



CABINET

DATE:	Friday, 23 March 2018
TIME:	10.30 am
VENUE:	Princes Theatre, Town Hall, Clacton-on-Sea, CO15 1SE

MEMBERSHIP:

Councillor Stock OBE	- Leader of the Council
Councillor C Guglielmi	- Finance and Corporate Resources Portfolio Holder and Deputy Leader of the Council
Councillor Fairley	- Investment and Growth Portfolio Holder
Councillor Honeywood	- Housing Portfolio Holder
Councillor McWilliams	- Health and Education Portfolio Holder
Councillor Nicholls	- Corporate Enforcement Portfolio Holder
Councillor Skeels (Snr)	- Leisure and Tourism Portfolio Holder
Councillor Talbot	- Environment Portfolio Holder

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For further details and general enquiries about this meeting, contact Ian Ford on 01255 686584.

DATE OF PUBLICATION: WEDNESDAY 13 MARCH 2018

AGENDA

1 Apologies for Absence

The Cabinet is asked to note any apologies for absence received from Members.

2 Minutes of the Last Meeting (Pages 1 - 16)

To confirm and sign the minutes of the last meeting of the Cabinet held on Friday 16 February 2018.

3 Declarations of Interest

Members are invited to declare any Disclosable Pecuniary Interests, or other interests, and the nature of them, in relation to any item on the agenda.

4 Announcements by the Leader of the Council

The Cabinet is asked to note any announcements made by the Leader of the Council.

5 Announcements by Cabinet Members

The Cabinet is asked to note any announcements made by Members of the Cabinet.

6 Matters Referred to the Cabinet by the Council

There are none on this occasion.

7 Matters Referred to the Cabinet by a Committee

There are none on this occasion.

8 Leader of the Council's Items

There are none on this occasion.

9 Cabinet Members' Items - Report of the Finance and Corporate Resources Portfolio Holder - A.1 - Programme of Meetings 2018/2019 Municipal Year (Pages 17 - 22)

To enable Cabinet to give consideration to the programme of meetings for the 2018/2019 Municipal Year.

10 Cabinet Members' Items - Report of the Housing Portfolio Holder - A.2 - The Closure of two Sheltered Housing Schemes (Pages 23 - 30)

To inform Cabinet of the outcome of formal consultations in relation to the proposed closure of the Spendells and Honeycroft sheltered housing schemes and seek agreement to close the schemes.

11 Management Team Items

There are none on this occasion.

12 Exclusion of Press and Public

The Cabinet is asked to consider the following resolution:

“That under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of Agenda Items 13 and 14 on the grounds that they involve the likely disclosure of exempt information as defined in the relevant paragraphs of Part 1 of Schedule 12A, as amended, of the Act.”

13 Exempt Minute of the Meeting held on Friday 16 February 2018 (Pages 31 - 34)

To confirm and sign the exempt minute of the meeting of the Cabinet held on Friday 16 February 2018.

14 Cabinet Members' Items - Report of the Environment Portfolio Holder - B.1 - Kerbside Waste and Recycling and Street Cleansing Contract - Appraisal of Options (Pages 35 - 52)

To provide Cabinet with options for the future delivery of the waste and recycling and street cleansing contracts.

Date of the Next Scheduled Meeting

The next scheduled meeting of the Cabinet is to be held in the Essex Hall, Town Hall, Clacton-on-Sea, CO15 1SE at 10.30 am on Friday, 20 April 2018.

The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Notice of Intention to Conduct Business in Private

Notice is hereby given that, in accordance with Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, Agenda Item Nos. 13 and 14 are likely to be considered in private for the following reason:

The items detailed below will involve the disclosure of exempt information under Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) to Schedule 12A, as amended, to the Local Government Act 1972:

Exempt Minute of the Meeting held on Friday 16 February 2018

Cabinet Members' Items - Report of the Environment Portfolio Holder - B.1 - Kerbside Waste and Recycling and Street Cleansing Contract - Appraisal of Options

Information for Visitors

ESSEX HALL **FIRE EVACUATION PROCEDURE**

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**MINUTES OF THE MEETING OF THE CABINET, HELD ON FRIDAY 16 FEBRUARY 2018
AT 10.35 A.M. IN THE ESSEX HALL, TOWN HALL, CLACTON-ON-SEA**

PRESENT:

Councillor G V Guglielmi
Councillor Z J Fairley
Councillor P B Honeywood
Councillor L A McWilliams
Councillor F H Nicholls
Councillor M J D Skeels
Councillor M J Talbot

PORTFOLIO:

Deputy Leader of the Council & Portfolio Holder for Finance and Corporate Resources (Chairman)
Portfolio Holder for Investment and Growth
Portfolio Holder for Housing
Portfolio Holder for Health and Education
Portfolio Holder for Corporate Enforcement
Portfolio Holder for Leisure and Tourism
Portfolio Holder for Environment

Group Leaders Present by Standing Invitation: Councillors I J Henderson (Leader of the Labour Group) and M E Stephenson (Leader of the UKIP Group)

In Attendance: Chief Executive (Ian Davidson), Corporate Director (Corporate Services) (Martyn Knappett), Corporate Director (Operational Services) (Paul Price), Corporate Director (Planning and Regeneration) (Ewan Green), Head of Customer and Commercial Services (Mark Westall), Head of IT and Corporate Resilience (John Higgins), Committee Services Manager (Ian Ford), Leadership Support Manager (Lizzie Ridout) and Communications and Public Relations Manager (Will Lodge)

139. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors J A Broderick (Leader of the Holland Residents' Group), A Pemberton (Deputy Leader of the Non-Aligned Group), N R Stock OBE (Leader of the Council) and G G I Scott (Leader of the Tendring First / Liberal Democrats Group).

140. MINUTES OF THE MEETING HELD ON FRIDAY 19 JANUARY 2018

It was **RESOLVED** that the minutes of the meeting of the Cabinet, held on Friday 19 January 2018, be approved as a correct record and signed by the Chairman.

141. DECLARATIONS OF INTEREST

Councillor G V Guglielmi indicated that he would declare an interest in relation to Agenda Item 9 - Matters referred to the Cabinet by a Committee - Reference from the Service Development and Delivery Committee - A.3 – Honeycroft and Spendells Sheltered Housing Schemes Review.

142. ANNOUNCEMENTS BY THE LEADER OF THE COUNCIL

The Deputy Leader of the Council (Councillor G V Guglielmi) was pleased to announce that Sue Honeywood had been re-elected to the Council in the St Pauls Ward by-election held the previous day. He asked Councillor Paul Honeywood to pass on his congratulations to Sue.

143. ANNOUNCEMENTS BY CABINET MEMBERS

Waste, Recycling and Street Cleaning Contracts

The Portfolio Holder for the Environment (Councillor Talbot) read out the following statement:-

“The waste contract with Veolia which commenced in 2012, provided for an extension to the contract, if mutually agreed, at the end of the contract’s seven year duration. Discussions have taken place between Veolia and our Officers and I will be recommending this option to extend the contract subject to considering the outcome from the consultation process.

I am pleased to say that talks with Veolia have produced a package of waste, recycling and street cleaning options, with minor variations, that we requested and at a price that we in Tendring can afford.

I have asked that these proposals are put out for a full public consultation exercise beginning this morning and lasting one month until 16 March 2018. This will be carried out to obtain the views of the residents of the District on the proposed minor variations and the outcome will be reported back to Cabinet and fully considered before any final decision is made.

Most importantly this consultation will include the all Members’ briefing and consultation on the subject that I promised would be put to elected Members when we had something worth considering. This particularly important meeting is next Wednesday 21 February 2018.

This Member meeting on kerbside waste and recycling and street cleansing contract will be led by Paul Price, Corporate Director and Jonathan Hamlet our Street Scene Officer.

It is my express wish that all elected Members respond to the consultation and that collectively do all we can to encourage the public to let us know their views on the current proposals.

The consultation document will set out what is offered, which I think is a good deal, but we must await the public’s verdict.”

144. MATTERS REFERRED TO THE CABINET BY THE COUNCIL

There were no items referred to the Cabinet by the Council on this occasion.

