**MINUTES OF THE MEETING OF THE CABINET,
HELD ON FRIDAY, 19TH DECEMBER, 2025 AT 10.30 AM
IN THE COMMITTEE ROOM, AT THE TOWN HALL, STATION ROAD, CLACTON-ON-SEA, CO15 1SE**

PRESENT:	**PORTFOLIO:**
Councillor M E Stephenson	Leader of the Council & Portfolio Holder for Corporate Finance and Governance (Chairman)
Councillor I J Henderson	Deputy Leader; Portfolio Holder for Economic Growth, Regeneration & Tourism
Councillor A P H Baker	Portfolio Holder for Housing & Planning
Councillor P Kotz	Portfolio Holder for Assets & Community Safety
Councillor G G I Scott	Portfolio Holder for Arts, Culture & Heritage
Councillor A Smith	Portfolio Holder for the Environment & ICT

Group Leaders Present by Standing Invitation: Councillors J D Bray (Leader of the Reform UK Group) (except items 90 (part) – 93), P B Honeywood (Leader of the Conservative Group) and G D Steady (Deputy Leader of the Independent Group)

Also Present: None

In Attendance: Chief Executive (Ian Davidson), Corporate Director (Place and Well-being) & Deputy Chief Executive (Lee Heley), Corporate Director (Law and Governance) & Monitoring Officer (Lisa Hastings), Corporate Director (Finance and IT) & Section 151 Officer (Richard Barrett), Corporate Director (Operations and Delivery) (Damian Williams), Assistant Director (People) (Katie Wilkins), Assistant Director (Housing and Environment) (Tim R Clarke), Assistant Director (Corporate Policy & Support) (Keith Simmons), Democratic Services Manager (Ian Ford), Corporate Governance, Performance & Procurement Manager (Karen Hayes), Planning Policy Team Leader (Paul Woods), Democratic Services Officer (Bethany Jones) and Communications Officer (James Dwan)

81. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors M Barry (the Portfolio Holder for Leisure & Public Realm), G R Placey (the Portfolio Holder for Partnerships) and J B Chapman BEM (Leader of the Independent Group).

82. MINUTES OF THE LAST MEETING

It was moved by Councillor Stephenson, seconded by Councillor Henderson and:-

RESOLVED that the minutes of the meeting of the Cabinet, held on Friday 14 November 2025, be approved as a correct record and be signed by the Chairman.

83. DECLARATIONS OF INTEREST

There were no declarations of interest made by Members at this time.

84. ANNOUNCEMENTS BY THE LEADER OF THE COUNCIL

The Leader of the Council recorded his thanks to the Council's staff who had worked diligently and professionally throughout the year. Though many offices would close for Christmas the Council would still be running essential services and so some staff would still be working. He gave his heartfelt thanks to staff especially those who would be working at Christmas.

85. ANNOUNCEMENTS BY CABINET MEMBERS

Christmas Pantomime

The Arts, Culture & Heritage Portfolio Holder was pleased to report that this year's Christmas Pantomime was doing extremely well. He had recently attended a performance, and it had been "absolutely fabulous" and enjoyed immensely by the children present. He praised the Council staff working on the pantomime over this Christmas period. He encouraged residents to go out and buy tickets for the remaining performances.

The Leader of the Council echoed those sentiments.

Breached sea wall at Dovercourt

The Environment & ICT Portfolio Holder thanked the Council's Engineering Services Team for their prompt action in securing a seawall breach in Dovercourt that had resulted in a 21-metre void that had resulted in the closure of the promenade. Staff had been working tirelessly beginning with a 3 a.m. start last week. The work was near to completion and involved the use of an innovative expanding geopolymer resin. The promenade would be re-opened as soon as it was safe to do so.

86. MATTERS REFERRED TO THE CABINET BY THE COUNCIL

There are no matters referred to the Cabinet by Full Council on this occasion.

