraph 2.12.8.

5. ECONOMIC DEVELOPMENT

5.1 Economic Development Function

5.1.1 During the Construction Period and for one year following the end of the Construction Period SZC Co will pay a total sum of up to £1,820,000 to East Suffolk Council in accordance with paragraph 5.1.2 as a contribution towards the Economic Development Function.

5.1.2 SZC Co will provide the monies referred to in paragraph 5.1.1 in instalments of £140,000 starting on or before Commencement and annually thereafter on each anniversary of the Commencement Date occurring during the Construction Period.

5.1.3 SZC Co's maximum liability under this paragraph 5.1 is £1,820,000.

5.2 Economic Development Business Support Service

5.2.1 During the Construction Period and for one year following the end of the Construction Period, SZC Co will pay a total sum of up to £2,340,000 to East Suffolk Council in accordance with paragraph 5.2.2 as a contribution towards the Economic Development Business Support Service.

5.2.2 SZC Co will provide the monies referred to in paragraph 5.2.1 in instalments of £180,000 starting on or before Commencement and annually thereafter on each anniversary of the Commencement Date occurring during the Construction Period.

5.2.3 SZC Co's maximum liability under this paragraph 5.2 is £2,340,000.

5.3 Business Support Fund

5.3.1 During the Construction Period SZC Co will make available a Business Support Fund of up to £1,000,000 to enable businesses to adjust their methods of operation to work successfully alongside the Project.

5.3.2 East Suffolk Council shall procure that the Economic Development Business Support Service shall:

- (A) seek and collate applications from businesses to the Business Support Fund, such applications to include a business plan from the applicant demonstrating the need for such an adjustment and how the funding requested would deliver the adjustment required;
- (B) present such applications to the Economic Review Group for approval;
- (C) make onward payments to such applicants as are approved by the Economic Review Group from the sums paid by SZC Co pursuant to paragraph 5.3.3; and
- (D) report to the Economic Review Group on the usage of the Business Support Fund on a quarterly basis.

5.3.3 SZC Co shall pay to East Suffolk Council the sum equal to the requested funds in respect of successful applications to the Business Support Fund for onward payment to successful applicants.

5.3.4 SZC Co's maximum liability under this paragraph 5.3 is £1,000,000.

SCHEDULE 8 HERITAGE

1. DEFINITIONS AND INTERPRETATION

- 1.1 Where in this Schedule the following defined terms and expressions are used, they shall have the following respective meanings unless otherwise stated:

"First Leiston Abbey Site" means the scheduled monument with reference SM 1015687 at Leiston Abbey (first site);

"Historic Buildings and Monuments Commission for England" means the body of that name established by the National Heritage Act 1983 or any successor in function;

"SCC Archaeological Monitoring Contribution" means the sum of up to £288,750 to be paid and applied in accordance with paragraph 4;

"Second Leiston Abbey Site" means the scheduled monument with reference SM 1014520 and Grade I and Grade II listed buildings with references LB1215753, LB 1215754, LB 1216380, and LB 1268290 all located at Leiston Abbey (second site); and

"Upper Abbey Farm" means the Grade II listed buildings LB 1216394 and LB 1216655 and associated non-designated structures at Upper Abbey Farm, Leiston IP16 4RQ.

2. UPPER ABBEY FARM

- 2.1 On or before Commencement, SZC Co shall, following consultation with East Suffolk Council, prepare and submit an application for the relevant consents to carry out works to conserve and enhance the historic significance of Upper Abbey Farm (which shall include works to the wider farmyard to stabilise or remove unstable structures and to remove intrusive vegetation).
- 2.2 SZC Co shall implement and carry out the works consented pursuant to paragraph 2.1 prior to the first occupation of the Accommodation Campus.

3. LEISTON ABBEY SITES

3.1 First Leiston Abbey Site

- 3.1.1 On or before Commencement, SZC Co shall pay to East Suffolk Council for onward payment to RSPB the sum of £80,000 to be applied as a contribution towards survey and consolidation of the First Leiston Abbey Site and improved interpretation of the First Leiston Abbey Site, which shall include:
- (A) undertaking an assessment of the existing heritage interpretation at the First Leiston Abbey Site;
 - (B) preparing and implementing a new visitor strategy for the First Leiston Abbey Site;
 - (C) undertaking a structural survey of the First Leiston Abbey Site;
 - (D) consolidating and repairing existing buildings at the First Leiston Abbey Site; and
 - (E) engagement and liaison between RSPB and Historic England and such other stakeholders as RSPB considers necessary.
- 3.1.2 On or before the eighth anniversary of the Commencement Date, SZC Co shall pay to East Suffolk Council for onward payment to RSPB the sum of £20,000 to be applied as a contribution towards refreshing and improving interpretation of the First Leiston Abbey Site prior to the tenth anniversary of the Commencement Date.

3.2 **Second Leiston Abbey Site**

3.2.1 SZC Co shall pay to East Suffolk Council for onward payment to the Historic Buildings and Monuments Commission for England (who may pass such sum to the English Heritage Trust or any equivalent body, as appropriate) the sum of £1,090,224 to be applied as a contribution towards measures for survey and consolidation of the Scheduled Monument SM 1014520 (under the guardianship of the Historic Buildings and Monuments Commission for England) and improved interpretation of the Second Leiston Abbey Site, such sum to be paid in the following instalments:

- (A) £654,134 on or before Commencement; and
- (B) £436,090 on or before the first anniversary of the Commencement Date.

3.2.2 SZC Co shall pay to East Suffolk Council for onward payment to the Historic Buildings and Monuments Commission for England (who may pass such sum to the English Heritage Trust or any equivalent body, as appropriate, in consultation with Pro Corda Trust, taking into account their respective use of and responsibility for the Second Leiston Abbey Site) the sum of £150,000 to be applied as a contribution towards the development (in consultation with the Pro Corda Trust) and implementation of a landscape and access masterplan for the Second Leiston Abbey Site, such sum to be paid in the following instalments:

- (A) £90,000 on or before Commencement; and
- (B) £60,000 on or before the first anniversary of the Commencement Date.

4. **SCC ARCHAEOLOGICAL MONITORING CONTRIBUTION**

4.1 SZC Co shall pay the SCC Archaeological Monitoring Contribution to Suffolk County Council in the following instalments:

4.1.1 the sum of up to £82,500 to be used for the purposes of Suffolk County Council monitoring the carrying out of archaeological mitigation measures at the Sites pursuant to the Development Consent Order, to be paid in tranches against the presentation of invoices (and within 30 days of the presentation of such invoices) for reasonable and proper attendance costs at the Sites; and

4.1.2 the sum of up to £206,250 to be used for the purposes of Suffolk County Council reviewing the archaeological written scheme of investigations, evaluation and mitigation reporting prepared by SZC Co pursuant to the Development Consent Order to disseminate the results of the archaeological investigations carried on at each of the Sites, to be paid in tranches against the presentation of invoices (and within 30 days of the presentation of such invoices) for reasonable and proper review costs for each report.

4.2 Suffolk County Council shall:

4.2.1 monitor or procure the monitoring of the archaeological mitigation measures at the Sites; and

4.2.2 review or procure the review of the evaluation and mitigation reporting prepared by SZC Co.

SCHEDULE 9 IMPLEMENTATION PLAN

1. IMPLEMENTATION PLAN

- 1.1 With effect from the Commencement Date, SZC Co shall use reasonable endeavours to carry out and complete the Key Environmental Mitigation in accordance with the Implementation Plan.
- 1.2 At least three months prior to Commencement of works to construct any Key Environmental Mitigation, SZC Co shall prepare and submit to the Councils a detailed implementation programme for that Key Environmental Mitigation which shows how the relevant development will be delivered with other Key Environmental Mitigation.
- 1.3 SZC Co shall keep the Councils informed of progress in carrying out and completing the Key Environmental Mitigation on at least a quarterly basis demonstrating performance against the Implementation Plan and the detailed implementation programmes previously submitted to the Councils pursuant to paragraph 1.2 and including, where it is anticipated that works to construct any Key Environmental Mitigation will Commence in the quarter following the date of the report, anticipated dates for Commencement of those works.
- 1.4 SZC Co shall promptly notify the Planning Group of any material anticipated or actual delay to the completion of the Key Environmental Mitigation and, in the event of such a delay arising, shall (in consultation with the Councils via the Planning Group) carry out a detailed review of the Implementation Plan and the relevant detailed implementation programme previously submitted to the Councils pursuant to paragraph 1.2, such review to occur as soon as reasonably practicable.
- 1.5 In carrying out the review pursuant to paragraph 1.4, SZC Co shall take into account the Environmental Information.
- 1.6 SZC Co shall determine (taking into account the results of the review carried out pursuant to paragraph 1.4 and any reasonable representations of the Councils) the appropriate course of action to be taken in respect of the anticipated or actual delay, including a timetable for the implementation of the appropriate course of action, which shall be determined with the objective of reducing the delay so far as reasonably practicable having regard to the timely delivery of the Project as a whole.
- 1.7 A copy of the review carried out by SZC Co pursuant to paragraph 1.4 shall be provided by SZC Co to the Planning Group and the Delivery Steering Group within 10 Working Days of completion of such review.

**SCHEDULE 10
LEISURE AND AMENITY**

1. DEFINITIONS AND INTERPRETATION

- 1.1 Where in this Schedule the following defined terms and expressions are used they shall have the following respective meanings unless otherwise stated:

"Alde Valley Academy" means Alde Valley Academy, Seaward Avenue, Leiston, Suffolk. IP16 4BG;

"Annual Maintenance Payment" means the sum of £55,000 to be paid by SZC Co to East Suffolk Council in accordance with paragraph 2.4.1;

"Leiston Leisure Centre" means the leisure centre located at Red House Lane, Leiston, Suffolk IP16 4LS (including the Leiston Sports Facilities once completed);

"Leiston Sports Facilities" means Work No. 5 in Schedule 1 to the Development Consent Order, being a 3G pitch and two multi-use games areas in Leiston to be provided or procured and managed by East Suffolk Council and which are to be available for use by Alde Valley Academy, members of the general public and the Sizewell C Construction Workforce during the Construction Period;

"Leiston Sports Facilities Works" means the works to be undertaken or procured by East Suffolk Council to construct the Leiston Sports Facilities as approved by SZC Co pursuant to paragraph 2.1 and East Suffolk Council in accordance with Requirement 12A in Schedule 2 to the Development Consent Order; and

"Sports Facilities Design and Works Payment" means the sum of up to £1,092,000 being East Suffolk Council's reasonable and proper costs associated with the design of the Leiston Sports Facilities Works and preparation of a costed proposal in respect of the same in accordance with paragraph 2.1 of this Schedule and carrying out the Leiston Sports Facilities Works.