145. MATTERS REFERRED TO THE CABINET BY A COMMITTEE - REFERENCE FROM THE COMMUNITY LEADERSHIP AND PARTNERSHIPS COMMITTEE - A.1 – GREAT BENTLEY PRIMARY SCHOOL WELL-BEING HUB

Cabinet was made aware that, at the meeting of the Community Leadership and Partnerships Committee held on 8 January 2018, the Council’s Executive Projects Manager (Rebecca Morton) had attended and had provided that Committee with information on the Great Bentley Primary School Well-Being Hub, which had included the following:

- (1) An overview of the Well-Being Hub;
- (2) Training provided for staff;
- (3) Recognising and expressing emotions;
- (4) Skills, tools and techniques;
- (5) Removing barriers to enable children to learn;
- (6) Dealing with challenges faced in the future;
- (7) Themed groups as part of the pilot – Play, Art, Construction and Science; and
- (8) Evaluation of the first full term

A presentation which had been provided by Tracey Caffull (Executive Head Teacher – Great Bentley and Frinton Primary Schools) was also circulated to the Committee and the Executive Projects Manager provided information on each section. That presentation covered the following:

- (1) The pressure to be perfect;
- (2) Action;
- (3) Results;
- (4) Summary;
- (5) What is needed next; and
- (6) Moving forward.

The Council's Health and Education Portfolio Holder (Councillor McWilliams) had informed the Committee that she had visited the Well-Being Hub on a few occasions and that she thought that it was very interesting and had encouraged Members to visit to take a look. The Health and Education Portfolio Holder had further informed the Committee that she had visited during one of the first sessions and again to one of the later sessions and had been amazed at the positive changes.

The Committee had then given the opportunity to ask questions which were responded to by the Executive Projects Manager. The Committee had then thanked the Executive Projects Manager for all the information that she had provided.

Following discussion, it had been agreed by the Community Leadership and Partnerships Committee that it be recommended and commented to Cabinet that -

- (a) contact should be made with Essex County Council in order to request that full funding is provided to enable further Well-Being Hubs across the District; and that*
- (b) the Committee would like to congratulate those involved in introducing the Well-Being Hub and the success that had been achieved so far and that the Committee fully supports it.*

Having considered the Community Leadership and Partnerships Committee's recommendation and comment:

It was moved by Councillor McWilliams, seconded by Councillor Fairley and –

RESOLVED that

- (a) contact be made with Essex County Council in order to request that full funding is provided to enable further Well-Being Hubs across the District; and that
- (b) Cabinet endorses the congratulations of the Committee on the success of the Wellbeing Hub and also fully supports the work that the Hub is doing.

146. MATTERS REFERRED TO THE CABINET BY A COMMITTEE - REFERENCE FROM THE COMMUNITY LEADERSHIP AND PARTNERSHIPS COMMITTEE - A.2 - MENTAL HEALTH HUB

Cabinet was made aware that, at the meeting of the Community Leadership and Partnerships Committee held on 8 January 2018, that Committee had received a presentation on the Mental Health Hub from Chris Bird (Treasurer - Citizens Advice Tendring), Melanie Hammond (Operations Director - Citizens Advice Tendring) and Clare Munday (Manager - Tendring Mental Health Hub). The presentation had included information on the following:

- (1) Clients with mental health problems;
- (2) Help provided and interventions;
- (3) Benefit sanctions;
- (4) Mental Health Hub functions;
- (5) Client journeys;
- (6) Case study;
- (7) Statistics;
- (8) Solving practical problems saves money;
- (9) Achievements 2017/18; and
- (10) Next steps.

Following on from that presentation Members had been given the opportunity to ask questions. The Chairman of the Committee had then thanked Chris Bird, Melanie Hammond and Clare Munday for the information that they had provided and also for all of their hard work.

Following discussion, it had been agreed by the Community Leadership and Partnerships Committee that it be recommended to Cabinet that Cabinet should -

- (a) *make contact with the Mental Health Trust in order to establish if they would consider being partners in this successful scheme;*
- (b) *investigate whether as a partnership, access to Leisure Centres could be offered to those suffering from mental health problems in the District; and*
- (c) *investigate if any help or intervention for those with mental health issues is offered by the Council's Housing Section to those who are affected by benefit sanctions and are threatened with homelessness.*

Cabinet had before it the following comments made in response thereto by the Health and Education Portfolio Holder –

“In response to a) Officers have recently met with representatives from the Essex Partnership University Trust which provides the over 18 mental health service in Essex. Following on from that meeting, representatives from the Trust will be attending a future Community Safety Partnership Networking Meeting and this will provide an opportunity to consider how the Trust can further engage in partner activities being provided across Tendring including the Mental health Hub.

In response to b) some people with mental health issues are already referred to our Leisure facilities by their GPs through the Exercise Referral Scheme. Officers can explore with other agencies whether it would be possible to expand the routes by which such users are referred.

In response to c) a person who is vulnerable as a consequence of mental illness could be owed a duty of care with accommodation if they are homeless. Vulnerable in a homelessness context refers to the person's ability to cope with a homelessness situation. Not everyone with a mental illness will meet the vulnerability criteria as set out in legislation and case-law. In deciding if someone is vulnerable as a result of mental illness, the Council seeks independent medical advice from a psychiatrist before making a decision. Mental illness is a “protected characteristic” under the Equality Act 2010 so the Council must have regard to this legislation when making decisions. If a person has accommodation but claims their mental health is suffering as a consequence of their living conditions, this is something that can be taken into account if they are on the housing register. The Council is also obliged under legislation to take account of any

disability or vulnerability, including mental health, when undertaking any housing enforcement action.”

Having considered the Community Leadership and Partnerships Committee's recommendation and comment:

It was moved by Councillor McWilliams, seconded by Councillor Nicholls and –

RESOLVED that the comments of the Portfolio Holder be noted and the actions identified be undertaken.

147. MATTERS REFERRED TO THE CABINET BY A COMMITTEE - REFERENCE FROM THE SERVICE DEVELOPMENT AND DELIVERY COMMITTEE - A.3 - HONEYCROFT AND SPENDELLS SHELTERED HOUSING SCHEMES REVIEW

Councillor G V Guglielmi declared an interest in the subject matter of this item and took no part in the discussion thereof or the voting thereon.

The Cabinet was made aware that, at the Service Development and Delivery Committee meeting held on 15 January 2018, the Committee had been requested to formally respond to the consultation on the principle of closing the Spendells and Honeycroft Sheltered Housing Schemes. Members of that Committee had had before them for their reference and information the related report of the Portfolio Holder for Housing which had been submitted to the meeting of the Cabinet held on 10 November 2017.

The Head of Housing (Tim R Clarke) had given a presentation to the Committee on the review of the Spendells and Honeycroft Sheltered Housing Schemes. That presentation had covered the following matters:-

- a) the statutory consultation with the tenants at both Spendells and Honeycroft schemes had commenced;
- b) Cabinet had concluded that it was no longer financially viable to continue with the schemes at both Honeycroft and Spendells for the reasons set out in the report;
- c) water testing at Honeycroft had identified unsatisfactory results and subsequently, as part of the consultation process all residents had relocated to alternative properties with secure tenancies, and an option to move again should they wish to do so; and
- d) the tenants at Spendells had all requested to move out of the scheme and be relocated, with suitable properties being found for all 10 residents on secure tenancies with moves due to be completed over the next 3-4 weeks. During the consultation, 2 responses were received, one being positive and the Town Council had expressed a concern to the scheme closing.

Members of the Committee had then expressed a concern that the schemes would remain vacant for some time pending a decision from Cabinet on the future options for redevelopment.