87. MATTERS REFERRED TO THE CABINET BY A COMMITTEE - REFERENCE FROM THE RESOURCES AND SERVICES OVERVIEW & SCRUTINY COMMITTEE - A.1 - FINANCIAL OUTTURN 2024/25

Cabinet recalled that, on 27 June 2025, the Portfolio Holder for Corporate Finance and Governance had considered the detailed Financial Outturn position for 2024/25 and had formally decided:

(a) that the financial outturn position for 2024/25, as set out in the Officer report and its appendices, be noted;

(b) that the financing of General Fund capital expenditure for 2024/25, as detailed in Appendix D, be approved;

(c) that the movement in uncommitted and earmarked General Fund reserves for 2024/25, as set out in Appendix E, be approved;

(d) that the General Fund revenue carry forward items totalling £15.093m, as set out in column 4 of Appendix K, be approved;

(e) that the General Fund capital carry forwards totalling £59.477m, as set out in Appendix D, be approved;

(f) that, in respect of the HRA, the movement on HRA balances for 2024/25, including any commitments set out within Appendices H and/or I, along with recharges to the HRA from the General Fund of £3.025m for the year and the financing of the HRA capital expenditure, as set out in Appendix I, be approved; and

(g) that the overall General Fund outturn variance of £5.417m for 2024/25 that is being carried forward via the Revenue Commitments Reserve be noted; and

(h) that Cabinet be recommended to approve the proposed allocations from the variance amount, as set out within Table 3.

Subsequently, on 25 July 2025, Cabinet had considered an overview of the financial outturn for 2024/25 and the proposed allocation of the General Fund variance for the year and other in-year budget adjustments. It had been resolved by Cabinet that:

(a) *the high-level Financial Outturn Position, as set out in this report (A.5), and the favourable General Fund Revenue variance of £5.417m for the year, which is currently held within the Revenue Commitments Reserve be noted;*

(b) the use of the General Fund Outturn for the Year of £5.417m, as set out in Appendix A (Section 1), be approved;

(c) in respect of the additional £1.000m set aside to support the delivery of savings / efficiency plans and wider corporate priorities, the Chief Executive, in consultation with the Portfolio Holder for Corporate Finance and Governance, be authorised to utilise this funding during the year;

(d) in respect of the additional £1.000m set aside for Coast Protection Works, this be added to the remaining budget of £0.970m associated with earlier decisions, and that the Corporate Director (Operations and Delivery), in consultation with the Portfolio Holder for the Environment & ICT, be authorised to utilise this funding during the year;

(e) the budget adjustments for 2025/26, as set out in Appendix A (Sections 2 and 3), be approved;

(f) the Council's Section 151 Officer, in consultation with the Corporate Finance and Governance Portfolio Holder, be authorised to adjust the outturn position for 2024/25 along with any corresponding adjustment to earmarked reserves as a direct result of any recommendations made by the Council's External Auditor during the course of their audit activities relating to the Council's 2024/25 accounts; and

(g) Officers, in consultation with the Portfolio Holder for Housing and Planning, be requested to continue to explore opportunities to support the Council in addressing the increasing financial challenge associated with the demand for homelessness / temporary accommodation, and to present reports to future meetings of Cabinet,

including the potential options associated with the possible levying of charges, balanced against various issues such as the circumstances of those seeking support.

Cabinet was informed that the Resources and Services Overview & Scrutiny Committee, at its meeting held on 4 November 2025 (Minute 24 referred), had considered the Financial Outturn for 2024/25. In respect of the potential for UK Government Funded projects, such as Carnarvon Terrace, to incur costs that exceeded the UK Government Funding available and, consequently, potentially would involve costs to be borne by this Council, the Committee had sought an assurance that it would be notified, in advance of any decision to fund such overspends.

After a question-and-answer session with the Corporate Finance & Governance Portfolio Holder, the Committee had resolved, inter alia, to make the recommendation to Cabinet set out below:-

"That an assurance be provided confirming that the Committee will be notified in advance of any overspends that may impact the Council's funding."