2. LEISTON SPORTS FACILITIES

2.1 Design of the Leiston Sports Facilities

2.1.1 SZC Co shall pay £75,000 from the Sports Facilities Design and Works Payment to East Suffolk Council on or before Commencement.

2.1.2 Following receipt of the Sports Facilities Design and Works Payment, East Suffolk Council shall prepare or procure the preparation of the design of the Leiston Sports Facilities Works in consultation with Alde Valley Academy and Suffolk County Council and shall provide to SZC Co for approval a costed proposal for the Leiston Sports Facilities Works (the "**Proposal**").

2.1.3 The Proposal shall include but not be limited to:

- (A) a timetable demonstrating that completion of the Leiston Sports Facilities Works shall take place in an appropriate timescale having regard to the planned occupation of the Accommodation Campus as set out in the Implementation Plan;
- (B) details of layout, scale, means of enclosure, and details of any artificial lighting, drawings and specifications for the Leiston Sports Facilities Works in general accordance with any documents referenced in Requirement 12A(2) in Schedule 2 to the Development Consent Order;
- (C) details of the physical separation to be provided between the access and use of the Leiston Sports Facilities by Alde Valley Academy and the access and use by the Sizewell C Construction Workforce and members of the public;
- (D) confirmation that Alde Valley Academy has been fully involved in the preparation of the Proposal; and

- (E) confirmation that an agreement will be entered into between East Suffolk Council and Alde Valley Academy prior to the commencement of the construction of the Leiston Sports Facilities setting out the arrangements for the construction, maintenance (to include running costs) and use of the Leiston Sports Facilities with any reasonable costs incurred by Alde Valley Academy in respect of negotiating such agreement to be paid by SZC Co within 30 days of receipt of an invoice from Alde Valley Academy.

2.2 Construction of the Leiston Sports Facilities

- 2.2.1 Within six weeks of approval of the Proposal by SZC Co, SZC Co shall submit details of the layout, scale, and external appearance of the Leiston Sports Facilities to East Suffolk Council for approval in accordance with Requirement 12A in Schedule 2 to the Development Consent Order.
- 2.2.2 Within six weeks of East Suffolk Council's approval of the details of the Leiston Sports Facilities in accordance with Requirement 12A in Schedule 2 to the Development Consent Order, East Suffolk Council shall submit to SZC Co an invoice to confirm the amount of the remainder of the Sports Facilities Design and Works Payment and SZC Co shall then pay to East Suffolk Council the remainder of the Sports Facilities Design and Works Payment within 30 days of the receipt of such invoice.
- 2.2.3 East Suffolk Council shall provide and make available the Leiston Sports Facilities in accordance with the timetable in the Proposal, unless otherwise agreed with SZC Co.
- 2.2.4 East Suffolk Council shall notify SZC Co in advance of completion of the Leiston Sports Facilities.
- 2.2.5 In complying with its obligations in relation to the provision of the Leiston Sports Facilities, East Suffolk Council shall consult with SZC Co and shall take into account any reasonable representations made by SZC Co.
- 2.2.6 If all requisite consents for the Leiston Sports Facilities cannot be obtained:
 - (A) East Suffolk Council shall repay any unspent amount of the Sports Facilities Design and Works Payment to SZC Co;
 - (B) SZC Co and East Suffolk Council shall, acting reasonably and in good faith, enter into discussions about the appropriate provision of alternative facilities; and
 - (C) SZC Co shall ensure that the monies received pursuant to paragraph 2.2.6(A) are applied to those alternative facilities.
- 2.2.7 SZC Co's maximum liability under paragraphs 2.1 and 2.2 is £1,092,000.

2.3 Management of the Leiston Sports Facilities

- 2.3.1 During the Construction Period, East Suffolk Council shall manage or procure the management of the Leiston Sports Facilities, including bookings in accordance with the management plan prepared and approved in accordance with this paragraph 2.3.
- 2.3.2 Prior to the first use of the Leiston Sports Facilities, East Suffolk Council shall prepare and submit a management plan in respect of the Construction Period to SZC Co for approval.
- 2.3.3 The management plan submitted in accordance with paragraph 2.3.2 shall:
 - (A) set out the proposed hours of use of the Leiston Sports Facilities for:
 - (1) Alde Valley Academy;
 - (2) Sizewell C Construction Workforce; and

- (3) members of the public;
 - (B) include a confirmation that Alde Valley Academy has been fully involved in the preparation of the management plan; and
 - (C) provide that the Sizewell C Construction Workforce shall have access to Leiston Leisure Centre for the use of the bathrooms and changing room facilities, without any payment being required in respect of such access or use.
- 2.3.4 The Leiston Sports Facilities shall not be used until SZC Co has approved the management plan submitted in accordance with paragraph 2.3.2.

2.4 Maintenance of the Leiston Sports Facilities

- 2.4.1 SZC Co shall pay to East Suffolk Council the Annual Maintenance Payment within 30 days of East Suffolk Council notifying SZC Co in writing of first use of the Leiston Sports Facilities and on each anniversary of the date of first use thereafter until the end of the Construction Period.
- 2.4.2 East Suffolk Council shall apply 10% of each Annual Maintenance Payment towards the costs of maintaining the Leiston Sports Facilities during the Construction Period.
- 2.4.3 East Suffolk Council shall place 90% of each Annual Maintenance Payment in a sinking fund to be used towards any repairs to the Leiston Sports Facilities that East Suffolk Council (acting reasonably) considers are required at the end of the Construction Period.
- 2.4.4 East Suffolk Council shall:
- (A) maintain or procure the maintenance of the Leiston Sports Facilities during the Construction Period; and
 - (B) following the end of the Construction Period, carry out any repairs to the Leiston Sports Facilities that it considers necessary (acting reasonably).
- 2.4.5 SZC Co's maximum liability under this paragraph 2.4 is £660,000.
- 2.4.6 The parties agree that Schedule 1, paragraph 4 shall not apply to the 90% of each Annual Maintenance Payment placed in a sinking fund pursuant to paragraph 2.4.3.
- 2.4.7 The parties agree that if the 90% of each Annual Maintenance Payment placed in a sinking fund pursuant to paragraph 2.4.3 remains unspent or has not been Committed within 15 years of the date that it was paid by SZC Co, East Suffolk Council shall repay any such unspent or not Committed monies together with any Accrued Interest on those monies to SZC Co or its nominee within 60 (sixty) Working Days of a request from SZC Co, unless otherwise agreed between SZC Co and East Suffolk Council.

**SCHEDULE 11
NATURAL ENVIRONMENT**

1. DEFINITIONS AND INTERPRETATION

1.1 Where in this Schedule the following defined terms and expressions are used they shall have the following respective meanings unless otherwise stated:

"Aldhurst Farm" means the land registered under title number SK360379 and shown edged in red on Plan 3 annexed to this Deed;

"Aldhurst Farm Carparks" means improvement works to Aldhurst Farm car park to include provision of 5 additional parking spaces as shown at the location indicated on Plan 3;

"Aldhurst Farm Enhancement Works" means the enhancement works shown indicatively on Plan 3;

"Aldhurst Farm Planning Application" means an application (including (without limitation) all requisite plans, drawings, supporting documents, reports, statements, and any other information referred to in the application) for full planning permission for the carrying out of the Aldhurst Farm Enhancement Works (to the extent that planning permission is required for such works) to be submitted to the local planning authority by SZC Co;

"Aldhurst Farm Planning Permission" means a planning permission granted pursuant to the Aldhurst Farm Planning Application that is not subject to a legal challenge, or in the event that it is, the final determination of the relevant court proceedings has resulted in the validity of the planning permission being upheld;

"Deemed Marine Licence" means the deemed marine licence in a schedule to the Development Consent Order;

"Deemed Marine Licence Condition" means a condition of the Deemed Marine Licence and where a particular condition is referenced in this Schedule, for example Deemed Marine Licence Condition 51, this is a reference to the condition of that number included in the draft development consent order submitted at deadline 8 of the examination of the Application on 24 September 2021 but shall be modified as far as may be necessary to reflect changes and/or renumbering of Deemed Marine Licence conditions in the development consent order as made by the Secretary of State pursuant to the Application;

"Default Event" means any of the following events:

- (a) SZC Co has an administrative receiver or receiver appointed over the whole or part of SZC Co's assets or suffers the appointment of an administrator;
- (b) any step is taken in connection with any voluntary arrangement or any other compromise or arrangement for the benefit of any creditors of SZC Co;
- (c) an administrator is appointed or documents are filed with the court for the appointment of an administrator or notice is given of an intention to appoint an administrator by SZC Co or its directors, or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986);
- (d) a receiver or manager is appointed in relation to any property or income of SZC Co;
- (e) a liquidator is appointed in respect of SZC Co;
- (f) a voluntary winding-up of SZC Co is commenced, except a winding-up for the purpose of amalgamation or reconstruction of a solvent company in respect of which a statutory declaration of solvency has been filed with the Registrar of Companies;
- (g) SZC Co is struck-off from the Register of Companies; or
- (h) SZC Co otherwise ceases to exist;

"East Anglia" means the counties of Norfolk, Suffolk, Essex, and Cambridgeshire;

"Ecology Working Group Governance Role" means the role of the Ecology Working Group as described in the Natural Environment Plans;

"Eel and Migratory Fish Mitigation Measures" means two fish pass systems to be constructed by the Environment Agency within the Alde-Ore estuary to enhance eel passage in the Alde-Ore estuary;

"Environment Co-ordinator" means the environment co-ordinator appointed by SZC Co in accordance with paragraph 11.1

"Environment Review Group Governance Role" means the role of the Environment Review Group as described in the Natural Environment Plans;

"European Sites Access Contingency Fund" means the fund to be established by SZC Co in the amount of £2,000,000 for the purpose of mitigating potential impacts on the Minsmere Area and the Sandlings (Central) Area from the Project to be paid and applied in accordance with paragraph 6;

"European Sites Mitigation Measures" means the measures identified in the MMP for Sandlings (Central) and Alde-Ore Estuary required to reduce the potential impacts of additional recreational disturbance caused by the Project in the Sandlings (Central) Area, such measures to include (as required) additional signage and information boards, fencing, and training and support for wardens;

"Farmland Bird Mitigation Fund" means the fund to be applied by East Suffolk Council and funded by SZC Co in the amount of £300,000 and applied in accordance with paragraph 12;

"Farmland Bird Support Measures" means any or all of the following initiatives:

- (a) facilitating habitat provision within arable fields; and
- (b) facilitating supplementary winter feeding using grain, at the margins of arable fields during the months of October to March;