Following discussion, it had been agreed by the Service Development and Delivery Committee that Cabinet be informed that the Committee supports the recommendations to Cabinet in its report of 10 November 2017 in that:

- (i) *the Spendells and Honeycroft Sheltered Housing schemes had proven to be unpopular for several years due to their shared facilities and dated design and that it was economically unviable for the Housing Revenue Account to continually subsidise the on-going and increasing revenue loss of rental income at the schemes;*
- (ii) *the commencement of formal consultation on the principle of closing both the schemes with residents in accordance with Section 105 of the Housing Act 1985;*
- (iii) *the Portfolio Holder for Housing had attended to present the outcome of the viability work for each scheme to the Committee, during the consultation period;*
- (iv) *the outcome of formal consultation along with more detail on the costs associated with closure will be reported back to Cabinet to inform the final decisions on the future of these schemes;*
- (v) *an associated budget of £200,000 within the HRA in 2017/18, to support residents throughout the whole process, funded from the HRA General Reserve had been established;*
- (vi) *officers had been authorised to commence preparations to secure alternative accommodation for affected residents in the event that Cabinet decides to close the schemes, including holding open voids at other sheltered schemes;*
- (vii) *further work be undertaken by officers exploring the provision of alternative sheltered type housing accommodation after detailed financial modelling within the HRA;*
- (viii) *in addition, the Committee were pleased to note that there had been successful and proposed relocation of the residents at both schemes to alternative properties on secure tenancies; and*
- (ix) *that Cabinet ensures that the properties at both Honeycroft and Spendells are not left vacant for longer than necessary and are made safe until final decisions are made as to their future.*

The Housing Portfolio Holder thanked the Service Development and Delivery Committee for its support of the Cabinet's previous decisions on this matter.

Having considered the submission of the Service Development and Delivery Committee:

It was moved by Councillor Honeywood, seconded by Councillor Fairley and –

RESOLVED that Cabinet notes and welcomes the support of the Service Development and Delivery Committee in this matter.

NOTE: In accordance with the provisions of Council Procedure Rule 19.5, Councillor G V Guglielmi requested that he be recorded in the minutes as having abstained from voting on Councillor Honeywood's' motion.

147. **MATTERS REFERRED TO THE CABINET BY A COMMITTEE - REFERENCE FROM THE SERVICE DEVELOPMENT AND DELIVERY COMMITTEE - A.4 – THE PUBLIC CONVENIENCES STRATEGY AND THE PROGRESS TOWARDS MEETINGS ITS KEY AIMS AND OBJECTIVES**

Cabinet was made aware that, at the Service Development and Delivery Committee meeting held on 15 January 2018, that Committee had received an update from the Head of Public Realm (Ian Taylor) on the Council's Public Convenience Strategy and the progress being made towards meeting its key aims and objectives.

The Committee had been informed that since Cabinet had identified ten public conveniences for closure, across the District, the following nine had been actioned:

- Ipswich Road, Holland-on-Sea
- Westcliff Gents, Clacton-on-Sea
- Magdalen Green, Clacton-on-Sea
- Garden Road, Clacton-on-Sea
- Old Way, Frinton-on-Sea
- Mill Lane, Walton-on-the-Naze
- The Naze, Walton-on-the-Naze
- Cemetery, Dovercourt; and
- The Cliff, Dovercourt.

The Committee had then been further informed that the facilities in High Street Car Park, Clacton-on-Sea would remain open whilst the refurbishment of those in Rosemary Road, Clacton-on-Sea were completed where provision for charging was also under consideration. Refurbishment at The Quay, Harwich was ongoing. Refurbishment at Promenade Way Brightlingsea was also underway with design work being sought and refurbishment planned for completion before summer 2018 as well as other new schemes such as a further Changing Place facility in Walton.

The Head of Public Realm had then confirmed that the closure and refurbishment programmes had been delivered during the same period the cleaning and repair and maintenance services contracts for public toilets had been returned to being provided in-house.

The Committee had also been informed that the target for savings would be met and that discussions were ongoing around the varied future uses of the buildings in accordance with the Council's adopted Property Dealing Procedure.

The Committee had then expressed their thanks and appreciation to the Officers for their hard work.

Following discussion, it had been agreed by the Service Development and Delivery Committee that Cabinet be informed that the Committee supports Cabinet's approach and its Public Convenience Strategy including the continuation of exploring charging at further facilities where appropriate to do so.

The Leisure and Tourism Portfolio Holder thanked the Service Development and Delivery Committee for its support of the Cabinet's approach in this matter.

Having considered the submission of the Service Development and Delivery Committee:

It was moved by Councillor Skeels Snr., seconded by Councillor McWilliams and –

RESOLVED that Cabinet notes and welcomes the support of the Service Development and Delivery Committee in this matter.

148. LEADER OF THE COUNCIL'S ITEMS

There were no items submitted by the Leader of the Council on this occasion.

Cabinet Members' Items – Report of the Portfolio Holder for Finance and Corporate Resources**149. PERFORMANCE REPORT OCTOBER - DECEMBER 2017 – QUARTER THREE REPORT (Report A.5)**

There was submitted a report by the Portfolio Holder for Finance and Corporate Resources (A.5), which presented the Performance Report for the period October to December 2017 (Quarter Three).

Cabinet was aware that the Performance Report 2017/18 set out the detailed actions and targets for the delivery of the Council's priorities throughout the year.

It was reported that three of the indicators and projects highlighted in the report were deemed 'non measurable' as the Council's role was that of 'influence' only. Of the 16 indicators and projects where performance was measured, 14 (88%) were on, or above, their expected target and 2 (12%) were not currently in line with the expected performance. Explanations of the performance and the supporting data were included under each topic in the report.

Cabinet was informed that the report would be presented to the Corporate Management Committee at its meeting scheduled for 12 March 2018.

Having considered the information provided, it was moved by Councillor G V Guglielmi, seconded by Councillor Honeywood and -

RESOLVED that the contents of the report be noted.

150. REPORT OF FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER - A.6 - CORPORATE BUDGET MONITORING REPORT FOR THE THIRD QUARTER OF 2017/18

There was submitted a detailed report and appendices by the Portfolio Holder for Finance and Corporate Resources (A.6), which provided Cabinet with an overview of the Council's actual financial position against the budget as at the end of December 2017 (Quarter Three).

Cabinet was informed that the position to the end of December 2017, as set out in more detail in the Executive Summary to the aforementioned report, showed that overall the actual General Fund Revenue position was behind the profiled budget by £2.027m. After allowing for significant one-off budgets (such as the Fit for Purpose Budget), where commitments or decisions had still to be made, the position could be revised down to £0.245m behind the profiled budget.

It was reported that for other areas of the budget such as the Housing Revenue Account, capital programme, collection performance and treasury activity, apart from additional details set out in Portfolio Holder's report, there were no further issues to highlight to date.

Cabinet recognised that, as in previous years, a number of smaller variances within services had emerged over the course of the year that would not necessarily be specifically highlighted or discussed within the Corporate Budget Monitoring reports. Although a significant number of budgets had been revised as part of the financial

strategy process, it was still possible that a range of smaller variances might remain at the end of the year and contribute to the overall position. In addition, a number of budgets that related to schemes / initiatives or earmarked for specific purposes that might not be fully spent by the end of the year and could be subject to end of year processes such as carry forward requests remained committed. However, at this stage and after taking into account the current position and information available it was anticipated by the Portfolio Holder that any adverse issues would be offset by favourable variances elsewhere within the overall budget at the end of the year.

Cabinet was made aware that the opportunity had been taken to bring together a number of business investment and growth budgets within both the revenue account and capital programme. Further details were before Members in the Portfolio Holder's report along with an associated recommendation.

The overview before Cabinet covered the following areas of the budget:-

- (1) General Fund Revenue;
 - i. Expenditure Budgets;
 - ii. Income Budgets;
 - iii. Delivery of Savings 2017/18;
 - iv. 2017/2018 Budget Adjustments and Other Issues;
- (2) Housing Revenue Account – Revenue;
- (3) Capital Programme – General Fund;
- (4) Capital Programme – Housing Revenue Account;
- (5) Collection Performance; and
- (6) Treasury Activity.

Having considered the report and appendices, it was moved by Councillor G V Guglielmi, seconded by Councillor Skeels Snr., and **RESOLVED** that:

- (a) the financial position, as at the end of December 2017, be noted; and
- (b) Business Investment and Growth revenue and capital budgets be merged in 2017/18, as set out in this report, which would remain subject to further decisions once potential uses of the funding are identified / proposed.

151. REPORT OF FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER - A.7 - ANNUAL TREASURY STRATEGY FOR 2018/19 (INCLUDING THE PRUDENTIAL AND TREASURY INDICATORS) AND UPDATED TREASURY MANAGEMENT PRACTICES

There was submitted a report by the Portfolio Holder for Finance and Corporate Resources (Report A.7), which sought Cabinet's agreement for the Annual Treasury Strategy for 2018/2019 to be submitted to Council.