Cabinet had before it the following formal written response of the Corporate Finance & Governance Portfolio Holder to the recommendation made by the Resources and Services Overview & Scrutiny Committee:-

"I would like to thank the Committee for their review and the opportunity for me to answer questions at their meeting on 4 November 2025. Although the Committee have not set out the scale of the overspends that they would wish to be notified of, as mentioned as part of the answers given on the night, overspends would be set out within the regular financial performance reports as necessary, that already form part of the Committee's work programme. If there are any specific schemes and projects that the Committee are referring to then this can be considered further."

Having duly considered the recommendation made by the Resources and Services Overview & Scrutiny Committee, together with the formal response of the Corporate Finance & Governance Portfolio Holder thereto:-

It was moved by Councillor Stephenson, seconded by Councillor Smith and:-

RESOLVED that the recommendation made by the Resources and Services Overview & Scrutiny Committee be welcomed and noted and that the response of the Corporate Finance and Governance Portfolio Holder thereto be endorsed.

88. MATTERS REFERRED TO THE CABINET BY A COMMITTEE - REFERENCE FROM THE PLANNING POLICY & LOCAL PLAN COMMITTEE - A.2 - ADOPTION OF THE HARTLEY GARDENS SUPPLEMENTARY PLANNING DOCUMENT

Cabinet was informed that the Planning Policy and Local Plan Committee ("the Committee"), at its meeting held on 8 December 2025 (Minute 20 referred), had considered a detailed report of the Corporate Director (Planning and Community) (A.2) which had updated the Committee on the results of the public consultation on the contents of the Hartley Gardens Supplementary Planning Document (SPD) and which had also sought the Committee's endorsement to recommend to Cabinet that the draft SPD be now formally adopted.

The Committee's decision at its meeting held on 8 December 2025 had been as follows:-

(a) *RESOLVED that the Planning Policy and Local Plan Committee notes the outcome of the public consultation on the draft Hartley Gardens SPD, as set out through this report (A.2) and detailed in Appendix 2 thereto; and*

(b) *RECOMMENDED TO CABINET that the Hartley Gardens Supplementary Planning Document December 2025 (attached at Appendix 1 to report A.2) be adopted as Planning Guidance to be used by the Council in the determination of Planning Applications, subject to:-*

the SPD being modified at paragraph 6.24 to explicitly list 'Fire & Rescue Facilities' as strategic infrastructure, in advance of its formal adoption by Cabinet. This modification will ensure the SPD remains consistent with adopted policy while addressing essential infrastructure needs identified by Essex County Fire & Rescue Service.

The SPD, as recommended by the Planning Policy and Local Plan Committee, was set out in Appendix 1 to the reference report (A.2).

The Corporate Director (Planning and Community)'s report which had been considered by the Planning Policy and Local Plan Committee at its meeting held on 8 December 2025 was attached as Appendix 2 to the reference report (A.2).

The Housing and Planning Portfolio Holder read out the following statement:-

"*Leader, I have great pleasure in introducing this report outlining the recommendation from the Planning Policy & Local Plan Committee that the Hartley Gardens Supplementary Planning Document (SPD) be adopted by Cabinet, in order that it becomes Planning Guidance that this Council will use in determining relevant planning applications.*

Cabinet will be aware, that within the Local Plan Part 2, there is a specific planning policy (SAMU2) in regard to the largest area for development, Hartley Gardens, bar the Garden Community, for up to 1,700 homes, together with the relevant infrastructure, that requires a document which provides a clear framework for how development should come forward and setting out this council's expectations around the quality of design, movement and access, green infrastructure, and delivery of supporting infrastructure.

Cabinet will recall that I presented a draft SPD at our meeting in September, for agreement that it go out for consultation with residents and stakeholders.

That consultation took place between 6th October and 17th November, including online engagement, hard copies available at local libraries, and two public drop-in events, attended by nearly 100 residents. In total, 24 written responses were received from members of the public, land promoters, developers, and statutory stakeholders.

A variety of issues were raised, including traffic and highways impacts, healthcare provision, environmental protection, drainage and flood risk and management, ecological considerations, and a host of others.