"Fen Meadow Contingency Fund" means a fund to be established by SZC Co in the amount of £3,000,000 or such reduced sum calculated in accordance with paragraph 8.1;

"Fen Meadow Plan" means the plan submitted to and approved by East Suffolk Council in accordance with Requirement 14A(1)(i) of the Development Consent Order and the plan submitted to and approved by Suffolk County Council in accordance with Requirement 14A(1)(ii) of the Development Consent Order;

"Fen Meadow Strategy" means the document certified as such by the Secretary of State under Article 80 of the Development Consent Order;

"Fen Meadow Target Quantum" means the delivery of 4.14 hectares (or greater) of M22 Fen Meadow Habitat in total across the Fen Meadow Sites as determined by a Quadrat Survey;

"Fish Contingency Fund" means the fund to be established by SZC Co in the amount of £750,000 to be paid in accordance with paragraph 9;

"Fish Plans" means the Smelt Monitoring and Mitigation Plan and the plan approved pursuant to the Deemed Marine Licence Condition 50;

"Habitats Bond" means a bond or bonds or other form of financial guarantee to be agreed with East Suffolk Council and Suffolk County Council (in respect of the Habitat Works) of up to £2,000,000;

"Habitats Works" means the Fen Meadow Works and the Marsh Harrier Habitat Improvement Works (if required);

"Informal Recreation and Green Space Plan" means the plan to be produced by SZC Co and approved by East Suffolk Council in consultation with Suffolk County Council, the Environment Agency, Natural England, and the SCHAONB Partnership to set out additional and improved accessible green space and recreational routes and improvements to existing green space and routes in the vicinity of the Main Development Site to reduce

the potential impacts of recreational disturbance caused by the Project, such plan to be developed in general accordance with the Informal Recreation and Green Space Proposals and shall include:

- (a) a route plan;
- (b) a signage plan;
- (c) vegetation clearance and management details;
- (d) maintenance and management measures; and
- (e) an implementation timetable for the works;

"Informal Recreation and Green Space Proposals" means the document annexed to this Deed at Annex AB or as otherwise approved by East Suffolk Council;

"Kenton Hills Carparks" means improvement works to Kenton Hills car park to include provision of up to 15 additional parking spaces as described in Work No. 1A(cc) of Schedule 1 to the Development Consent Order;

"Land Management and Skills Scheme" means a scheme managed by East Suffolk Council established for communities and landowners within East Suffolk and part of the SCHAONB located within East Suffolk) to learn skills to sustainably manage landscapes including skills for tree/woodland/traditional orchard planting and management, heathland restoration and management, protection of soil health, sustainable and nature focussed grazing, ditching, and pond building and restoration; and a traditional skills scheme involving funding for anyone to learn traditional skills to manage the landscape including hedge laying, coppicing, pollarding, and fence/hurdle making and using associated tools and machinery; species identification, understanding the evolution of the landscape and forces for change; and appreciating the role of the landscape in delivering ecosystem goods and services and a sustainable and climate resilient natural environment;

"LEMPs" means the Sizewell Link Road Landscape and Ecology Management Plan and the Two Village Bypass Landscape and Ecology Management Plan certified by the Secretary of State as such under Article 80 of the Development Consent Order (or amended from time to time in accordance with Requirement 22A);

"M22 Fen Meadow Habitat" means fen meadow habitat of M22 *Juncus subnodulosus* – *Cirsium palustre* fen meadow category within the National Vegetation Classification, as defined in Rodwell, J.S. (ed.) 1991. British Plant Communities. Volume 2. Mires and heaths. Cambridge University Press;

"Marine Technical Forum Governance Role" means the role of the Marine Technical Forum as described in the Natural Environment Plans;

"Marine Technical Forum Terms of Reference" means the terms of reference annexed to this Deed at Annex I, as amended by the Marine Technical Forum from time to time;

"Minsmere and Sandlings (North) Additional Mitigation Measures" means the measures identified in the MMP for Minsmere – Walberswick and Sandlings (North) required to reduce the potential impacts of additional recreational disturbance caused by the Project in the Minsmere Area, such measures to include (as required) additional signage and information boards, fencing, and training and support for wardens;

"Minsmere and Sandlings (North) Initial Mitigation Measures" means the measures identified in the MMP for Minsmere – Walberswick and Sandlings (North) required upon Commencement to reduce the potential impacts of additional recreational disturbance caused by the Project in the Minsmere Area;

"Minsmere Area" means the area comprised of the northern part of the Sandlings SPA (at North Warren and Aldringham Walks), the Minsmere-Walberswick SPA, the Minsmere-Walberswick Heath and Marshes SAC and the Minsmere-Walberswick Ramsar site as shown on Plan 4 annexed to this Deed;

"MMP for Minsmere – Walberswick and Sandlings (North)" means the monitoring and mitigation plan for the Minsmere Area annexed to this Deed at Annex U, or as otherwise approved by East Suffolk Council;

"MMP for Sandlings (Central) and Alde-Ore Estuary" means the monitoring and mitigation plan for the Sandlings (Central) Area annexed to this Deed at Annex V or as otherwise approved by East Suffolk Council;

"Natural Environment Awards Panel" means the group established pursuant to paragraph 18.1 to make decisions on which projects should be funded through the Natural Environment Improvement Fund;

"Natural Environment Improvement Area" means the area shown shaded green on Plan 2 annexed to this Deed and which includes part of the SCHAONB and Suffolk Heritage Coast located within East Suffolk as shown cross-hatched on Plan 2;

"Natural Environment Improvement Fund" means a maximum of £12,000,000;

"Natural Environment Improvement Measures" means the following tasks:

- (a) assisting in the promotion and administration of the Natural Environment Improvement Fund;
- (b) managing partnership working and the commissioning and oversight of projects funded by the Natural Environment Improvement Fund;
- (c) undertaking outreach work including to actively seek out projects and organisations which can deliver benefits that accord with the eligibility criteria of the Natural Environment Improvement Fund;
- (d) providing technical expertise, advice and support to applicants and identify opportunities for collaboration;
- (e) identifying opportunities to match funding;
- (f) carrying out the tasks of the Natural Environment Improvement Project Officer in paragraph 2;
- (g) attending all meetings of the Natural Environment Awards Panel; and
- (h) collaborating with the SZC Natural Environment Implementation Manager;

"Natural Environment Plans" means the Wet Woodland Plan, Wet Woodland Strategy, Fen Meadow Plan, Fen Meadow Strategy, LEMPs, OLEMP, TEMMP, Outline Vessel Management Plan, MMP for Minsmere – Walberswick and Sandlings (North) and MMP for Sandlings (Central) and Alde-Ore Estuary and any other document submitted pursuant to or certified by the Secretary of State under the Development Consent Order which describes the role of the Environment Review Group or Environment Working Groups;

"Natural Environment Improvement Project Officer" means an officer appointed and employed by Suffolk County Council as part of the SCHAONB staff team in accordance with paragraph 4.2 to carry out the Natural Environment Improvement Measures;

"MtF ToR Review Terms" means a review of the Marine Technical Forum Terms of Reference in the form annexed to this Deed to determine whether, in the Marine Technical Forum's reasonable opinion, the Marine Technical Forum Terms of Reference should be updated, considering in particular whether the following matters should be provided for:

- (a) the new governance role to be adopted by the Marine Technical Forum in accordance with the Development Consent Order (including the Deemed Marine Licence) and this Deed;
- (b) a clearly defined membership, quorum and voting rights that the Marine Technical Forum agree is suitable for the purpose of fulfilling the new governance role provided for in (a);

- (c) the provision for two working sub-groups of the Marine Technical Forum, each potentially requiring its own terms of reference in so far as that is reasonably necessary to recognise and reflect the expertise of each sub-group, being:
 - (i) coastal processes; and
 - (ii) ecology;
- (d) a specific mechanism for the review of monitoring undertaken within the Smelt Monitoring and Mitigation Plan in accordance with Condition 51 of the Deemed Marine Licence, with regard to be given as to whether this review should be carried out by an ecology sub-group of the Marine Technical Forum;
- (e) a specific mechanism for the review of monitoring undertaken in accordance with Condition 50 of the Deemed Marine Licence, with regard to be given as to whether this review should be carried out by an ecology sub-group of the Marine Technical Forum;
- (f) a specific mechanism for undertaking further monitoring and/or mitigation, including the release of funds from the Fish Contingency Fund, if, in accordance with this Deed the Marine Technical Forum concludes that there are materially new or materially different environmental effects on smelt and/or other migratory and non-migratory fish that are arising or have arisen as a result of the Project, in comparison with those assessed in the Environmental Information;
- (g) a commitment that the Marine Technical Forum will seek out suitable schemes and approve the release of funds from the Fish Contingency Fund if further monitoring and/or mitigation is required in the Marine Technical Forum's reasonable opinion the relevant funds can be used to:
 - (i) support fish habitat creation and enhancement; and
 - (ii) address the materially new or materially different environmental effects on smelt, migratory or non-migratory fish identified through monitoring; and
- (h) any other matters the Marine Technical Forum, in its reasonable opinion, consider should be included in any update of the Marine Technical Forum Terms of Reference;

"OLEMP" means the Outline Landscape and Ecology Management Plan certified by the Secretary of State as such under Article 80 of the Development Consent Order;

"**Outline Vessel Management Plan**" means the Outline Vessel Management Plan certified by the Secretary of State as such under Article 80 of the Development Consent Order;

"**Quadrat Survey**" means a vegetation survey, using a series of quadrats to determine vegetation type, carried out by a suitably qualified professional in the summer of Year 10 to determine the spatial extent of M22 Fen Meadow Habitat;

"**Recreational Disturbance Avoidance Mitigation Contribution**" means the sum of £150,000 to be used by East Suffolk Council towards mitigating the in-combination recreational disturbance impacts of the Project on the Suffolk Coast RAMS Zone B as defined in the Suffolk Coast RAMS;

"**Sandlings (Central) Area**" means the area comprised of the Sandlings SPA (the area comprising Tunstall Forest and Snape Warren), Alde-Ore Estuary SPA and Alde-Ore Estuary Ramsar site as shown on Plan 5 annexed to this Deed;

"**Smelt Monitoring and Mitigation Plan**" means the plan submitted pursuant to Deemed Marine Licence Condition 51;

"**Suffolk Coast RAMS**" means the Suffolk Coast Recreational Disturbance Avoidance and Mitigation Strategy dated 23 May 2019, or if superseded, the equivalent strategy;