Cabinet recalled that the Finance and Corporate Resources Portfolio Holder had considered and agreed the Annual Treasury Strategy for 2018/2019, including Prudential and Treasury Indicators, on 19 January 2018 for submission to the Corporate Management Committee for review.

It was reported that the Corporate Management Committee had considered the Strategy at its meeting held on 29 January 2018 and had resolved that the Committee (minute 48 referred) submits the following comments for the Cabinet's consideration:

“(a) the Committee is aware that risk currently appears low but that the policy going forward is robust insofar as the Council is investing in commercial property

and is building on a long-term projection of continuing low interest rates; and

(b) that the Officers be congratulated on the quality of the Treasury Strategy and the Council's ongoing performance."

The Portfolio Holder for Finance and Corporate Resources thanked the Corporate Management Committee for its positive comments.

Having discussed the Strategy and the proposals contained therein and having considered the comments of the Corporate Management Committee:

It was moved by Councillor G V Guglielmi, seconded by Councillor Fairley and:

RESOLVED that

- (a) the comments of the Corporate Management Committee be noted; and that
- (b) the revised Treasury Management Practices attached as Appendix B to item A.7 of the Report of the Finance and Resources Portfolio Holder be approved.

RECOMMENDED TO COUNCIL that the Annual Treasury Strategy for 2018/2019 (including Prudential and Treasury Indicators), be approved and implemented.

152. REPORT OF FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER - A.8 - GRANT OF LEASE OF KIOSK 6, LOWER PROMENADE, MARINE PARADE EAST, CLACTON-ON-SEA

There was submitted a report by the Portfolio Holder for Finance and Corporate Resources (Report A.8), which sought Cabinet's agreement in principle for a new lease of the Kiosk 6 building, Marine Parade East, Clacton-on-Sea.

It was reported that the premises were currently vacant, the previous tenant having moved out in 2017. The site had been fully marketed including on site and press publicity. The kiosk had been placed with a local agent and had benefitted from a full month marketing campaign. Tender packs had been requested and sent out to interested parties.

Cabinet was informed that the usual formal tender process taking account of the proposed uses of the site, the visual impact of any changes to the site and the regeneration of the area as well as the proposed rental had been carried out. Subsequently, a full tender evaluation process had been conducted by a panel which included officers from both Corporate Services and Operational Services. This process had resulted in one tenderer being identified as the strongest in terms of use of the site, jobs creation, regeneration and financial gain. It was therefore proposed to grant a lease of the site to this party. Further details of the tenders and process were set out in item B.1 of the Report of the Finance and Corporate Services Portfolio Holder.

Having considered the contents of the report:-

It was moved by Councillor G V Guglielmi, seconded by Councillor Skeels Snr. and:

RESOLVED that Cabinet approves, in principle, the granting of a new lease of the site to the successful tenderer.

153. REPORT OF FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER - A.9 - DIGITAL TRANSFORMATION

There was submitted a comprehensive report by the Portfolio Holder for Finance and Corporate Resources (Report A.9), which sought Cabinet's support and approval to three proposed Digital Transformation investment strands to provide opportunities to increase efficiency, reduce operating costs and potentially generate income.

Cabinet was aware that the Council's IT systems played a fundamental enabling role in its day to day service provision and access to information. The projects and investment set out in the Portfolio Holder's report in particular formed a key building block in several of the Council's key strategies and plans to transform and modernise the way the Council worked, delivered services and interacted with residents. More specifically -

- ✓ The investment proposed demonstrated a strong rate of return and the savings generated would contribute significantly to the newly adopted long term Financial Strategy;
- ✓ The proposed integration of information held on the Council's major databases into a single view for staff and the opportunity to develop a Tending Portal would deliver a step change in the delivery of the Customer Service Strategy;
- ✓ Significant improvements to the web site and the development of an "Events App" would be a major step forward in improving access to information digitally – helping to deliver Channel Shift; and
- ✓ The integration of back office systems and the move to host systems and store data remotely in "the cloud" would deliver increased flexibility and the ability to deliver services better using digital means and to support face to face delivery of services by staff – all in accordance with the IT Strategy.

It was reported that for the past six months Officers had been working alongside Amido and Intergence consultants to understand Tending District Council's state of *digital maturity* i.e. how each department currently used IT to deliver statutory and non-statutory services to residents. The recommendations resulting from this work comprised three strands of IT and specialist resource investment proposals, as follows:-

1. Investment in 'front office' IT products and specialist consultant resources to integrate these systems with existing 'back office' databases and systems requiring £519,200 one off investment with £71,500 ongoing costs per year and returning an overall ongoing saving of £35,266 per year. (6.8% ROI). The project would enable 'step change' improvements in customer service delivery, and Officers mobile working out in the community.
2. Investment to migrate IT systems data storage from Council-owned/ maintained hardware that would soon require investment or replacement to that of rented Microsoft Azure platform resources – 'The Public Cloud'. This project required a one off investment of £226,000 and had ongoing estimated costs of £149,000 which represented a small overall cost increase of £8,337 per year. However, this project represented a shift from periodic and increasingly large capital investment and ownership of IT hardware, to that of monthly 'pay as you go' hardware rental costs. There were additional operational benefits in terms of flexibility and business continuity/ resilience.
3. Investment to develop a Council Smartphone 'Tourism and Events App' to promote tourism events and to enhance Air Show crowd funding income. This

project required a one off investment of £120,000 with additional income streams indicatively estimated at £113,119 per year in year 3 of the project. The project also represented a new communications media for the Council to utilise.

Cabinet was informed that the digital transformation programme was primarily about using technology in order to improve performance and efficiency (doing more for less), provide residents and customers with a digital self-service '*single portal access to services*' council-wide and introducing a new Mobile Phone App communications media channel - from a financial perspective the programme costs could be summarised as follows;

Digital Transformation Programme Strand	One Off Investment Costs (£)	Ongoing Annual Costs (£)	Estimated Savings/ Income (£)
Investment In 'Front Office' Technology Integrated With 'Back Office' Databases	519,200	71,500	106,766
Migration To The Microsoft Azure Platform – 'The Public Cloud'	226,000	149,000	140,663
Development of a Smartphone Tending 'Tourism Events App'	120,000	0	113,119
Totals	865,200	220,500	360,548

The full financial costs of each of the three elements together with their different investment return models were outlined in detail in Appendix A to the Portfolio Holder's report.

Cabinet was advised that the proposed two year programme of investment in customer service improvements supported through new IT investment represented a considerable investment on the Council's behalf. There were clearly programme delivery risks which were outlined with appropriate risk mitigation/ management measures in Appendix B to the Portfolio Holder's report.

Cabinet recognised that the programme would require robust monitoring and reporting arrangements with risks and issues requiring active management throughout. With this in mind, key officers would meet with the consultants to monitor issues/ risks and performance on a weekly basis. Additionally, Officers would establish a monthly Programme Board, chaired by the Corporate Director (Corporate Services), and including the Portfolio Holder for Finance and Corporate Resources together with key officers to monitor deliverables, timescales, costs and savings.

It was proposed that the procurement would be undertaken through the UK Government GCloud-9 framework agreement route which accorded with the Council's Procurement Procedure Rules.

The Portfolio Holder for Finance and Corporate Resources (Councillor G V Guglielmi) read out the following statement:-

"This is the next phase of our Digital Transformation journey, following the completion of our December 2013 £1.5million investment in our ageing IT infrastructure which spanned over three years.

It should be noted that this has saved some £110,000 one-off savings and at least £80,000 ongoing yearly saving. Most importantly it enabled this Council to cope with the ever increasing reliance on IT services and pave the way for the huge digital benefits which we will now be embarking on.

The cost of this proposed next phase of our Digital Transformation will be £865,000 delivered over a two years' time frame.

In April 2016 we brought back in-house our IT support services – producing ongoing yearly savings of £200,000 – at that time we identified that there would be a need for specialist contracts and that is in essence what these costs are.

I should stress the prudent approach taken in reporting this next Digital Transformation investment as it is based upon savings associated with forecasts of new customer self-service account take-up and estimates of new income generation. The reported savings and new income are modest, however, the actual returns could potentially far exceed the figures provided.

