
**MINUTES OF THE MEETING OF THE CABINET,
HELD ON FRIDAY 18 JANUARY 2019, AT 10.30 AM,
ESSEX HALL, TOWN HALL, STATION ROAD, CLACTON-ON-SEA, CO15 1SE**

Present: Councillors Neil Stock OBE (Leader of the Council) (Chairman), Carlo Guglielmi (Deputy Leader of the Council & Finance and Corporate Resources Portfolio Holder), Zoe Fairley (Investment and Growth Portfolio Holder), Paul Honeywood (Housing Portfolio Holder), Lynda McWilliams (Health and Education Portfolio Holder), Fred Nicholls (Corporate Enforcement Portfolio Holder) and Michael Talbot (Environment Portfolio Holder)

Group Leaders Present by Invitation:

Councillors Robert Bucke (Leader of the Liberal Democrats / Tendring First Group), Michael Bush (Deputy Leader of the Tendring Independents Group), Joy Broderick (Leader of the Holland-on-Sea Group), Ivan Henderson (Leader of the Labour Group) and Mary Newton (Leader of the UKIP Group)

Also Present: Councillors Peter Cawthron, Richard Everett, John Hones and Andrew Pemberton

In Attendance: Ian Davidson (Chief Executive), Martyn Knappett (Deputy Chief Executive (Corporate Services)), Ewan Green (Corporate Director (Planning and Regeneration)), Lisa Hastings (Head of Governance and Legal Services & Monitoring Officer), Richard Barrett (Head of Finance, Revenues and Benefits Services & Section 151 Officer), Karen Neath (Head of Leadership Support and Community), Anastasia Simpson (Head of People, Performance and Projects), Andy White (Head of Property Services), Keith Simmons (Head of Democratic Services and Elections), William Lodge (Communications Manager) and Katie Sullivan (Committee Services Officer)

Also In Attendance: Carol Magnus (Organisational Development Manager) (except minutes 101 – 106)

92. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors Mick Skeels (Snr) (Leisure and Tourism Portfolio Holder) and Mark Stephenson (Leader of the Tendring Independents Group).

Councillor Stock (OBE) welcomed Keith Simmons, the Council's new Head of Democratic Services and Elections, to the meeting.

93. **MINUTES OF THE LAST MEETING OF THE CABINET HELD ON FRIDAY 14 DECEMBER 2018**

It was **RESOLVED** that the Minutes of the meeting of the Cabinet held on Friday 14 December 2018 be approved as a correct record and signed by the Chairman.

94. **DECLARATIONS OF INTEREST**

There were none.

95. **ANNOUNCEMENTS BY THE LEADER OF THE COUNCIL**

There were none on this occasion.

96. **ANNOUNCEMENTS BY CABINET MEMBERS**

There were none on this occasion.

97. **MATTERS REFERRED TO THE CABINET BY THE COUNCIL**

There were none on this occasion.

98. **MATTERS REFERRED TO THE CABINET BY A COMMITTEE - REFERENCE FROM RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE - A.1 - TASK AND FINISH REVIEW - INCREASING RECYCLING**

Cabinet was informed that, at the meeting of the Resources and Services Overview and Scrutiny Committee held on 29 November 2018 (minute 45 referred), that Committee had had before it a report of the Head of People, Performance and Projects which had presented it with the outcome of the review undertaken by the Task and Finish Group on Recycling with recommendations for consideration and submission to Cabinet.

Having considered and discussed the report the Resources and Services Overview and Scrutiny Committee had:-

“RESOLVED that this Committee recommends to Cabinet that –

- 1) *The Committee recommends that the Portfolio Holder writes to every school across Tendring (Primary, Secondary and Colleges) to ask them what they do to support the recycling agenda and encourage recycling within their individual establishments.*
- 2) *The Committee recommends that future publications regarding recycling are clear, concise, with hints and tips to encourage recycling.*
- 3) *The Committee recommends that there is a cross party working group to review the recycling and waste needs across the District and this should be undertaken two years prior to any new contract.”*

A full copy of the Task and Finish Group's report and recommendations was before the Cabinet attached as Appendix A to item A.1 of the Reference from the Resources and Services Overview and Scrutiny Committee.

Cabinet was made aware that the Environment Portfolio Holder had commented as follows:-

"I would like to thank the Committee for the work of their Task and Finish Group which I will be happy to refer to my officers to consider which matters can be dealt with more immediately and which will need to be considered in more detail."

Having considered the recommendations of the Resources and Services Overview and Scrutiny Committee and the responses of the Environment Portfolio Holder thereto:-

It was moved by Councillor Talbot, seconded by Councillor McWilliams and:-

RESOLVED that the comments of the Portfolio Holder be agreed.