"**Suffolk Coast RAMS Initiatives**" means the initiatives to be agreed between East Suffolk Council and SZC Co in order to mitigate potential recreational disturbance impacts

associated with the Project and which complement other measures delivered by SZC Co and East Suffolk Council, such initiatives shall fall within one of the following categories identified in the Suffolk Coast RAMS:

- (a) hides;
- (b) on-site visitor engagement;
- (c) screening;
- (d) artificial roosts;
- (e) path improvements; and
- (f) direct contact with local clubs/user groups,

or as otherwise agreed between East Suffolk Council and SZC Co;

"SZC Natural Environment Implementation Manager" means an officer appointed and employed by East Suffolk Council to carry out the SZC Natural Environment Implementation Measures;

"SZC Natural Environment Implementation Measures" means the following tasks:

- (a) working with planning officers at East Suffolk Council and Suffolk County Council to monitor SZC Co and its partners' and contractors' compliance with relevant landscape schemes and commitments set out in the Development Consent Order;
- (b) promoting the Land Management and Skills Scheme within the community;
- (c) raise awareness of the recreational benefits provided at Aldhurst Farm and promote visits to Aldhurst Farm;
- (d) promoting the Farmland Bird Mitigation Fund within the community, and to landowners in particular; and
- (e) working in collaboration with the Natural Environment Improvement Project Officer where required to assist with the co-ordination and implementation of the Natural Environment Improvement Fund;

"TEMMP" means the document certified as such by the Secretary of State under Article 80 of the Development Consent Order (or amended from time to time in accordance with Requirement 4);

"Wet Woodland Plan" means the plan submitted to and approved by East Suffolk Council pursuant to Requirement 14B of the Development Consent Order;

"Wet Woodland Strategy" means the document certified as such by the Secretary of State under Article 80 of the Development Consent Order; and

"Year 10" means the 12 months following the tenth (10th) anniversary of Commencement of Work No. 1A in Schedule 1 to the Development Consent Order.

2. NATURAL ENVIRONMENT IMPROVEMENT FUND

- 2.1 On or before Commencement, SZC Co shall establish the Natural Environment Improvement Fund.
- 2.2 During the Construction Period and for three years following the end of the Construction Period, the Natural Environment Improvement Project Officer shall invite applications for the receipt of funding from the Natural Environment Improvement Fund to carry out:
 - 2.2.1 projects within the Natural Environment Improvement Area where the proposals meet the criteria of the Natural Environment Improvement Fund set out in paragraph 2.5; and
 - 2.2.2 projects within the administrative area of East Suffolk Council, or by exception elsewhere, located outside of the Natural Environment Improvement Area, where

the proposals otherwise meet the criteria of the Natural Environment Improvement Fund set out in paragraph 2.5.

- 2.3 A minimum of 50% of the Natural Environment Improvement Fund shall be allocated to projects within the SCHAONB and Suffolk Heritage Coast located within East Suffolk unless otherwise agreed between SZC Co and the Councils and for the avoidance of doubt, this minimum percentage will not preclude a higher percentage being spent on projects within the SCHAONB if those projects prove the best way to mitigate the environmental impacts of the Project.
- 2.4 Upon receipt of applications the Natural Environment Improvement Project Officer shall identify and make recommendations to the Natural Environment Awards Panel of projects to be funded.
- 2.5 The Natural Environment Awards Panel shall consider the recommendations of the Natural Environment Improvement Project Officer made under paragraph 2.4, and shall, subject to the applicant meeting one of the criteria at paragraph 2.8, approve the funding of such projects if in the Natural Environment Awards Panel's reasonable opinion the relevant project will:
 - 2.5.1 mitigate the residual landscape and visual impacts of the Project;
 - 2.5.2 deliver sustainable long-term management and maintenance of woodlands, hedges and other established vegetation that contribute to the conservation and enhancement of landscape character; or
 - 2.5.3 enhance ecology, biodiversity, and wildlife, and improve habitat connectivity and resilience;and
 - 2.5.4 not be inconsistent with local and national planning policy or plans, for example new or improved transport infrastructure;
 - 2.5.5 deliver effective outcomes;
 - 2.5.6 not be contradictory to or duplicate agreed mitigation measures set out elsewhere in this Deed or assessed in the Environmental Information; and
 - 2.5.7 be consistent with a not for profit purpose.
- 2.6 The Natural Environment Awards Panel shall, in addition to the matters set out at paragraph 2.5 and in respect of projects within the SCHAONB and Suffolk Heritage Coast, consider whether the relevant project will conserve and enhance the natural beauty and special qualities of the SCHAONB and Suffolk Heritage Coast and their setting.
- 2.7 Applications submitted under paragraph 2.2 will be encouraged to demonstrate how their project may meet the following additional criteria:
 - 2.7.1 the project will minimise pollution of the land, air, and water;
 - 2.7.2 the project will encourage community engagement, ownership, or empowerment;
 - 2.7.3 the project will conserve and support cultural heritage;
 - 2.7.4 the project will promote local community action;
 - 2.7.5 the project will make use of local suppliers, products, and services; and
 - 2.7.6 the project will be able to access other funding either in cash or in kind.
- 2.8 Applications submitted under paragraph 2.2 shall provide sufficient evidence to demonstrate that the applicant falls into at least one of the following criteria:
 - 2.8.1 the applicant is a registered charity;
 - 2.8.2 the applicant is a landowner or group of landowners in the vicinity of the Project;
 - 2.8.3 the applicant is a community group, voluntary organisation, social enterprise, or public body; and/or

- 2.8.4 an individual(s) or business(es) where the project shows a clear benefit to the wider community.
- 2.9 The Natural Environment Awards Panel shall approve requests for funds for eligible projects of up to £6,202,640 during the Construction Period.
- 2.10 The Natural Environment Awards Panel shall approve requests for funds for eligible projects of up to £3,500,660 for the period three years following the end of the Construction Period.
- 2.11 SZC Co shall pay to Suffolk County Council the sum equal to the requested funds in respect of successful applications to the Natural Environment Improvement Fund under paragraph 2.2 for onward payment to the successful applicants.
- 2.12 The total payments payable by SZC Co pursuant to this paragraph 2, paragraph 3 and paragraph 4 of this Schedule 11 shall not exceed the Natural Environment Improvement Fund.

3. LAND MANAGEMENT AND SKILLS SCHEME

- 3.1 SZC Co shall pay to East Suffolk Council:
 - 3.1.1 the sum of £25,000 on or before Commencement and on each of the first twelve anniversaries of the Commencement Date during the Construction Period for the purpose of establishing and carrying out the Land Management and Skills Scheme; and
 - 3.1.2 the sum of £25,000 annually on each of the first five anniversaries of the Commencement Date occurring following the end of the Construction Period for the purpose of continuing to carry out the Land Management and Skills Scheme.
- 3.2 SZC Co's maximum liability under this paragraph 3 shall be £425,000.
- 3.3 East Suffolk Council shall carry out or shall procure the carrying out of the Land Management and Skills Scheme, save to the extent provided for at paragraph 3.4.
- 3.4 Suffolk County Council shall carry out or shall procure the carrying out of any skills training or learning activity under the Land Management and Skills Scheme in relation to that part of the SCHAONB located in East Suffolk following payment from East Suffolk Council of the funding required for that work from the funding that East Suffolk Council is paid under paragraph 3.1.

4. PROJECT OFFICERS

- 4.1 SZC Co shall pay to Suffolk County Council for onward payment to the SCHAONB the sum of £57,000 on or before Commencement and annually on the anniversary of the Commencement Date thereafter until the end of the Construction Period and the following three years for the purpose of employing a Natural Environment Improvement Project Officer.
- 4.2 Suffolk County Council shall, until the end of the Construction Period and the following three years:
 - 4.2.1 appoint and employ a Natural Environment Improvement Project Officer; and
 - 4.2.2 procure that the employed Natural Environment Improvement Project Officer shall carry out the Natural Environment Improvement Measures.
- 4.3 SZC Co shall pay to East Suffolk Council the sum of £67,780 on or before Commencement and annually on the anniversary of the Commencement Date thereafter until the end of the Construction Period and the following three years for the purpose of East Suffolk Council employing a SZC Natural Environment Implementation Manager.
- 4.4 East Suffolk Council shall, until the end of the Construction Period and the following three years:
 - 4.4.1 employ a SZC Natural Environment Implementation Manager; and

- 4.4.2 procure that the employed SZC Natural Environment Implementation Manager shall carry out the SZC Natural Environment Implementation Measures.
- 4.5 SZC Co's maximum liability under this paragraph 4 shall be £1,871,700.
- 5. REVIEW**
- 5.1 Prior to the end of the Construction Period, SZC Co shall submit proposals to the Environment Review Group for the arrangements to be put in place for the reasonable administration of the Natural Environment Improvement Fund following the end of the Construction Period and, following agreement to those (or amended) proposals, SZC Co shall administer and implement the Natural Environment Improvement Fund in accordance with that agreement.
- 6. EUROPEAN SITES ACCESS CONTINGENCY FUNDS**
- 6.1 With effect from Commencement, SZC Co shall carry out or procure the carrying out of:
- 6.1.1 monitoring in accordance with the MMP for Sandlings (Central) and Alde-Ore Estuary; and
- 6.1.2 monitoring in accordance with the MMP for Minsmere – Walberswick and Sandlings (North).
- 6.2 With effect from Commencement, SZC Co shall carry out or procure the carrying out of the Minsmere and Sandlings (North) Initial Mitigation Measures in accordance with the MMP for Minsmere – Walberswick and Sandlings (North).
- 6.3 The Environment Review Group shall consider the reports and recommendations provided by the Ecology Working Group pursuant to paragraph 17.5.7 and, in the event that the Environment Review Group decides that it is necessary to provide mitigation that is additional to the Minsmere and Sandlings (North) Initial Mitigation Measures in accordance with the MMP for Sandlings (Central) and Alde-Ore Estuary or the MMP for Minsmere – Walberswick and Sandlings (North), the Environment Review Group may:
- 6.3.1 determine the amount of money that is reasonably required to fund the European Sites Mitigation Measures and approve the use of such monies from the European Sites Access Contingency Fund for the purpose of funding those measures;
- 6.3.2 determine the amount of money that is reasonably required to fund the Minsmere and Sandlings (North) Additional Mitigation Measures and approve the use of such monies from the European Sites Access Contingency Fund for the purpose of funding those measures, and/or
- 6.3.3 determine the amount of money that is reasonably required to carry out any alternative measures that the Environment Review Group considers necessary to mitigate the impacts that have been identified and approve the use of such monies from the European Sites Access Contingency Funds for the purpose of funding those measures.
- 6.4 Where the Environment Review Group considers it necessary to obtain further information from the Ecology Working Group before making any decision pursuant to paragraph 6.3, it may defer its decision until the next meeting of the Environment Review Group, pending the provision of further information by the Ecology Working Group if requested by the Environment Review Group.
- 6.5 Subject to paragraph 6.6, SZC Co shall:
- 6.5.1 use the monies from the European Sites Access Contingency Fund approved by the Environment Review Group in accordance with paragraph 6.3 to carry out or procure the carrying out of the European Sites Mitigation Measures and Minsmere and Sandlings (North) Additional Mitigation Measures (as relevant) in accordance with the MMP for Minsmere – Walberswick and Sandlings (North) and MMP for Sandlings (Central) and Alde-Ore Estuary (as applicable); or

6.5.2 pay to East Suffolk Council the monies from the European Sites Access Contingency Fund approved by the Environment Review Group in accordance with paragraph 6.3 for onward payment to:

- (A) RSPB;
- (B) National Trust;
- (C) Natural England;
- (D) Forestry England; or
- (E) Suffolk Wildlife Trust,

to be applied towards the carrying out the relevant mitigation measures approved by the Environment Review Group in accordance with the MMP for Minsmere – Walberswick and Sandlings (North) and MMP for Sandlings (Central) and Alde-Ore Estuary (as applicable).