Some of these savings are staff savings (4 FTE in total) and whilst we predict significant staff efficiency improvements there will be managerial decisions required as to what to take and what to re-utilise in other areas. The staff savings will come about through natural staff turnover and UNISON has already been consulted.

Finance aside, this next Digital Transformation phase is about delivering our customer service strategy and our corporate priorities. It is about using technology to improve performance and doing more for less. It is about providing our residents and customers with secure digital self-service and introducing a new mobile phone App. There are three major strands of investment.

The first strand will introduce new front office technology integrated with our back office databases. It will generate estimated £35,000 savings from 2020 but more importantly it will create a 'council wide single view' of each resident/customer for staff across all our IT systems. It will also allow digitally connected residents/customers to set up secure self-service accounts to pay bills, raise orders, view balance statements etc.

We already have evidence that our residents are migrating naturally to on-line engagement as one of the previous reports pointed out.

"Face-to-face" services will not cease. Instead, we will use the new technology to enhance our staff working capabilities and access to digital transformation out in the community and by working with partners.

The second strand will see the Council migrate its data storage to the Public Cloud, specifically the Microsoft Azure platform.

Back in 2013 the Public Cloud was not developed enough for it to be considered a credible, secure solution for us but Microsoft have since invested nearly £15 billion in this platform with an extra £1 billion investment in cyber security. It is a direction being adopted by our Essex Authority partners in the Essex On Line Partnership. The Council already runs some IT services in the Cloud, this proposal will shift the balance to running nearly all IT services in the Cloud.

This data storage migration will move the Council from that of IT hardware ownership and periodic significant IT purchase costs to monthly 'pay as you go' IT rental charges removing an unbudgeted reoccurring cost estimated to be around £336,000 in 2019.

The third strand, the creation of a smart phone app is the most exciting. It is for us uncharted territory and an untapped market for TDC. This new "Tendring Tourism and Events App" will not only promote Crowd Funding income from our well-established Air Show but also support and promote other tourism events throughout the District.

Smartphone ownership is outstripping laptop ownership with 88% of UK adults predicted to own a smart phone by mid-2018 and 90% of the younger population (18 to 45 year olds) have owned one for several years. We will look for other ways to exploit this new media channel as our knowledge grows.

This App is a new venture for the Council and careful management will be needed. By way of recognising/minimising the risks a further feasibility study will determine if it is practicable to move forward with the App project or to cancel this strand of the programme without incurring charges. Having said this, the earning possibilities could be very substantial.

Our IT team led by John Higgins has a proven track record in managing and delivering IT investment and savings. This new Digital Transformation investment programme will again require an equally robust monitoring and reporting framework which I will ensure progresses smoothly. John Higgins and his team will once again lead the delivery working alongside the consultants.

I would like to conclude that this investment is very much the right course for this Council to embark on for two key, simple reasons:

- 1. Firstly, the investment will deliver a 'step change' in our resident/customer service capabilities (both mediated service and customer self-service). It will provide a toolkit to deliver our adopted Customer Service Strategy.*
- 2. Secondly, that the reliance on IT services is increasing all the time and as such we must ensure that our IT infrastructure is robust enough and able enough to cope with the ever increasing demand on these services."*

Having considered the contents of the comprehensive report:-

It was proposed by Councillor G V Guglielmi, seconded by Councillor Nicholls and:

RESOLVED that Cabinet approves -

- (a) each of the Digital Transformation programme investment proposals outlined, specifically;
 - i. A 'front office' product suite and specialist consultant resourcing to achieve integration to 'back office' databases over an eighteen month period with one-off investment costs of £519,200 with £71,500 re-occurring costs per annum.
 - ii. An IT migration strategy and specialist consultant resourcing to host the majority of the Council's IT systems on the Microsoft Azure 'Public Cloud' platform over a two year period with one-off investment costs of £226,000 and with Microsoft re-occurring monthly costs thereafter.
 - iii. Development of a Tendring Tourism and Events smartphone App over a six

month period through specialist consultancy resources and with one-off investment costs of £120,000.

- (b) that authority be delegated to the Chief Executive, in consultation with the Portfolio Holders for Finance and Corporate Resources and Leisure and Tourism, to agree continuation within existing budgets or termination of the App development after a further feasibility study.
- (c) that Digital Transformation Investment works totalling £865,200 be funded in part from £440,000 funds already set aside for existing/ related capital IT improvement budgets with the remaining funding by a transfer of £414,000 from the 2017/18 New Homes Bonus and £11,200 from the Building for the Future Reserve.
- (d) that Officers be requested to finalise the associated procurement activities in accordance with the Council's Procurement Procedure rules.
- (e) that authority be delegated to the Corporate Director (Corporate Services) to make the necessary on-going budget adjustments to reflect the financial impact of the investment proposed, as set out in Appendix A to item A.9 of the Report of the Finance and Corporate Services Portfolio Holder.

154. MANAGEMENT TEAM ITEMS

There were none on this occasion.

155. EXCLUSION OF PRESS AND PUBLIC

RESOLVED that, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of Agenda Item 19 on the grounds that they involve the likely disclosure of exempt information as defined in the relevant paragraph(s) of Part 1 of Schedule 12A, as amended, of the Act.

156. REPORT OF THE FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER – B.1 - GRANT OF LEASE OF KIOSK 6, LOWER PROMENADE, MARINE PARADE EAST, CLACTON-ON-SEA

RESOLVED that Cabinet –

- (a) approves the tender submitted by a named individual as the successful bid;
- (b) approves the terms for a new lease as set out in the Current Position section of item B.1 of the Report of the Finance and Corporate Resources Portfolio Holder; and
- (c) authorises the Head of Governance and Legal Services to enter into a lease of Kiosk 6 to the named individual on the terms set out and such other terms as she sees fit.

DATE AND TIME OF NEXT SCHEDULED MEETING

The next scheduled meeting of the Cabinet was due to take place on Friday 23 March 2018 at 10.30 a.m. in the Princes Theatre, Town Hall, Station Road, Clacton-on-Sea.

The meeting was declared closed at 11.42 a.m.

Chairman

Key Decision Required:	NO	In the Forward Plan:	YES
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CABINET

23 MARCH 2018

REPORT OF FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER

A.1 PROGRAMME OF MEETINGS 2018/2019 MUNICIPAL YEAR

(Report prepared by Ian Ford)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To enable Cabinet to give consideration to the programme of meetings for the 2018/2019 Municipal Year.

EXECUTIVE SUMMARY

This report will enable Cabinet, as required by the Constitution, to submit for formal approval to the Annual Meeting of the Council a programme of meetings for the 2018/2019 Municipal Year.

RECOMMENDATION

- (a) That, subject to any relevant decisions that are taken by Members at the Full Council meeting due to be held on 27 March 2018, the programme of meetings for the Council and Committees, as set out in the Appendix to this report, be approved, in principle, and be submitted to the Annual Meeting of the Council for formal approval; and**
- (b) That the proposed dates for Members’ training on planning etc. matters be noted.**

PART 2 – SUPPORTING INFORMATION

BACKGROUND

Members of the Cabinet will be aware that a review of the Council’s committee structure is ongoing.

Full Council, at its meeting held on 21 November 2017 (Minute 94 refers), agreed, in principle, a new committee structure together with a timetable for the implementation of the new committee structure.

Subsequently, Full Council, at its meeting held on 23 January 2018 (Minute 116 refers) agreed, amongst other things, the names and the terms of reference of the two new overview and scrutiny committees.

A report will be submitted to Full Council, at its meeting due to be held on 27 March 2018, to enable it to finalise the outcome of the committee structure review.

Consequently, a draft programme of meetings has been prepared and approved and is set out as an Appendix to this report. The meetings of the Community Leadership Overview and Scrutiny Committee, the Human Resources and Council Tax Committee and the

Resources and Services Overview and Scrutiny Committee will normally commence at 7.30 p.m. Meetings of the Planning Committee will normally commence at 6.00 p.m. Those Committees will normally meet at the Council Offices, Weeley.

Meetings of the Audit Committee, the Licensing and Registration Committee and the Standards Committee will be held on a quarterly basis at the Council Offices, Weeley and will normally commence at 7.30 p.m. (with the exception of the Standards Committee which will meet at 10.00 a.m.). Local Plan Committee meetings will be held at 6.00 p.m. in the Princes Theatre in the Town Hall, Clacton-on-Sea or in the Council Chamber, at the Council Offices, Weeley. However, the dates of the programmed Local Plan Committee meetings will be subject to change and/or additional meetings may need to be arranged to reflect the Local Plan decision making process which is outside the Council's control.