After careful consideration the SPD has been strengthened in several areas, and these are shown on Page 96 of the Agenda, Appendix 2, which is the officer's report to the recent Planning Policy & Local Plan Committee.

At Appendix 3 to that same report (commencing at Page 109) is a schedule of representations and the responses to the.

On Monday 8th December the Planning Policy and Local Plan Committee received a comprehensive report, updating it on the public consultation on the SPD, and seeking that Committee's endorsement of the recommendations, with a slight updated amendment."

Prior to the commencement of the meeting, the following email from the Chairman of the Planning Policy & Local Plan Committee (Councillor Guglielmi) had been received by the Democratic Services Manager and circulated to members of the Cabinet and the Group Leaders and Deputy Group Leaders:-

"I would have loved to have attended Cabinet, but it clashes with my D&R Committee at County, but if possible I would very much like to put on record my praise for the way in which Officers have interacted with Homes England and secured such a huge support from them, and also for the extremely comprehensive way in which they have engaged with all Ward and neighbouring members as well as the public to get everyone (well, almost everyone!) on board with the whole thing, especially when considering the huge discontent we experienced a few years back, albeit for a much bigger proposal."

Cabinet had before it the following formal written response of the Housing & Planning Portfolio Holder to the recommendation made by the Planning Policy & Local Plan Committee:-

"I would like to thank the Planning Policy and Local Plan Committee for its thorough work in reviewing the Hartley Gardens Supplementary Planning Document (SPD) following public consultation, and for recommending its adoption by Cabinet. Hartley Gardens remains a key site within our adopted Local Plan, and its development will play an important role in meeting the District's housing needs while also delivering essential infrastructure.

The SPD now provides a clear and robust framework to guide how this development should come forward. It sets out the Council's expectations on design quality, movement and access, green infrastructure, and the timely delivery of supporting facilities. Importantly, the document reflects feedback from residents, Ward Members, and stakeholders during consultation, and has been strengthened in areas such as healthcare provision, environmental protection, and strategic infrastructure.

Adopting this SPD ensures that future planning applications for Hartley Gardens will be assessed against a well-defined set of principles, helping to secure a sustainable, well-planned community. I am confident that this guidance will support high-quality development and address local priorities as the site progresses."

Having duly considered the recommendation made by the Planning Policy & Local Plan Committee, together with the formal response of the Housing & Planning Portfolio Holder thereto:-

It was moved by Councillor Baker, seconded by Councillor Stephenson and:-

RESOLVED that the Hartley Gardens Supplementary Planning Document December 2025 (Appendix 1) be adopted as Planning Guidance to be used by the Council in the determination of relevant Planning Applications.

89. CABINET MEMBERS' ITEMS - REPORT OF THE CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER - A.3 - UPDATED GENERAL FUND FINANCIAL FORECAST / BUDGET 2026/27

Cabinet considered a report of the Corporate Finance & Governance Portfolio Holder (A.3) which enabled it to consider the latest financial forecast and budget proposals for 2026/27 for consultation with the Resources and Services Overview and Scrutiny Committee.

It was reported that the financial position of Tendring District Council remained sound and the proposed budget assessed how the Council could successfully address future key cost pressures. The Council awaited the full financial implications of the Government's Fairer Funding Settlement and the changing approach to business rates retention system, which would have an impact on the Council's final position. Therefore, the forecast to date reflected the identification of key cost pressures which needed to be addressed in this report; however, when the final budget position was confirmed further opportunities for funding priorities and cost pressures would be determined. The budget proposals outlined in this report presented a two-year approach and sat with the revised key priorities to 2028 and the associated business plans and together formed an holistic approach to the two-year window leading up to 1 April 2028 (the potential vesting day for the new Unitary authority should Local Government Reorganisation (LGR) proceed on the Government's current timetable for Greater Essex).

Cabinet was aware that the cost of the new waste contract had presented a significant financial challenge and when taken into account with the potential impact of LGR, which had emerged / evolved since the last forecast had been considered in February 2025, it presented an important financial 'cross roads' that set the financial context over the next two years, which could be the Council's last two budget 'cycles' ahead of a successor Unitary Council being established and in place from 1 April 2028.