6.6 The use of monies pursuant to paragraph 6.5 or payments pursuant to paragraph 6.3 shall only occur following approval by the Environment Review Group of a request received in writing from the Ecology Working Group detailing the amounts requested to be used or paid (as applicable) and details of the relevant mitigation measures.

6.7 SZC Co's maximum liability pursuant to paragraphs 6.2 and 6.5 shall not exceed the European Sites Access Contingency Fund.

7. RECREATIONAL DISTURBANCE AVOIDANCE MITIGATION

7.1 On or before first occupation of the earlier of the Accommodation Campus or the LEEIE Caravan Park, SZC Co shall pay the Recreational Disturbance Avoidance Mitigation Contribution to East Suffolk Council.

7.2 During the Construction Period and for three years following the end of the Construction Period, East Suffolk Council shall apply the Recreational Disturbance Avoidance Mitigation Contribution towards the Suffolk Coast RAMS Initiatives within Zone B as identified in the Suffolk Coast RAMS.

7.3 Within 12 months of the Commencement Date, SZC Co shall provide the Kenton Hills Carparks unless otherwise agreed with East Suffolk Council and Suffolk County Council.

7.4 Within 12 months of the Commencement Date, SZC Co shall provide the Aldhurst Farm Carparks unless otherwise agreed with East Suffolk Council and Suffolk County Council.

8. FEN MEADOW CONTINGENCY FUND

8.1 Subject to paragraph 8.2, SZC Co shall pay to East Suffolk Council the Fen Meadow Contingency Fund on the eleventh anniversary of Commencement of Work No. 1A in Schedule 1 to the Development Consent Order unless the Ecology Working Group determines that the Fen Meadow Target Quantum has been met in accordance with paragraph 17.5.5.

8.2 The Fen Meadow Contingency Fund payable pursuant to paragraph 8.1 shall be reduced by the amount set out in Column B in accordance with the quantum of M22 Fen Meadow Habitat delivered as set out in Column A of Table A below:

8.2.1 Table A: Fen Meadow Contingency Fund calculation

Column A: M22 Fen Meadow Habitat delivered	Column B: Percentage reduction of Fen Meadow Contingency Fund
4.14ha or greater	100%
3.5-4.14ha	80%

2.5-3.49ha	60%
1.5-2.49ha	40%
0.75-1.49ha	20%
0.0-0.74ha	0%

- 8.2.2 Note: For example, if the quantum of M22 Fen Meadow Habitat delivered (as determined by a Quadrat Survey) is 2.5ha, the percentage of the Fen Meadow Contingency Fund payable pursuant to paragraph 8.1 shall be 40% (being a 60% reduction of the Fen Meadow Contingency Fund).
- 8.3 In the event that on the eleventh anniversary of Commencement of Work No. 1A in Schedule 1 to the Development Consent Order, any one of the Fen Meadow Sites supports 0.5ha or less of M22 Fen Meadow Habitat, the M22 Fen Meadow Habitat delivered at that site shall not be taken into account when determining whether the Fen Meadow Target Quantum has been met.
- 8.4 East Suffolk Council shall only apply the Fen Meadow Contingency Fund in consultation with Natural England and Suffolk County Council towards any or all of the following initiatives:
- 8.4.1 the creation of new fen meadow habitats in East Anglia; and
- 8.4.2 the improvement of existing fen meadow habitats in East Anglia, (the "**Fen Meadow Initiatives**").
- 8.5 East Suffolk Council shall carry out or procure the carrying out of the Fen Meadow Initiatives.
- 9. FISH MONITORING AND MITIGATION**
- 9.1 Prior to the Commencement of Work No. 2A-2F (cooling water works), SZC Co shall pay the sum of £500,000 to the Environment Agency to fund the Eel and Migratory Fish Mitigation Measures.
- 9.2 SZC Co shall procure that the Environment Agency carries out the Eel and Migratory Fish Mitigation Measures following the receipt of the sum in paragraph 9.1.
- 9.3 Prior to the commencement of water abstraction pursuant to the Deemed Marine Licence, SZC Co shall pay the Fish Contingency Fund into an interest-bearing account where that sum together with all interest accruing shall be retained for a period of 10 years, unless within that time the full sum has been paid to the Environment Agency and/ or other recipient(s) as directed by the Marine Technical Forum pursuant to paragraph 9.5.
- 9.4 The Marine Technical Forum shall review the monitoring undertaken in accordance with the Fish Plans and determine whether, in accordance with the Fish Plans, further mitigation is required for the purposes of addressing materially new or materially different environmental effects arising as a result of the Project on non-migratory fish, smelt and other migratory fish in comparison with those assessed in the Environmental Information.
- 9.5 In the event the Marine Technical Forum determines that further mitigation is required pursuant to paragraph 9.4, the Marine Technical Forum shall determine the amount of money that is reasonably required to fund the required mitigation or such other alternative measures that the Marine Technical Forum considers necessary to mitigate the impacts that have been identified, and instruct SZC Co to pay such monies from the Fish Contingency Fund for the purpose of funding the required mitigation provided that a maximum of £250,000 shall be allocated to any required mitigation for smelt and other migratory fish.

9.6 SZC Co shall make all payments under paragraphs 9.3 and 9.5 promptly and within 30 days of a written instruction by the Marine Technical Forum unless otherwise agreed by the Marine Technical Forum and SZC Co.

9.7 The total payments payable by SZC Co pursuant to paragraph 9.6 shall not exceed the Fish Contingency Fund.

10. ALDHURST FARM ENHANCEMENT WORKS

10.1 On or before Commencement, SZC Co shall:

10.1.1 prepare the Aldhurst Farm Planning Application in consultation with the local planning authority; and

10.1.2 submit to the local planning authority in a form conforming in all respects with the requirements of the Town and Country Planning Act 1990 and any other applicable legislation relating to town and country planning at the time the requisite number of copies of the Aldhurst Farm Planning Application and the requisite fees so that the same are received by the local planning authority not later than the Commencement Date.

10.2 SZC Co shall pursue the Aldhurst Farm Planning Application diligently and with all due expedition in the interests of securing the Aldhurst Farm Planning Permission including (but not limited to) submitting to the local planning authority any necessary amendments to the Aldhurst Farm Planning Application and any further planning applications required to authorise the Aldhurst Farm Enhancement Works.

10.3 In the event that any planning permission granted pursuant to the Aldhurst Farm Planning Application is subject to a legal challenge which results in any such planning permission being quashed, SZC Co shall agree alternative enhancement measures with East Suffolk Council and carry out such measures.

10.4 SZC Co shall implement and carry out the works pursuant to the Aldhurst Farm Planning Permission following the expiry of a period of 50 Working Days following the date of grant of the Aldhurst Farm Planning Permission, subject to the Commencement of Work No. 1A of the Development Consent Order having occurred.

11. ENVIRONMENT CO-ORDINATOR

11.1 On or before Commencement, SZC Co shall appoint an Environment Co-ordinator and will ensure that an Environment Co-ordinator is in place until the end of the Construction Period.

11.2 During the Construction Period, SZC Co shall procure that the Environment Co-ordinator will:

11.2.1 attend meetings of the Environment Review Group;

11.2.2 seek to resolve issues and problems identified by the Environment Review Group through liaison with other parts of SZC Co, its contractors, and the Environment Working Groups;

11.2.3 be responsible for co-ordinating the monitoring data required for reporting to the Environment Review Group;

11.2.4 provide monitoring data for quarterly reporting to the Environment Review Group; and

11.2.5 report to the Environment Review Group on relevant natural environment related issues and actions arising from the Environment Working Groups.

12. FARMLAND BIRD MITIGATION FUND

12.1 On or before Commencement, and annually on or before the first two anniversaries of the Commencement Date, SZC Co shall pay £100,000 to East Suffolk Council to be used to

- establish the Farmland Bird Mitigation Fund which shall be applied solely towards provision of Farmland Bird Support Measures in East Suffolk.
- 12.2 East Suffolk Council shall pay sums from the Farmland Bird Mitigation Fund to landowners (or at its direction any nominee) within 30 days of receipt of requests from a landowner (or at its direction any nominee) for the relevant sum to carry out a Farmland Bird Support Measure, if in East Suffolk Council's reasonable opinion the relevant Farmland Bird Support Measure:
- 12.2.1 is an effective means to mitigate the potential effects of the Project;
 - 12.2.2 is not in a location which already benefits from an environmental stewardship scheme with the same initiatives as the Farmland Bird Support Measures; and
 - 12.2.3 provides value for money.
- 12.3 Any sums paid pursuant to paragraph 12.2 shall be applied by landowners (or at its direction any nominee) towards the provision of the relevant Farmland Bird Support Measure and East Suffolk Council shall procure that any landowners in receipt of a sum from the Farmland Bird Mitigation Fund shall carry out the relevant Farmland Bird Support Measure following receipt of such sum.
- 13. HABITATS BOND**
- 13.1 On or before Commencement, SZC Co shall put in place a Habitats Bond in a form first agreed by the Councils to provide for the cost of the completion of the Habitats Works in the event of failure by SZC Co to complete the Habitats Works by reason of a Default Event PROVIDED THAT such Habitats Bond shall cease to be required and shall be cancelled or otherwise revoked and determined promptly following the payment of the Fen Meadow Contingency Fund and completion of any Marsh Harrier Habitat Improvement Works.
- 13.2 In the event of failure by SZC Co to complete the Habitats Works by reason of a Default Event, the Councils shall use the Habitats Bond to carry out, or procure the carrying out of, the Habitats Works.
- 14. INFORMAL RECREATION AND GREEN SPACE**
- 14.1 Within 6 months of the Commencement Date, SZC Co shall prepare a draft Informal Recreation and Green Space Plan and shall submit the draft Informal Recreation and Green Space Plan to East Suffolk Council for its approval in consultation with Suffolk Council, the Environment Agency, Natural England, and the SCHAONB Partnership.
- 14.2 SZC Co shall carry out the Informal Recreation and Green Space Plan as approved.
- 15. ENVIRONMENT REVIEW GROUP**
- 15.1 On or before Commencement, SZC Co shall establish the Environment Review Group which shall exist until the obligations comprised at paragraphs 6.1 or 8.1 end or three years after the end of the Construction Period, whichever is the later.
- 15.2 The Environment Review Group shall comprise:
- 15.2.1 one representative to be nominated by East Suffolk Council;
 - 15.2.2 one representative to be nominated by Suffolk County Council;
 - 15.2.3 one representative to be nominated by the Environment Agency;
 - 15.2.4 one representative to be nominated by Natural England; and
 - 15.2.5 up to two representatives to be nominated by SZC Co, one of whom is the Environment Co-ordinator,
- or such alternates as may be nominated by those representatives from time to time.