Meetings of the full Council will commence at 7.30 p.m. and are scheduled to be held in the Princes Theatre at the Town Hall.

Cabinet meetings are fixed by the Leader of the Council in accordance with Article 7.08 Cabinet Procedures Rule sub-section 1.1 of the Council's Constitution and therefore the scheduling et cetera may change. The public meetings of the Cabinet listed are scheduled to commence at 10.30 a.m. in the Essex Hall, at the Town Hall, Clacton-on-Sea.

The programme does not show meetings of the Sub-Committees, which are arranged either at meetings of the relevant Sub-Committee or from time to time when required.

A new feature this year is the inclusion of dates for Members' training on matters relating to planning and development control in order to assist Members in keeping their diaries up-to-date.

BACKGROUND PAPERS FOR THE DECISION

None.

APPENDICES

Programme of Meetings for the 2018/19 Municipal Year.

TIMETABLE OF MEETINGS – 2018/2019 MUNICIPAL YEAR

2018

Body	Time	Day	Date	Notes
ANNUAL COUNCIL (Already agreed)	7.30 p.m.	Tuesday	24 April	
Planning Committee	6.00 p.m.	Tuesday	1 May	
COUNCIL	7.30 p.m.	Tuesday	15 May	
Cabinet	10.30 a.m.	Friday	18 May	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	21 May	
Planning Committee	6.00 p.m.	Wednesday	30 May	Note 2
Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	4 June	
Planning Training for Members	6.00 p.m.	Tuesday	5 June	
Cabinet	10.30 a.m.	Friday	15 June	
Local Plan Committee	6.00 p.m.	Monday	18 June	
Standards Committee	10.00 a.m.	Wednesday	20 June	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	25 June	
Planning Committee	6.00 p.m.	Tuesday	26 June	
COUNCIL	7.30 p.m.	Tuesday	3 July	
Planning Training for Members	2.00 p.m.	Tuesday	10 July	
Human Resources & Council Tax Committee	7.30 p.m.	Wednesday	11 July	
Cabinet	10.30 a.m.	Friday	13 July	
Licensing & Registration Committee	7.30 p.m.	Wednesday	18 July	
Audit Committee	7.30 p.m.	Thursday	19 July	Note 8
Planning Committee	6.00 p.m.	Tuesday	24 July	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	30 July	
Cabinet	10.30 a.m.	Friday	10 August	
Planning Committee	6.00 p.m.	Tuesday	21 August	
Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	3 September	
COUNCIL	7.30 p.m.	Tuesday	11 September	
Cabinet	10.30 a.m.	Friday	14 September	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	17 September	
Planning Committee	6.00 p.m.	Tuesday	18 September	
Planning Training for Members	6.00 p.m.	Tuesday	25 September	
Audit Committee	7.30 p.m.	Thursday	27 September	
Standards Committee	10.00 a.m.	Wednesday	3 October	
Licensing & Registration Committee	7.30 p.m.	Wednesday	10 October	
Cabinet	10.30 a.m.	Friday	12 October	
Planning Committee	6.00 p.m.	Tuesday	16 October	
Human Resources & Council Tax Committee	7.30 p.m.	Wednesday	24 October	
Local Plan Committee	6.00 p.m.	Tuesday	30 October	
Cabinet	10.30 a.m.	Friday	9 November	
Planning Training for Members	6.00 p.m.	Tuesday	6 November	
Planning Committee	6.00 p.m.	Tuesday	13 November	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	19 November	
COUNCIL	7.30 p.m.	Tuesday	27 November	

Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	3 December	
Local Plan Committee	6.00 p.m.	Monday	10 December	
Planning Committee	6.00 p.m.	Tuesday	11 December	
Cabinet	10.30 a.m.	Friday	14 December	
Resources and Services Overview & Scrutiny Committee	9.30 a.m.	Monday	17 December	Note 3

2019

Resources and Services Overview & Scrutiny Committee (PROVISIONAL)	9.30 a.m.	Thursday	3 January	Note 3
Planning Training for Members	6.00 p.m.	Tuesday	8 January	
Planning Committee	6.00 p.m.	Tuesday	15 January	
Standards Committee	10.00 a.m.	Wednesday	16 January	
Cabinet	10.30 a.m.	Friday	18 January	
COUNCIL	7.30 p.m.	Tuesday	22 January	

Audit Committee	7.30 p.m.	Thursday	24 January	
Licensing & Registration Committee	7.30 p.m.	Wednesday	30 January	
COUNCIL	7.30 p.m.	Tuesday	5 February	Note 4
Local Plan Committee	6.00 p.m.	Thursday	7 February	
CABINET (PROVISIONAL)	10.30 a.m.	Friday	8 February	Note 5
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	11 February	
Planning Committee	6.00 p.m.	Tuesday	12 February	
COUNCIL (PROVISIONAL)	7.30 p.m.	Thursday	14 February	Note 6
Cabinet	10.30 a.m.	Friday	15 February	
Human Resources & Council Tax Committee	7.30 p.m.	Wednesday	20 February	Note 7
Planning Training for Members	6.00 p.m.	Tuesday	26 February	
Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	4 March	
Planning Committee	6.00 p.m.	Tuesday	12 March	
Cabinet	10.30 a.m.	Friday	15 March	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	18 March	
Standards Committee	10.00 a.m.	Wednesday	20 March	
Local Plan Committee	6.00 p.m.	Monday	25 March	
COUNCIL	7.30 p.m.	Tuesday	26 March	

Audit Committee	7.30 p.m.	Thursday	28 March	
Human Resources & Council Tax Committee	7.30 p.m.	Wednesday	3 April	
Planning Committee	6.00 p.m.	Tuesday	9 April	
Licensing & Registration Committee	7.30 p.m.	Wednesday	10 April	
Cabinet	10.30 a.m.	Friday	12 April	
ANNUAL MEETING OF THE COUNCIL	7.30 p.m.	Tuesday	21 May	Note 1

2019/2020 MUNICIPAL YEAR

(Provisional dates for early cycles of meetings in 2019/2020 – for information only, subject to change)

Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	3 June	
Planning Committee	6.00 p.m.	Tuesday	4 June	
Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	10 June	
Cabinet	10.30 a.m.	Friday	14 June	
Standards Committee	10.00 a.m.	Wednesday	19 June	
Audit Committee	7.30 p.m.	Thursday	27 June	

Planning Committee	6.00 p.m.	Tuesday	2 July	
COUNCIL	7.30 p.m.	Tuesday	9 July	

Cabinet	10.30 a.m.	Friday	12 July	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	29 July	
Planning Committee	6.00 p.m.	Tuesday	30 July	
Cabinet	10.30 a.m.	Friday	9 August	
Planning Committee	6.00 p.m.	Wednesday	28 August	Note 2
Community Leadership Overview & Scrutiny Committee	7.30 p.m.	Monday	2 September	
COUNCIL	7.30 p.m.	Tuesday	10 September	

Cabinet	10.30 a.m.	Friday	13 September	
Resources and Services Overview & Scrutiny Committee	7.30 p.m.	Monday	16 September	
Planning Committee	6.00 p.m.	Tuesday	24 September	
Audit Committee	7.30 p.m.	Thursday	26 September	
Standards Committee	10.00 a.m.	Wednesday	2 October	
Cabinet	10.30 a.m.	Friday	11 October	
Planning Committee	6.00 p.m.	Tuesday	22 October	

Notes

1. Annual Meeting of the Council later than usual as a result of the District Council Elections being held on Thursday 2 May 2019.
2. Meeting scheduled to be held on the Wednesday as the Monday of that week is a Bank Holiday.
3. Meeting arranged on 17 December 2018 to allow the Resources and Services Committee to consider and then formally comment on the Cabinet's Financial Forecast and initial budget and special expenses proposals. Thursday 3 January 2019 meeting provisionally arranged to allow the Committee to discuss those proposals with Portfolio Holders (if so desired).
4. Meeting of the Council to approve the Cabinet's budget proposals and set the Council Tax but excluding County, Fire and Police Council Tax calculations.
5. Provisional extra meeting of the Cabinet arranged in order to allow the Cabinet to meet and consider any objections the Council has to the Cabinet's budget proposals (which may have been made at the Council meeting on 5 February 2019).
6. Provisional extra meeting of the Council arranged in order to allow the Council to meet and consider the Cabinet's revised budget proposals or the Cabinet's disagreement with the Council's budget objections (which may arise from the Cabinet meeting referred to in note 5 above.)
7. Meeting to formally confirm the implications of the County, Fire and Police precepts on the Council's Collection Fund and for each Council Tax band in the parished and unparished areas of the District.
8. Meeting of the Audit Committee that would normally be held in June has been moved to July at the request of the Head of Finance, Revenues and Benefits. The reason for this change is to enable the annual Statement of Accounts and Annual Governance Statement to be presented to the Committee for approval following the new legal requirement to publish the Accounts two months earlier than previously from this year (i.e. by the end of July rather than the end of September).