With the above in mind, it had been acknowledged that there was an underlying and critical need to revisit / revise the Council's financial plans over the next two years and that Portfolio Holders and Officers would be undertaking a number of activities to enable the necessary detailed information and a funded two year financial plan (2026/27 and 2027/28) to be presented to Cabinet.

It was believed that such an approach would enable the Council to bring together a number of potential risks and opportunities that could be considered collectively and would place the Council in a strong position to support the continued protection of front line services, timely investment in other priorities, alongside meeting any emerging statutory obligations relating to the incoming new Unitary Council from as early as April 2028.

Members were informed that the above had included the identification of savings and responding to cost pressure and investment priorities. Although a significant amount of work had been completed to date, activities remained on-going that would culminate in final budget proposals being presented to Full Council in February 2026.

Based on the above approach, the forecast had therefore been updated to cover a shorter period of two years, along with a review of savings, efficiencies and cost pressures as set out in the respective appendices.

Cabinet was advised that a key element of the proposed two-year plan was to bring together a number of one-off existing budgets / reserves to be held in two Corporate Investment funds (one revenue and one capital).

It was highlighted that the revised forecast was set out within Appendix E, which included all of the elements highlighted above and presented a position that could be prudently funded / supported by the Forecast Risk fund over the two-year plan.

Cabinet was made aware that the forecast included a Council Tax increase of 2.99%. This was the maximum permitted amount without having to hold a referendum, and reflected the commitment made by the Government in its recent announcements.

Members were cognisant that the forecast remained subject to being updated in readiness for reporting to Cabinet in January 2026, which would need to take into account the multi-year Local Government Finance Settlement announced by the Government along with additional cost pressure items as necessary.

In terms of the Local Government Finance Settlement, a number of fairly complex changes were proposed that sought to address the inherent complexity within historic settlements. Such changes included the impact of the Government's business rates 'reset' and the merging of various existing Government funding 'pots'.

Cabinet was informed that, an annual review of reserves had also been undertaken, which highlighted the need to continue to maintain a number of reserves to support key actions / activities as part of the Council's overall prudent and sustainable approach to managing its finances, but also enabled a limited number of reserves to be 'released' to support the proposed two year 'work programme' approach.

It was pointed out that the work that had been undertaken to date was captured across the various appendices to this report and together with the commentary set out within the report, a timely and comprehensive position was presented against which the necessary consultation with the Resources and Services Overview and Scrutiny Committee could be undertaken.

It was considered that this report also provided a timely opportunity to consider / accept funding of £210,298 that had been made available through Sport England's Place Partnerships programme, to complete priority actions from the Council's approved Sport and Activity Strategy. This allocation formed part of a broader funding package totalling £814,798, with various partners serving as delivery agents.

The Corporate Finance and Governance Portfolio Holder placed on record his thanks to the Finance Team for all of their hard work.

In order to set out the latest financial forecast as part of the process of developing the budget proposals for 2026/27 for consultation purposes:-

It was moved by Councillor Stephenson, seconded by Councillor Smith and:-

RESOLVED that Cabinet –

a) approves the updated Financial Forecast and proposed budget position for 2026/27, as set out in the Portfolio Holder's report (A.3) and its appendices;

b) formally requests the Resources and Services Overview and Scrutiny Committee's comments on this latest financial forecast and proposed position for 2026/27, as required by the Council's Budget and Policy Framework Procedure Rules; and

c) formally accepts, on behalf of the Council, funding of £210,298 from Sport England's Place Partnerships Programme, and requests Officers to bring forward a separate report as part of the associated actions necessary to proceed with those projects.

90. CABINET MEMBERS' ITEMS - REPORT OF THE HOUSING & PLANNING PORTFOLIO HOLDER - A.4 - APPROVAL OF DRAFT HOUSING STRATEGY 2026/30 FOLLOWING CONSULTATION

Cabinet considered a report of the Housing & Planning Portfolio Holder (A.4) which informed it of the outcome following the consultation on the draft Housing Strategy 2026-30 and which sought Cabinet's approval of the final Housing Strategy 2026-30.