- 15.3 The Environment Review Group shall also invite a representative of the SCHAONB Partnership to attend meetings.
- 15.4 SZC Co and the Councils agree that meetings of the Environment Review Group shall:
 - 15.4.1 take place every six months (or more frequently where agreed by the Environment Review Group) either virtually or in a convenient location in East Suffolk or Ipswich to be identified by SZC Co from time to time;
 - 15.4.2 be quorate if at least three members (at least one of which is a member representing East Suffolk Council, one of which is a member representing Suffolk County Council and one of which is a member representing SZC Co) are present;
 - 15.4.3 be chaired by East Suffolk Council;
 - 15.4.4 shall operate (and decisions of the Environment Review Group shall be taken) on a majority voting basis with each member of the Environment Review Group present at an Environment Review Group meeting having one vote PROVIDED THAT in the event that at the conclusion of any such meeting the Environment Review Group has failed to reach a majority decision on any matter that was voted on by the Environment Review Group at that meeting, any member can refer the matter to the Delivery Steering Group within 10 Working Days of the date of the relevant Environment Review Group meeting; and
 - 15.4.5 be attended by members or representatives of the Working Groups, third parties or other experts from time to time and as agreed by the Environment Review Group members in order to observe and participate in discussions or present information to the Environment Review Group when specific issues are being discussed, in particular representatives of the Marine Management Organisation, RSPB and Suffolk Wildlife Trust.
- 15.5 SZC Co shall be responsible for the administration of convening and holding meetings of the Environment Review Group.
- 15.6 The Environment Review Group shall:
 - 15.6.1 receive reports from the Environment Working Groups;
 - 15.6.2 consider and decide any matter referred to it from the Environment Working Groups regarding areas of disagreement within the relevant Environment Working Group or any matter where the relevant Environment Working Group has failed to reach a decision;
 - 15.6.3 consider and provide guidance to SZC Co and the Environment Working Groups in respect of any matter where the Environment Review Group considers there are interfaces between the Environment Working Groups that need a more strategic approach;
 - 15.6.4 report to and refer any matter which it cannot agree in accordance with 15.4.4 to the Delivery Steering Group, particularly where there are interface issues across topics that require a more strategic approach or direction or where the Environment Review Group fails to reach a decision;
 - 15.6.5 notify the members of the Delivery Steering Group in order to invoke the urgency process in paragraph 3.8 of Schedule 17 in the event that any of the Quorate Members of the Environment Review Group considers that a matter needs to be referred to the Delivery Steering Group for urgent resolution;
 - 15.6.6 review the draft Wet Woodland Plan to enable it to be finalised for approval by East Suffolk Council;
 - 15.6.7 carry out the Environment Review Group Governance Role;
 - 15.6.8 review the monitoring undertaken in accordance with the LEMPs and advise SZC Co on the interventions required in order to deliver the landscape and ecology vision set out in the LEMPs; and

- 15.6.9 provide guidance to the Ecology Working Group on any issues that are referred to it.
- 15.7 In the event that any of the Quorate Members of one of the Environment Working Groups refers a matter to the Environment Review Group for urgent resolution, the Environment Review Group shall:
- 15.7.1 meet as soon as reasonably practicable after the members of the Environment Review Group are notified and in any event within 10 Working Days for the sole purpose of resolving the relevant matter (with such urgent meeting not counting as a meeting of the Environment Review Group required to be held pursuant to paragraph 15.4); and
- 15.7.2 be entitled to vary any of the requirements of this paragraph 15 by agreement of the members of the Environment Review Group to facilitate such meeting occurring as soon as reasonably practicable and the early resolution of the relevant matter.
- 15.7.3 The Environment Review Group:
- (A) shall make such terms of reference for its governance and administration as it considers appropriate at the first meeting of the Environment Review Group; and
- (B) may make such further administrative arrangements and terms of reference as it considers appropriate for the proper and efficient functioning of the Environment Review Group from time to time,
- with such arrangements and terms of reference to be approved by the Delivery Steering Group.
- 16. MARINE TECHNICAL FORUM**
- 16.1 The Marine Technical Forum shall operate in accordance with the Marine Technical Forum Terms of Reference unless otherwise agreed by the members of the Marine Technical Forum.
- 16.2 The Marine Technical Forum shall carry out the Marine Technical Forum Governance Role.
- 16.3 On or before Commencement, the Marine Technical Forum shall commence a review of the Marine Technical Forum Terms of Reference in accordance with the MTF ToR Review Terms.
- 17. ECOLOGY WORKING GROUP**
- 17.1 SZC Co shall establish the Ecology Working Group on or before the anticipated date of Commencement notified by SZC Co under clause 12.1.1, which shall exist until the end of the Construction Period unless otherwise agreed between the members of the Ecology Working Group.
- 17.2 The Ecology Working Group shall comprise:
- 17.2.1 one ecologist to be nominated by East Suffolk Council;
- 17.2.2 one ecologist to be nominated by Suffolk County Council;
- 17.2.3 one ecologist to be nominated by Natural England;
- 17.2.4 one ecologist to be nominated by the Environment Agency; and
- 17.2.5 one representative to be nominated by SZC Co,
- or such alternates as may be nominated by those representatives from time to time as agreed by the members of the Ecology Working Group.
- 17.3 The Ecology Working Group shall encourage participation at its meetings by representatives of the RSPB and Suffolk Wildlife Trust from time to time.

- 17.4 SZC Co shall be responsible for the administration of convening and holding meetings of the Ecology Working Group.
- 17.5 The Ecology Working Group shall:
- 17.5.1 meet quarterly (or less frequently where agreed by the Ecology Working Group) either virtually or in a convenient location in East Suffolk or Ipswich to be identified by SZC Co from time to time, such meetings to be:
 - (A) chaired by East Suffolk Council; and
 - (B) be quorate if at least three members (at least one of whom is a member representing SZC Co, one of which is a member representing East Suffolk Council and one of which is a member representing Suffolk County Council) are present;
 - 17.5.2 meet no later than three months after the Commencement Date;
 - 17.5.3 review monitoring undertaken in accordance with the TEMMP and OLEMP;
 - 17.5.4 carry out the Ecology Working Group Governance Role;
 - 17.5.5 review the Quadrat Survey of the Fen Meadow Sites to:
 - (A) determine whether the Fen Meadow Target Quantum has been met; and
 - (B) if the Fen Meadow Target Quantum has not been met, determine the amount of Fen Meadow Contingency Fund payable in accordance with paragraph 8.1;
 - 17.5.6 advise SZC Co on appropriate management measures to be specified within the landscape ecology management plan to be submitted pursuant to Requirement 14 of the Development Consent Order;
 - 17.5.7 report to the Environment Review Group on the effectiveness of the ecological mitigation and monitoring measures which it reviews and, where those measures are not being successful, advise the Environment Review Group on the recommended remedies to ensure that adequate mitigation is delivered; and
 - 17.5.8 refer to the Environment Review Group for its determination any matter upon which the members of the Ecology Working Group are unable to agree unanimously.
- 17.6 The Ecology Working Group shall report to the Environment Review Group bi-annually on the expenditure of previous annual contributions from the European Sites Access Contingency Fund and the Minsmere and Sandlings (North) Contingency Fund and the effectiveness of such expenditure unless otherwise agreed by the members of the Ecology Working Group.
- 17.7 In the event that any of the Quorate Members of the Ecology Working Group considers that a matter needs to be referred to the Environment Review Group for urgent resolution, it shall notify the members of the Environment Review Group accordingly to invoke the urgency process in paragraph 15.7.
- 17.8 The Ecology Working Group:
- 17.8.1 shall make such terms of reference for its governance and administration as it considers appropriate at the first meeting of the Ecology Working Group; and
 - 17.8.2 may make such further administrative arrangements and terms of reference as it considers appropriate for the proper and efficient functioning of the Ecology Working Group from time to time,
 - with such arrangements and terms of reference to be approved by the Environment Review Group.

18. **NATURAL ENVIRONMENT AWARDS PANEL**

- 18.1 On or before Commencement, SZC Co shall establish the Natural Environment Awards Panel which shall exist until the obligations in paragraph 2 end, unless otherwise agreed by the members of the Natural Environment Awards Panel.
- 18.2 The Natural Environment Awards Panel shall comprise:
- 18.2.1 one representative to be nominated by East Suffolk Council;
 - 18.2.2 one representative to be nominated by Suffolk County Council;
 - 18.2.3 one representative to be nominated by Natural England;
 - 18.2.4 one representative to be nominated by the SCHAONB Partnership; and
 - 18.2.5 one representative to be nominated by SZC Co,
- or such alternates as may be nominated by those representatives from time to time as agreed by the above members of the Natural Environment Awards Panel, which shall be referred to as the "**Core Members**"; and
- 18.2.6 three additional members to be nominated by agreement of the Core Members, and the term of each additional member's membership shall be determined by the Core Members.
- 18.3 East Suffolk Council and Suffolk County Council may each invite one further representative to attend meetings of the Natural Environment Awards Panel (the "**Non-Voting Members**").
- 18.4 SZC Co shall act as secretariat to the Natural Environment Awards Panel and be responsible for organising the meetings of the Natural Environment Awards Panel.
- 18.5 The Core Members shall agree the chair of the Natural Environment Awards Panel which shall rotate between the Core Members.
- 18.6 The Natural Environment Improvement Project Officer shall attend all meetings of the Natural Environment Awards Panel.
- 18.7 The Natural Environment Awards Panel shall:
- 18.7.1 meet either virtually or in a convenient location in East Suffolk or Ipswich no less than once per annum and a maximum of three times per annum (excluding extraordinary meetings where required) unless otherwise agreed by the Core Members of the Natural Environment Awards Panel from time to time, with such meetings to be quorate, if at least three Core Members (at least one of which is a member representing East Suffolk Council, one of which is a member representing Suffolk County Council and one of which is a member representing SZC Co) are present;
 - 18.7.2 meet no later than three months after the Commencement Date;
 - 18.7.3 encourage participation at its meetings by members or representatives of other organisations, groups, and persons with relevant expertise from time to time in order to observe and participate in discussions or present relevant information to the Natural Environment Awards Panel when assessing applications for awards of the Natural Environment Improvement Fund;
 - 18.7.4 refer any matter to the Environment Review Group where members of the Natural Environment Awards Panel are unable to agree on any matter unanimously;
 - 18.7.5 report to the Environment Review Group annually on the expenditure of the previous year's contributions from the Natural Environment Improvement Fund and the effectiveness of such contributions; and
 - 18.7.6 make such other provision as they consider appropriate for the proper and efficient functioning of the Natural Environment Awards Panel.
- 18.8 The membership of and other provisions for the functioning of the Natural Environment Awards Panel may be amended from time to time with the agreement of SZC Co and the Councils and any such amendments shall be recorded in writing.