Key Decision Required:	Yes	In the Forward Plan:	Yes
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CABINET

23 MARCH 2018

REPORT OF THE PORTFOLIO HOLDER FOR HOUSING

A.2 THE CLOSURE OF TWO SHELTERED HOUSING SCHEMES

(Report prepared by Tim Clarke)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To inform Cabinet of the outcome of formal consultations in relation to the proposed closure of the Spendells and Honeycroft sheltered housing schemes and seek agreement to close the schemes.

EXECUTIVE SUMMARY

Following Cabinet’s decision on 10th November 2017, a statutory formal consultation with residents and with the respective ward Members and Parish and Town councils has been undertaken in respect of the proposed closure of two Sheltered Housing Schemes; Spendells House and Honeycroft.

The consultation responses indicate that there is an acceptance that both schemes are no longer viable or fit for purpose and there is support from residents for closing them.

Further detailed viability work has been undertaken considering the level of occupancy at both schemes and costs associated with running them, the outcome of which supports the proposals to close them.

Therefore, it is proposed that the Spendells House and Honeycroft (not including the 8 bungalows) schemes should be closed which will provide estimated annual savings to the Housing Revenue Account (HRA) of **£0.139 million**. Options in respect of the future for each site will be brought back to Cabinet once fully evaluated.

Securing these savings would be subject to the options around the longer term future of the sites which are planned to be presented to Members in early 2018. In this interim period there would be costs to maintain the properties albeit in a fully vacated state, but the cost would be lower by **£0.003 million** per month in this interim period compared to recent average occupancy.

RECOMMENDATION(S)

It is recommended that Cabinet notes:

- a) that the statutory formal consultation on closure of the schemes has been undertaken and that there have not been any objections to closure from residents;**
- b) that the Spendells and Honeycroft Sheltered Housing schemes have proven to be unpopular for several years due to their shared facilities and dated design and that it is economically unviable for the Housing Revenue Account to continually subsidise the on-going and increasing revenue loss of rental income at the schemes, and;**

that Cabinet agrees that:

- c) the Corporate Director (Operational Services) be authorised to close the schemes and make necessary arrangements to secure alternative accommodation for affected residents;
- d) the Corporate Director (Operational Services) be authorised to make the necessary site security arrangements and “mothball” both buildings until a decision on their future is made; and
- e) further work be undertaken by officers, in consultation with the Portfolio Holder for Housing, exploring the future use of both sites after detailed financial modelling within the HRA. Consultation on proposed future options to include Frinton and Walton Town Council and Lawford Parish Council.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The decisions will contribute to the following priorities in the Corporate Plan 2016-2020:

Health and Housing – The appraisal has focussed on ensuring the provision of good quality and appropriate housing that meets local needs.

Our Council Our Community – The continued provision of sheltered housing and support services will ensure the delivery of high quality affordable services. The proposals overall will rationalise and potentially improve our housing assets whilst supporting the vulnerable. Future uses for the sites at both Spendells House and Honeycroft present an opportunity to engage with the community and support effective partnership working.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

As highlighted in the appendices, the net cost of operating both Honeycroft and Spendells has increased to a level that is no longer sustainable, and when taken into account with the estimated significant capital costs associated with major repairs and remedial works results in a negative viability assessment. This is further compounded by the cost of the empty properties such as Council Tax during void periods.

A budget of **£0.2 million** has already been put in place from the HRA General Reserve to support residents in moving to alternative accommodation. Tenants are entitled to a home loss payment if they have been a secure tenant for longer than a year – currently set by legislation at £6100 - and a disturbance allowance to cover the cost of moving. Based on current occupancy the likely total cost for this could be **£0.184 million** but will be dependent on what each tenant makes a claim for. A policy on when these payments will be made has been prepared for each scheme and was sent to tenants as part of the formal consultation.

Following a detailed review the comparison of the net costs of both schemes based on historic average occupancy and the ongoing costs once fully vacant are set out in Appendix A. The net subsidy from the HRA to run both schemes totals **£0.139 million** (**£0.084 Million** Honeycroft **£0.055 million** Spendells) however this can be avoided once a decision is made on the future of both sites. The longer term options for both sites will form part of a separate report to Members in 2018 but in the interim period it is acknowledged that a number of ongoing costs will remain as highlighted in Appendix A. The ongoing costs are estimated to be lower by just over **£0.003 million** per month than the costs if the

properties were to remain operational with occupancy based on historic averages.

Costs associated with site security are likely to increase significantly if the buildings remain vacant for longer than 6 months and a decision has not been made on their future.

Risk

There are risks associated with the proposals:

Reputational – the closure of any sheltered housing scheme will be unpopular amongst its residents and may attract wider media interest. The publicity and consultation must be handled sensitively and tenants consulted and supported throughout the process. There is also a reputational risk from not doing anything. It is not responsible as a social landlord to continue running schemes that are dated and make significant financial losses each year. Additionally the decision had to be taken in October 2017 to ask residents of Honeycroft to move out due to concerns over legionella. Questions have been asked around the timing of that decision and whether it was a precursor to the decision proposed in this report but the timing of the decision was purely coincidental. Given the transparency with which the process has been conducted and given that Honeycroft is already empty and residents at Spendells want to move it is clear that this difficult process has been handled in as sensitive a way as is possible.

Financial – there is a financial risk associated with not doing anything. Both schemes are under occupied and cost the Council money to run. This risk can be mitigated by taking a decision to do something different that improves the financial predicament of each scheme and its contribution to the Housing Revenue Account. The redirection of funds from the HRA capital programme carries the risk that other works are delayed to the detriment of tenants or the buildings themselves. Any adjustment to the programme will need to be carefully considered.

Tenant unwillingness to co-operate – this is now a low risk as the Honeycroft scheme is already vacant and residents at Spendells have all recently moved out.

LEGAL

Under Section 105 of the Housing Act 1985 the Council has a legal obligation to consult its secure tenants on 'matters of housing management' such as changes to the management, maintenance, improvement or demolition of houses let by them, or changes in the provision of amenities. This consultation has now been undertaken.

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.

Area or Ward affected – Ward Members from Lawford and Walton have been involved in the consultation process alongside the tenants and will continue to be involved from here onwards. Lawford Parish Council and Frinton and Walton Town Council were invited to participate in the formal consultation.

Consultation – formal statutory consultation has now been undertaken on the proposed closures.

Equality and Diversity – Decisions sought through this report focus primarily on housing for older persons (those aged over 60). The Council is developing a Housing Strategy that addresses the housing needs of all age groups. The future of sheltered housing and support provision for older persons will be considered as part of that strategy. An

equalities impact assessment has been undertaken in relation to the recommendations to close both schemes. Whilst the proposals clearly affect a specific group of people as opposed to the population at large the support arrangements that are proposed act in mitigation of the negative impacts. The Council will do all it can to minimise the impact of what is a largely vulnerable group of people.

PART 3 – SUPPORTING INFORMATION

BACKGROUND & VIABILITY ASSESSMENT

At its meeting in June 2016, the Portfolio Holder for Housing confirmed to Cabinet that Officers had been instructed to commission a report on the viability of the schemes at Spendells House and Honeycroft.

The background to sheltered housing provision in the District along with occupancy and viability information relating to the Spendells and Honeycroft schemes were reported to Cabinet at its meeting on 10th November 2017. Cabinet agreed that Officers could commence formal consultation with residents on the closure of both schemes.