Cabinet recalled that, at its meeting held on 26 September 2025, it had approved a draft Housing Strategy 2026-30 for consultation. That consultation had been launched on 6 October 2025 with a questionnaire available on the Council's website.

It was reported that 24 responses to the consultation had been received via the online survey form with 92% agreeing with the proposed length of the strategy and 92% agreeing with the four strategic priorities. Several comments had been received that were summarised within the Portfolio Holder's report.

Members were advised that Essex County Council (ECC) had submitted a detailed response (as attached as Appendix B to the Portfolio Holder's report) that in essence stated: *"ECC welcomes the development of this Housing Strategy and the clear articulation of Tendring's priorities. The document is well-structured and provides a strong narrative about the local context, including the challenges of deprivation, an ageing population, and housing affordability. We particularly value the emphasis on partnership working and the recognition of the role of Essex County Council in delivering shared objectives."*

Overall, the responses to the consultation had not required the draft strategy to be substantially altered. Reflecting the feedback received, some minor additions had been made. The proposed final version of the strategy set out notable achievements along with ambitions across four strategic priorities:-

1. Maintain and improve our existing housing stock.

This focussed on the Council's role as a landlord and the management of its homes ensuring compliance with its statutory obligations along with the Consumer Standards and Tenant Satisfaction Measures

2. Preventing and reducing homelessness.

With homelessness having increased and most councils facing significant cost pressures this priority set out what the Council was doing to reduce expenditure and increase its prevention work.

3. Delivering, with partners, high quality homes.

This priority focused on the delivery of affordable housing in the District.

4. Supporting people in their homes and communities.

This priority was aimed at those living in the privately rented sector and those owning their own homes and set out what the Council was doing to ensure housing standards were maintained across all tenures.

The Housing and Planning Portfolio Holder read out the following statement:-

"Leader, I bring this report to Cabinet, asking it to approve that the Housing Strategy 2026-2030, shown at Appendix A, be presented to Council for adoption at the next full Council meeting on Tuesday 27th January 2026.

Cabinet will recall that at our meeting in September, I had asked for that a draft Housing Strategy be approved for consultation, which was agreed. The consultation took place from 6th October to 14th November, with a questionnaire available to be completed on the Council's website.

24 responses were received via the online form, of which 92% agreed with the length of the strategy and 92% agreeing with the four strategic priorities.

Braintree District Council responded via the online form, as did Colchester Borough Homes, while Essex County Council submitted a detailed response, which is attached to this report at Appendix B.

Members of the Council's Tenants Panel also responded with their comments.

Overall, the responses received have not required the draft strategy to be substantially altered, where it has been they are shown in red on the document attached at Appendix A to this report, with the exception of minor typographical amendments.

Leader, if one looks at Pages 193 to 195, a more detailed explanation of the responses to the consultation can be found.

The draft strategy was also shared with the Resources and Services Overview Scrutiny Committee's Task and Finish Group on Housing and Homelessness, who discussed it at a meeting in early November, and were largely supportive of it. That Task and Finish group has not had the opportunity yet to feed back to the main committee, which is expected to be at its next meeting in January.

As I stated at our September meeting, local authorities are not required by Government to have a formal housing strategy, but they are expected to adopt a strategic approach to housing in their local areas to deliver a thriving housing market and address local needs, with this council's current Housing Strategy 2020-2025, being closely followed by this final strategy, running from 2026 to 2030.

This also ensures that there is a slight overlap into the tenure of the new Unitary authority, that will no doubt form its own views on its own strategy, as a result of LGR.

Also as a result of devolution the Mayor will have a greater voice on strategic housing and planning matters, albeit the timeline for that has now changed.

Apart from setting out the four main priorities for the next five years, which are:

1. ***Maintain and improve our existing housing stock.***

This focuses on the Councill's role as a landlord and the management of its homes ensuring compliance with statutory obligations along with the Consumer Standards and Tenant Satisfaction Measures

2. ***Preventing and reducing homelessness.***

With homelessness having increased and the majority of councils facing significant cost pressures, this priority is setting out what the Council is doing to reduce expenditure and increase its prevention work.