- 18.9 In the event that any of the Quorate Members of the Natural Environment Awards Panel considers that a matter needs to be referred to the Environment Review Group for urgent resolution, it shall notify the members of the Environment Review Group accordingly to invoke the urgency process in paragraph 15.7.
- 18.10 The Natural Environment Awards Panel:
- 18.10.1 shall make such terms of reference for its governance and administration as it considers appropriate at the first meeting of the Natural Environment Awards Panel; and
 - 18.10.2 may make such further administrative arrangements and terms of reference as it considers appropriate for the proper and efficient functioning of the Natural Environment Awards Panel from time to time,
with such arrangements and terms of reference to be approved by the Environment Review Group.

**SCHEDULE 12
NOISE**

1. DEFINITIONS AND INTERPRETATION

- 1.1 Where in this Schedule the following defined terms and expressions are used they shall have the following respective meanings unless otherwise stated:

"**B1122 Properties**" means those properties listed in Annex G;

"**Noise Mitigation Scheme**" means the scheme appended to this Deed at Annex W; and

"**Pro Corda Trust Accommodation**" means the residential accommodation at Leiston Abbey, Theberton, Leiston, Suffolk IP16 4TD located in the Grade II listed Retreat House LB 1215754 and in the Guesten Lodge, both as owned and occupied by the Pro Corda Trust.

2. NOISE MITIGATION SCHEME

- 2.1 Subject to paragraphs 2.2 and 2.3, from on or before Commencement until the end of the Construction Period, SZC Co shall implement and observe the provisions of the Noise Mitigation Scheme.
- 2.2 SZC Co, East Suffolk Council and Suffolk County Council agree that SZC Co shall not be required to implement 'Stage 1: Refreshed noise assessment(s)' described in paragraphs 1.2.2 to 1.2.6 of the Noise Mitigation Scheme in respect of the B1122 Properties and Pro Corda Trust Accommodation and that the B1122 Properties and Pro Corda Trust Accommodation shall be considered to be eligible for insulation under the Noise Mitigation Scheme. The remainder of the Noise Mitigation Scheme shall apply to the B1122 Properties and Pro Corda Trust Accommodation as appropriate.
- 2.3 Notwithstanding paragraph 2.1 and subject to paragraph 2.2, SZC Co, East Suffolk Council and Suffolk County Council agree that SZC Co shall implement and observe the provisions of the Noise Mitigation Scheme in respect of the B1122 Properties until the Sizewell Link Road is completed and opened to traffic, unless they meet the eligibility criteria in the Noise Mitigation Scheme after that date.
- 2.4 East Suffolk Council shall review any plans, assessments, reports or other documents submitted to it by SZC Co pursuant to the Noise Mitigation Scheme for all aspects except road traffic noise.
- 2.5 Suffolk County Council shall review any plans, assessments, reports or other documents submitted to it by SZC Co pursuant to the Noise Mitigation Scheme for road traffic noise matters only.
- 2.6 Where East Suffolk Council or Suffolk County Council's approval is required by the Noise Mitigation Scheme in respect of any assessment, report, plan, or other document, neither East Suffolk Council nor Suffolk County Council shall unreasonably withhold their approval and shall confirm their approval in writing to SZC Co within 28 days of the receipt of the submitted report or plan or within such longer period as may be agreed between SZC Co and East Suffolk Council or Suffolk County Council (as relevant).
- 2.7 SZC Co shall indemnify Suffolk County Council in respect of any claims made under Section 10 of the Compulsory Purchase Act 1965 or Part 1 of the Land Compensation Act 1973 arising out of or incidental to the carrying out and use of the Project or any works carried out by SZC Co under this Deed other than those arising out of or in consequence of any negligent act, default or omission of Suffolk County Council or any party acting on behalf of Suffolk County Council PROVIDED THAT SZC Co shall only be required to indemnify Suffolk County Council in accordance with this Deed if:
- 2.7.1 Suffolk County Council notifies SZC Co as soon as reasonably practicable upon becoming aware of any matter which may become the subject of a claim for indemnity under this paragraph;

- 2.7.2 Suffolk County Council keeps SZC Co informed of all progress in connection with that matter and of any proposed settlement of it; and
- 2.7.3 Suffolk County Council does not settle or compromise that matter without the previous written consent of SZC Co, such consent not to be unreasonably withheld or delayed.

**SCHEDULE 13
THIRD PARTY RESILIENCE FUNDS**

1. DEFINITIONS AND INTERPRETATION

- 1.1 Where in this Schedule the following defined terms and expressions are used they shall have the following respective meanings unless otherwise stated:

"National Trust Dunwich Heath and Coastguard Cottages" means Dunwich Heath and the Coastguard Cottages at Dunwich Heath and Beach Coastguard Cottages, Minsmere Road, Dunwich, Suffolk IP17 3DJ;

"National Trust Dunwich Heath and Coastguard Cottages Resilience Fund" means the sum of £851,365 in total for the purposes of mitigating the impacts of the Project on the National Trust Dunwich Heath and Coastguard Cottages which is to be paid in accordance with paragraph 2.1;

"Pro Corda Resilience Fund" means the sum of £500,000 in total for the purposes of mitigating the impacts of the Project on Pro Corda Trust's activities at Leiston Abbey, Theberton, Leiston, Suffolk IP16 4TD which is to be paid in accordance with paragraph 2.2;

"RSPB Minsmere" means the nature reserve RSPB Minsmere, Sheepwash Lane, Saxmundham IP17 3BY; and

"RSPB Resilience Fund" means the sum of £2,520,000 in total for the purposes of mitigating the socio-economic impacts of the Project on RSPB Minsmere which is to be paid in accordance with paragraph 2.3.

2. THIRD PARTY RESILIENCE FUNDS

2.1 National Trust Dunwich Heath and Coastguard Cottages Resilience Fund

2.1.1 The National Trust Dunwich Heath and Coastguard Cottages Resilience Fund shall be paid by SZC Co to East Suffolk Council for onward payment to the National Trust in the following instalments:

- (A) on or before Commencement the sum of £595,955.50; and
- (B) on or before the sixth anniversary of the Commencement Date the sum of £255,409.50.

2.1.2 No less than £10,000 of the payment made pursuant to paragraph 2.1.1(A) shall be applied towards the enhanced interpretation of the setting of the National Trust Dunwich Heath and Coastguard Cottages with a focus on consideration of the asset in its wider context as one of a chain of coastguard lookouts along the Suffolk coast.

2.1.3 The National Trust Dunwich Heath and Coastguard Cottages Resilience Fund may only be applied towards any or all of the following initiatives:

- (A) additional staff resources;
- (B) infrastructure improvements;
- (C) other site or visitor enhancements; and
- (D) the National Trust Dunwich Heath and Coastguard Cottages' heritage enhancement.

2.2 Pro Corda Resilience Fund

2.2.1 The Pro Corda Resilience Fund shall be paid by SZC Co to East Suffolk Council for onward payment to the Pro Corda Trust in the following instalments:

- (A) on or before Commencement the sum of £364,000; and
- (B) on or before the third anniversary of the Commencement Date the sum of £136,000.

- 2.2.2 The Pro Corda Resilience Fund may only be applied towards any or all of the following initiatives:
- (A) staffing costs to allow for increased supervision and marketing;
 - (B) provision of indoor and outdoor sensory spaces suitable for children with autism and other special educational needs and disabilities;
 - (C) physical security features; and
 - (D) other measures determined by Pro Corda to increase business resilience.

2.3 RSPB Resilience Fund

- 2.3.1 The RSPB Resilience Fund shall be paid by SZC Co to East Suffolk Council for onward payment to RSPB in the following instalments:
- (A) on or before Commencement the sum of £2,142,000; and
 - (B) on or before the sixth anniversary of the Commencement Date the sum of £378,000.
- 2.3.2 The RSPB Resilience Fund may only be applied towards provision of any or all of the following:
- (A) suitable infrastructure to ensure engagement with visitors on RSPB Minsmere to mitigate the impact of construction activity;
 - (B) suitable visitor events and activities to ensure engagement with visitors on RSPB Minsmere to mitigate the impact of construction activity;
 - (C) staff and volunteer resource to manage the development, installation and maintenance of the new infrastructure; and
 - (D) staff and volunteer resource to plan, implement and manage the new events and activities.