Consultation Feedback

Following the Cabinet decision on 10th November 2017 a formal statutory consultation took place with residents and the respective ward members and Parish and Town Councils. The consultation lasted for four weeks and closed on the 22nd December 2017. The consultation included a meeting with all residents where they had the opportunity to ask questions. All residents were sent a letter outlining the proposed closures along with the draft support policy and details of the home loss and disturbance allowances they would be entitled to claim.

Appendix B sets out the responses received in response to the consultation.

No objections to the closure of the schemes were received from residents or the respective ward members. Residents who responded accepted the support package offered to them. During meetings arranged with residents to discuss the proposed closures and consultation process there was a sense that residents accepted that the decision to close would be made. In the case of Honeycroft residents appeared keen for the Council to move quickly on the possible redevelopment of the site with bungalows and it was confirmed that they would have first refusal on any new tenancies should that option go ahead. At Spendells residents talked as though a decision had already been taken to close and all have now been assisted to move out of the scheme into alternative accommodation, mostly within Council owned stock.

Frinton and Walton Town Council responded to the consultation expressing concern about the closure of Spendells. They felt that the building should be converted to provided bathrooms for each residents and that a mixture of age groups would help fill the vacancies. Officers have agreed to participate in discussions with the Town Council over the future use of the building.

Supporting Residents

The Council recognises the importance of supporting residents through the process of moving to alternative accommodation. Each tenant has had a nominated Sheltered Support Officer who assisted them in identifying alternative accommodation and helping them move to it.

Policies are in place that set out how residents were supported through the closure process and how they received dedicated support and financial assistance with moving to alternative accommodation.

The Council has helped residents find alternative homes. Those that have moved from Honeycroft in October 2017 due to the legionella issues now have secure tenancies at the accommodation they have moved to. They have flexibility to move again should they wish to given that the original move was intended to be temporary. All residents at Spendells now have alternative accommodation identified for them and will continue to have secure tenancies if they remain in Council housing.

Conclusions

The current poor occupancy rate at both schemes reflects the low quality of accommodation on offer whilst revealing that the design of the schemes is no longer popular. The poor occupancy rates reflect the outdated nature of the accommodation but access to local facilities is also a big factor, particularly in the case of Spendells. Residents at Honeycroft have been keen to highlight that amenities were within their reach and that actually there is a lot to do in the Mistley / Manningtree / Lawford area. In particular Honeycroft came across as having a community associated with the scheme and this will continue as the eight bungalows will remain open on the site.

Each site offers up different potential but the Council has to consider the fact that the financial sustainability of the schemes in their current form is requiring a larger subsidy from the overall net rental income received across the Council's overall housing stock. There is potential for future investment but the first step is to close both schemes allowing for further discussions around the future of each site.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

Appendix A – Comparison of net costs - Honeycroft / Spendells

Appendix B – Formal Consultation Feedback summary

Comparison of Net Costs

A.2 APPENDIX A

Honeycroft

	Costs Based on Average Occupancy	On-Going Costs Once Fully Vacant	
	£ Per Annum	£ Per Annum	Notes
Employee Expenses	23,726	12,745	Any further reduction in costs would be subject to a wider review of sheltered schemes as part of the Housing Strategy

			Remaining costs relate to grounds maintenance, utilities, insurance and one-off costs associated with security etc.
Premises Related Expenses	105,785	6,132	
Supplies & Services	9,362	0	
Council Tax Costs	24,067	31,000	This relates to the council tax liability on empty properties
Income	(78,584)	0	
Total	84,356	49,877	
Estimated Monthly Cost	7,030	4,156	

Spendells

	Costs Based on Historic Average Occupancy	On-Going Costs Once Fully Vacant	
	£ Per Annum	£ Per Annum	Notes
Employee Expenses	23,726	12,745	Any further reduction in costs would be subject to a wider review of sheltered schemes as part of the Housing Strategy
Premises Related Expenses	78,269	5,873	Remaining costs relate to grounds maintenance, utilities, insurance and one-off costs associated with security etc.
Supplies & Services	9,680	0	
Council Tax Costs	18,523	30,000	This relates to the council tax Liability on empty properties
Income	(75,278)		
Total	54,920	48,618	
Estimated Monthly Cost	4,577	4,052	

Above costs exclude the financing costs associated with the move to HRA self-financing and internal recharges as these would remain as an overall cost within the HRA

A.2 Appendix B – Responses to Formal Consultation

Responses to consultation regarding proposed closure of Honeycroft and Spendells House Sheltered Housing Schemes

Honeycroft

a) Summary of views expressed at meeting held for residents of Honeycroft on 23 November 2017 regarding the proposal to close this scheme

Meeting was held at Crooked Elms and attended by Tim Clarke, David Black, Emma Norton, Dee Hury, Councillor Baker, 9 residents and 2 family members.

DB welcomed everyone to the meeting and outlined the current position in respect of the review and the reasons for the current consultation process. All tenants of the main block at Honeycroft had previously been provided with a copy of the support package to be made available.

There was a general acceptance of the reasons behind both the recent vacation of Honeycroft and

the proposed future closure of the main building, although it was acknowledged that the timing of the legionellosis risk was unfortunate, but unavoidable, given the ongoing review.

There was full support for the proposed redevelopment of the site, with former residents being given first refusal on any new properties built but it was confirmed that any decision regarding the future of the site would be subject to a further report and approval. The decision due in the New Year, expected to be February, would just relate to the proposed closure of the site.

The biggest concern expressed by those attending was being in a position of not knowing what their future holds and it was agreed that keeping the former and current residents of Honeycroft informed about future proposals would be of paramount importance. It was also agreed that a letter would be sent to residents early in the New Year confirming the outcome of the consultation.

All those vacated from Honeycroft were generally satisfied with their temporary accommodation but were keen to return to the Lawford area where family and social networks were.

DB and DH to follow up any repair and related issues regarding temporary accommodation.

DH to follow up query raised regarding need to register at a local doctor's surgery.

All those attending were encouraged to submit their comments during the specified consultation period.

b) Summary of comments received during the formal consultation period which ended on 22 December 2017

Five responses received (4 from tenants moved from Honeycroft and 1 from a resident of one of the bungalows)

Responses from those moved out all expressed a wish to return to Honeycroft once the site has been redeveloped.

Response from bungalow resident was opposed to development of the site to provide 21 bungalows as this would remove much of the open space area that they currently enjoy and the construction period will cause disruption and stress for the elderly residents that still live on the site.

Response from one ward member generally supporting the closure providing that something better can be provided in its place.

Spendells House

a) Summary of views expressed at meeting held for residents of Spendells House on 23 November 2017 regarding the proposal to close this scheme

Meeting was attended by David Black, Emma Norton, Dee Hurry, 6 residents and 1 family member.

DB welcomed everyone to the meeting and outlined the current position in respect of the review and the reasons for the current consultation process. All tenants had previously been provided with a copy of the support package to be made available.

There was a general feeling amongst residents that the current consultation period was repeating previous consultations and their expectation for this meeting was that they would be presented with options for rehousing. Some residents were also unhappy that they were provided with details of the support package and home loss payment that would be applicable but that they might not receive this if a decision is made not to close the scheme.

In response to a query, DB advised that, if a decision to close the scheme is made, every effort will

be made to find suitable alternative accommodation to meet each tenant's needs within or outside of sheltered housing. DB also advised that authorisation had been obtained to hold certain properties for future occupation by residents from Spendells House and that a Sheltered Support Officer would be allocated to each tenant to discuss and progress this.

Consensus was that residents were accepting of the need for the scheme to close and thought that this had been agreed at previous meeting.

DB advised that residents were able to move into any future properties identified for their occupation prior to any formal decision being made to close the scheme if they wish to do so.

b) Summary of comments received during the formal consultation period which ended on 22 December 2017

One response received and this confirmed the tenant's acceptance of the offer being made by the Council.

Response from Frinton and Walton Town Council

The Town Council were very concerned about the closure of this building and felt that it should remain open and be updated to give residents their own bathroom facilities. It was felt that a mixture of young and older tenants could work and would help to fill any vacancies within the building. The Town Council would like to partake in discussions with TDC in order to influence the decisions on the future of the building.

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