3. ***Delivering, with partners, high quality homes.***

This priority focuses on the delivery of affordable housing in the district

4. ***Supporting people in their homes and communities.***

This priority is aimed at those living in the privately rented sector and those owning their own homes and sets out what the Council is doing to ensure housing standards are maintained across all tenures.

It also sets out those achievements of the previous strategy, as well as outlining some ambitions, which is intentional, rather than targets and do not have timescales associated with them.

Leader, the recommendations are shown on Page 192 of the Agenda, the third is included in order that amendments to the strategy prior to full council may be made, in response to any recommendations made by the Resources and Services O&S Committee."

In relation to the following paragraph contained within the Portfolio Holder's report and specifically the sentence highlighted in bold, the Leader of the Conservative Group asked how the Cabinet would take ownership of this:-

"A key point to emerge from the consultation is the absence of an action plan or specific targets associated with each priority. The strategy was originally drafted as a document that does not tie the Council to specific targets and as such sets out a series of ambitions under each priority area that the Council will seek to deliver during the period of time the strategy covers. ***This remains the case in the final version although once approved Officers will develop a document that captures each ambition and measures progress with each****."*

The Housing and Planning Portfolio Holder responded that he would have ownership through his regular meetings with Officers and that he would work with them to achieve those ambitions as much as possible. He reiterated that they would be ambitions and not targets that would tie the Council too much to a timeline. The Portfolio Holder reminded the meeting that this Council would only remain in existence for a little over two years. Some of those might be achieved in that time and some might not and would be left for the new Unitary Authority.

In order to:-

(1) ensure that the new Housing Strategy was appropriately adopted, following consultation with the public, other relevant authorities and both internal and external stakeholders, in accordance with the Council's Constitution; and

(2) acknowledge appropriately that the Resources and Services Overview and Scrutiny Committee had yet to review the proposed final version of the Housing Strategy, although a Task and Finish Working Group had discussed the draft strategy at a meeting on 3 November 2025 and had been largely supportive of it, and was due to report to the Committee on 14 January 2026:-

It was moved by Councillor Baker, seconded by Councillor Henderson and:-

RESOLVED that Cabinet –

(a) notes the responses to the consultation on the draft Housing Strategy 2026-30;

(b) agrees the final Housing Strategy 2026/30 and recommends it for adoption by Full Council at its meeting to be held on 27 January 2026; and

(c) authorises the Portfolio Holder for Housing & Planning to make amendments to the final version of the strategy prior to its approval by Full Council in response to any recommendations made by the Resources and Services Overview and Scrutiny Committee at its meeting on 14 January 2026.

91. CABINET MEMBERS' ITEMS - JOINT REPORT OF THE HOUSING & PLANNING PORTFOLIO HOLDER AND THE CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER - A.5 - UPDATED HOUSING REVENUE ACCOUNT BUSINESS PLAN AND BUDGET PROPOSALS 2026/27

Cabinet considered a joint report of the Housing & Planning Portfolio Holder and the Corporate Governance & Finance Portfolio Holder (A.5) which set out and sought Cabinet's approval of an updated Housing Revenue Account (HRA) Business Plan, which included proposed changes to the budget in 2025/26 along with HRA budget proposals for 2026/27.

It was reported that, in continuing the approach from previous years, an HRA Business Plan was maintained on an on-going basis, with the most up to date position in December each year being 'translated' into the detailed budget for the following year for consultation with the Resources and Services Overview and Scrutiny Committee.

Cabinet was advised that several changes had been made to the Business Plan that largely reflected increased costs / inflationary uplifts. Some of those costs were also being experienced in 2025/26, with corresponding adjustments set out accordingly.