SCHEDULE 14
SIZEWELL C COMMUNITY FUND

1. DEFINITIONS AND INTERPRETATION

Where in this Schedule the following defined terms and expressions are used they shall have the following respective meanings unless otherwise stated:

"Administration Agreement" means a deed to be entered into between SZC Co and the Suffolk Community Foundation providing for the administration and application of the Sizewell C Community Fund by the Suffolk Community Foundation for the purpose of mitigating the intangible and residual impacts of the Project by enhancing the quality of life of communities within the Area of Benefit;

"Area of Benefit" means the geographical areas within the administrative boundary of East Suffolk;

"Community Action Suffolk" means the registered charity of that name whose registered charity number is 1150501 and whose company number is 8316345;

"Community Fund Project Officer" means the project officer to be appointed by Suffolk Community Foundation to administer the Sizewell C Community Fund;

"Deed of Transfer" means a deed to be entered into between SZC Co and the Suffolk Community Foundation providing for the payment of some or all of the Sizewell C Community Fund for the purpose of mitigating the intangible and residual impacts of the Project by enhancing the quality of life of communities within the Area of Benefit;

"East Suffolk Community Partnerships" means the eight community partnerships established and funded by East Suffolk Council to facilitate partnership working and collaboration between East Suffolk Council and local communities in East Suffolk;

"Grants" means the Open Grants, Small Grants and Strategic Grants to be funded by the Sizewell C Community Fund;

"Open Grants" means grants for capital and revenue costs other than Small Grants and Strategic Grants;

"Panel" means a decision-making body established by the Administration Agreement and Deed of Transfer to administer the Sizewell C Community Fund;

"Protected Characteristics" means age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation as defined by the Equality Act 2010;

"Sizewell C Community Fund" means a fund of the sum of £23,000,000 to be paid by SZC Co in accordance with paragraph 2 and to exist until the entirety of that sum (including any interest on that sum) has been paid in Grants;

"Small Grants" means grants of up to £5,000 available to registered charities, voluntary organisations, social enterprises, or public bodies that operate on less than £100,000 each year;

"Strategic Grants" means grants to target specific impacts of the Project felt within East Suffolk, identified through consultation with communities and their representatives as may be agreed by the Panel;

"Suffolk Community Foundation" means the registered charity of that name whose registered charity number is 1109453 and whose company number is 5369725; and

"Trust Documents" means the trust deed and any other documentation required to be entered into in the event that SZC Co pursuant to paragraphs 2.7 to 2.10 ceases to pay the Sizewell C Community Fund to the Suffolk Community Foundation in order to establish a charitable trust the purpose of which is to receive and apply the remainder of the Sizewell C Community Fund for the purpose of mitigating the intangible and residual impacts of the Project by enhancing the quality of life of communities within the Area of Benefit.

2. **SIZEWELL C COMMUNITY FUND**

- 2.1 The Sizewell C Community Fund shall be for the purpose of mitigating the intangible and residual impacts of the Project on the communities in the Area of Benefit through providing Grants for schemes, measures and projects which promote the economic, social, or environmental well-being of those communities and enhance their quality of life.
- 2.2 On or before Commencement, SZC Co shall enter into a Deed of Transfer and an Administration Agreement with the Suffolk Community Foundation to provide for the payment and administration of the first instalment of the Sizewell C Community Fund to the Suffolk Community Foundation pursuant to paragraph 2.3.1. Thereafter SZC Co shall enter into a Deed of Transfer and (if necessary) an Administration Agreement in respect of each subsequent instalment of the Sizewell C Community Fund to be paid by SZC Co to the Suffolk Community Foundation pursuant to paragraph 2.3.2.
- 2.3 Subject to the following paragraphs of this Schedule 14, SZC Co shall pay the Sizewell C Community Fund to the Suffolk Community Foundation in the following instalments:
- 2.3.1 an amount equal to £2,000,000 on or before Commencement; and
- 2.3.2 £1,900,000 annually on each anniversary of the Commencement Date occurring during the Construction Period,
- subject to the total amount payable pursuant to this paragraph 2.3 not exceeding £23,000,000, such amounts are to be applied by Suffolk Community Foundation in accordance with the terms of the relevant Deed of Transfer and relevant Administration Agreement for the purpose of mitigating the intangible and residual impacts of the Project by enhancing quality of life of communities within the Area of Benefit.
- 2.4 SZC Co shall ensure that the Administration Agreement entered into pursuant to paragraph 2.2 shall provide as follows:
- 2.4.1 the Panel shall comprise no more than 12 members, with three of those members being SZC Co representatives, two being representatives of Suffolk County Council, two being representatives of East Suffolk Council, one member being a Suffolk Community Foundation representative, and four members being representatives of the general public;
- 2.4.2 two officers of the Suffolk Community Foundation shall attend each meeting of the Panel;
- 2.4.3 a Suffolk Community Foundation representative shall act as the chair of the Panel and have the casting vote;
- 2.4.4 the members of the Panel representing SZC Co, the Councils and the Suffolk Community Foundation shall appoint the Panel members who are representatives of the general public and shall invite applications for those positions;
- 2.4.5 the Panel members who are representatives of the general public shall serve for two years, with the potential for a third year to be reviewed and agreed in respect of each such member jointly by the members of the Panel representing SZC Co, the Councils and the Suffolk Community Foundation;
- 2.4.6 the application process to become a member of the Panel representing the general public shall be publicised in the Area of Benefit in a manner agreed by the Panel;
- 2.4.7 the Sizewell C Community Fund may not be applied for any purpose outside the charitable objectives of the Suffolk Community Foundation and that Suffolk Community Foundation shall consult the Panel before changing its charitable objectives to ensure that the purposes of the Sizewell C Community Fund are not thereby prejudiced;
- 2.4.8 the Suffolk Community Foundation shall appoint a Community Fund Project Officer;

- 2.4.9 the Suffolk Community Foundation shall use reasonable endeavours to liaise with Community Action Suffolk to help to ensure that potential recipients of Grants have the required skills and capacity to apply to and meet the relevant criteria for the application of the Sizewell C Community Fund;
 - 2.4.10 the Suffolk Community Foundation shall have regard to any reasonable advice provided by the Oversight Partnership in respect of the provision of Strategic Grants;
 - 2.4.11 the Suffolk Community Foundation shall use reasonable endeavours to liaise with the East Suffolk Community Partnerships in respect of:
 - (A) the promotion of the Sizewell C Community Fund;
 - (B) assisting communities to identify projects suitable for the receipt of Grants; and
 - (C) assisting those with Protected Characteristics or projects supporting those with Protected Characteristics in identifying projects suitable for the receipt of Grants and making applications for Grants;
 - 2.4.12 the Suffolk Community Foundation shall report to the Delivery Steering Group on a six-monthly basis on the expenditure of previous contributions from the Sizewell C Community Fund and the effectiveness of such contributions; and
 - 2.4.13 the Suffolk Community Foundation shall be responsible for the administration of convening and holding meetings of the Panel, which shall take place either virtually or in a convenient location in East Suffolk or Ipswich to be identified by the Suffolk Community Foundation from time to time and shall be quorate if at least half of the members of the Panel (at least one of which being a representative of SZC Co, one of which being a representative of one of the Councils and one of which being the representative of the Suffolk Community Foundation) are present.
- 2.5 SZC Co shall ensure that the Administration Agreement entered into pursuant to paragraph 2.2 shall vest such powers as may be necessary in the Panel so as to enable the Panel to take into account that the degree and severity of impact varies across the geography of the Area of Benefit and that when the criteria for the application of the Sizewell C Community Fund to provide the Grants are developed, they are able to reflect this and give priority to those schemes, measures and projects which:
- 2.5.1 are located close to the Sites;
 - 2.5.2 minimise the environmental, economic, and social impact, whilst, as appropriate, maximising the environmental, economic, and social benefits of the Project;
 - 2.5.3 are not inconsistent with approved policies or plans of relevant local authorities;
 - 2.5.4 can demonstrate overall value for money in terms of cost and effectiveness;
 - 2.5.5 can demonstrate a contribution to developing and maintaining sustainable communities throughout the Area of Benefit;
 - 2.5.6 complement other measures committed in this Deed;
 - 2.5.7 have been identified as priorities to the communities within parish and/or community plans;
 - 2.5.8 can demonstrate the greatest potential to achieve mitigation of impacts, taking into account value for money;
 - 2.5.9 attract additional funding from other private and public sector sources where possible;
 - 2.5.10 are inclusive and non-discriminatory, fostering equality in line with the Equality Act 2010 (or as amended); and/or

- 2.5.11 are provided by a registered charity, voluntary organisation, parish council, social enterprise, or public body.
- 2.6 On the fourth anniversary of the Commencement Date, SZC Co may review the Suffolk Community Foundation's administration and application of the Sizewell C Community Fund. In undertaking this review SZC Co shall consult with East Suffolk Council and Suffolk County Council and take into account their reasonable representations.
- 2.7 Paragraph 2.8 shall apply if following a review carried out by SZC Co pursuant to 2.6, SZC Co in its absolute discretion determines that it no longer wishes the Sizewell C Community Fund to be administered and applied by the Suffolk Community Foundation and serves notice on the Suffolk Community Foundation to that effect.
- 2.8 Where this paragraph 2.8 applies, SZC Co shall following the service of a notice on the Suffolk Community Foundation in accordance with paragraph 2.7:
- 2.8.1 thereafter cease to make payments to the Suffolk Community Foundation pursuant to paragraph 2.3;
- 2.8.2 not renew or enter into any new Deed of Transfer or Administration Agreement with the Suffolk Community Foundation;
- 2.8.3 as soon as reasonably practicable and no later than six months following service of the notice in accordance with paragraph 2.7, complete the Trust Documents to establish a new trust to administer and apply the remainder of the Sizewell C Community Fund for the purposes of mitigating the intangible and residual impacts of the Project by enhancing the quality of life of communities within the Area of Benefit; and
- 2.8.4 following the establishment of a trust by SZC Co pursuant to paragraph 2.8.3:
- (A) pay the remainder of the Sizewell C Community Fund to the trustees of that trust in accordance with paragraph 2.9; and
- (B) unless otherwise agreed between the parties, procure that any unallocated monies previously paid to the Suffolk Community Foundation pursuant to paragraph 2.3 shall be transferred to the trustees of that trust.
- 2.9 Where paragraph 2.8 applies, SZC Co shall pay the remainder of the Sizewell C Community Fund into the trust established pursuant to paragraph 2.8.3 in the following instalments:
- 2.9.1 £1,900,000 annually on each anniversary of the Commencement Date occurring during the Construction Period, beginning on the first such anniversary occurring after the last payment made by SZC Co pursuant to paragraph 2.3,
- subject to the total amount payable pursuant to paragraph 2.3 and this paragraph 2.9 not exceeding £23,000,000, such amounts to be applied by the trustees of that trust in accordance with the Trust Documents for the purpose of mitigating the intangible and residual impacts of the Project by enhancing quality of life of communities within the Area of Benefit.
- 2.10 In the event that after using reasonable endeavours SZC Co is unable to enter into a Deed of Transfer and an Administration Agreement with the Suffolk Community Foundation pursuant to paragraph 2.2, SZC Co shall establish a new trust to administer and apply the Sizewell C Community Fund for the purposes of mitigating the intangible and residual impacts of the Project by enhancing the quality of life of communities within the Area of Benefit and all references to the Suffolk Community Foundation in this Schedule 14 shall be deemed to be references to such new trust.
- 2.11 The maximum liability of SZC Co pursuant to this Schedule 14 is £23,000,000.