Members were made aware that, in accordance with its earlier commitments, the Government had issued rent setting guidance that was expected to remain in place for up to 10 years, which set out annual increases of up to CPI+1% each year over the 10-year period. In-line with this guidance, it was proposed to increase rents by CPI+1% in 2026/27. Based on the relevant reference CPI rate of 3.8%, the proposed increase in 2026/27 would be 4.8%.

As was the case in previous years, it was acknowledged that, although Councils could set lower increases, this would be a very difficult approach to adopt in terms of the future sustainability of the HRA Business Plan, given the 'telescopic' impact this would have, along with the imbalance it would create, as expenditure could increase ahead of corresponding increases in rental income.

Cabinet was informed that, based on the above, the average weekly rent proposed for 2026/27 was £108.46 (£103.49 in 2025/26). After considering the various adjustments set out in Appendix A, annual deficits of £1.278m and £0.650m were forecast for 2025/26 and 2026/27 respectively, which could be met by using money from reserves.

Members were aware that, as had been the case in previous years, this formed part of a managed approach with the corresponding use of reserves seeking to maintain the necessary balance of 'protecting' the investment in tenants' homes whilst recognising the need to use reserves to respond to the on-going financial challenges that the HRA continued to face. It was however recognised that this was not a sustainable long-term solution, but it enabled the Council to continue to meet its key priorities in the immediate term whilst acknowledging that future years of the forecast were expected to deliver offsetting annual surpluses from as early as 2028/29. Those future forecast surpluses were primarily achievable via the planned reduction in debt and interest costs, as outstanding loans were repaid alongside the longer-term certainty provided by the Government's commitment to a ten-year rent setting policy of CPI + 1%.

It was highlighted that HRA debt continued to reduce year on year as principal was repaid with a total debt position at the end of 2026/27 forecast to be £29.706m, which considered the refinancing of an historic loan via the continuation of an internal borrowing approach.

The HRA Capital Programme also reflected the commitment to maintain the necessary investment in the existing homes of tenants along with building / acquiring properties that were supporting additions to the existing stock to meet housing need, including those previously disposed under right-to-buy, which reflected the Council's realigned priorities.

Members were made aware that HRA General Balances were currently estimated to total £2.124m at the end of 2026/27 (after taking account of the use of balances highlighted above) that remained available to support the 30-year Business Plan and associated risks to the forecast.

It was pointed out that there would undoubtedly be further changes required to the forecast before the detailed estimates were finalised for reporting to Cabinet in January

2026, which would provide the opportunity to revisit / revise the plan / budget as necessary.

Cabinet was cognisant that this approach to the development of the HRA Business Plan would also enable the continuation of a relatively strong financial position and provide flexibility to respond to statutory obligations that were expected to emerge in respect of any incoming new Unitary Council from as early as April 2028, as part of the Government's Devolution Priority Programme and their current timetable for Local Government Reorganisation for Greater Essex.

Cabinet noted that, in addition to requesting comments from the Resources and Services Overview and Scrutiny Committee, the outcome from consultation with the Tenants' Panel would be formally reported to Cabinet in January 2026, when the final HRA budget proposals would be considered for recommending onto Full Council in February 2026.

To enable Cabinet to agree the most up to date HRA Business Plan which set out a revised position for 2025/26, along with the proposed HRA budget for 2026/27, for consultation with the Resources and Services Overview and Scrutiny Committee:-

It was moved by Councillor Stephenson, seconded by Councillor Baker and:-

RESOLVED that Cabinet –

(a) approves the updated Housing Revenue Account (HRA) 30-year Business Plan, which includes the proposed revised position for 2025/26, along with HRA budget proposals for 2026/27; and

(b) requests the Resources and Services Overview and Scrutiny Committee's comments on this latest HRA financial forecast, as required by the Council's Budget and Policy Framework Procedure Rules.

92. MANAGEMENT TEAM ITEMS

There were no Management Team items for Cabinet to consider on this occasion.

93. SEASONAL SALUTATIONS

As this was the last meeting of the Cabinet in 2025, the Leader of the Council wished everyone present a very merry Christmas and a happy new year, 2026.

The Meeting was declared closed at 11.11 am

Chairman