99. LEADER OF THE COUNCIL'S ITEMS

There were none on this occasion.

100. CABINET MEMBERS' ITEMS - REPORT OF THE FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER - A.2 - LATEST FINANCIAL FORECAST / FINAL BUDGET PROPOSALS FOR 2019/20

There was submitted a report by the Portfolio Holder for Finance and Corporate Resources, which sought Cabinet's approval of the latest financial forecast and final budget proposals for 2019/20 (including Council Tax proposals) for recommendation to Council on 5 February 2019.

It was reported that since the Cabinet's last meeting held on 14 December 2018, additional changes had been required to the Financial Forecast, primarily as a result of new, or revised, information becoming available which included the Government's Financial Settlement announcements. Those required changes had resulted in a deficit for 2019/20 of £0.027m, a change of £0.029m compared to the figure presented to Cabinet in December 2018. The updated forecast had now been translated into detailed estimates which were set out in Appendix D to the Report of the Finance and Corporate Resources Portfolio Holder.

Cabinet was made aware that this figure might change as further adjustments could be required as part of finalising the budget for presenting to Council on 5 February 2019, with a delegation included in the Portfolio Holder's recommendations to reflect this.

Cabinet was informed that the deficit of £0.027m in 2019/20 had been met by utilising the Forecast Risk Fund as planned.

Members noted that the use of the Forecast Risk Fund in 2019/20 had been significantly lower than originally forecast which provided a strong position against which the remaining years of the 10 year forecast could be considered.

Cabinet was advised that taking all of the changes into account, the Council Tax requirement had been revised to £7.955m, which was based on a £5 increase for this Council's services in 2019/20 with a Band D council tax of £167.64.

Members were made aware that in line with legislative requirements the Council's Section 151 Officer had confirmed the robustness of the estimates along with the adequacy of reserves.

It was reported that although Prudential Indicators were set out in the report, the associated Treasury Strategy for 2019/20 for consultation with the Resources and Services Overview and Scrutiny Committee was recommended to be delegated to the Portfolio Holder for Finance and Corporate Resources. This had been necessary due to significant changes being required to the document following revised guidance becoming available during the year.

Cabinet was aware that, in accordance with the Constitution, the Resources and Services Overview and Scrutiny Committee had been consulted on the Updated Financial Forecast / initial budget proposals 2019/20. That Committee had met on 17 December 2018 and 3 January 2019 and its comments back to Cabinet were set out in the Finance and Corporate Resources Portfolio Holder's report together with his responses thereto.

Having considered the information in the report and in order to allow the financial forecast and final budget proposals for 2019/20 to go forward to full Council in accordance with the requirements of the Council's Constitution and legislation:

It was moved by Councillor G V Guglielmi, seconded by Councillor Stock OBE and:-

RESOLVED that Cabinet approves:-

- (a) The latest financial forecast set out in Appendix A;
- (b) that if the financial position changes prior to Council considering the budget on 5 February 2019, delegation be given to the Deputy Chief Executive to adjust the forecast / budget, including the use of Reserves, in consultation with the Finance and Corporate Resources Portfolio Holder;
- (c) that in consultation with the Leader and the Finance and Corporate Resources Portfolio Holder, the Deputy Chief Executive reports directly to Council in respect of the formal draft resolutions necessary to implement the Cabinet's budget proposals along with any late information or notifications received from the Ministry for Housing, Communities and Local Government etc.;
- (d) that the Resources and Services Overview and Scrutiny Committee be thanked for the work they have undertaken and continue to undertake in supporting the development of the forecast / budget and agrees the comments of the Finance and Corporate Resources Portfolio Holder in response to those of the Committee as set out in this report;
- (e) that in respect of the Treasury Strategy 2019/20, delegation be given to the Portfolio Holder for Finance and Corporate Resources to approve the Strategy

for consultation with the Resources and Services Overview and Scrutiny Committee.

RECOMMENDED TO COUNCIL that, following the consideration of the comments from the Resources and Services Overview and Scrutiny Committee the following final budget proposals be made (based on a £5 increase in a Band D Council Tax for district services):-

- (a) that the detailed budgets as per Appendix D of this report be approved which provide for a Council Tax Requirement for 2019/20 of £7.955m (excluding parish precepts);
- (b) that the Council agrees and formally approves:
 - (i) the specific recommendations, calculations and other matters in respect of the Council's requirements – Appendix F; and
 - (ii) the Council Tax for this Council's services – Appendix I.

101. CABINET MEMBERS' ITEMS - JOINT REPORT OF THE HOUSING PORTFOLIO HOLDER AND THE FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER - A.3 - HOUSING REVENUE ACCOUNT BUDGET PROPOSALS 2019/2020

There was submitted a joint report by the Portfolio Holder for Housing and the Portfolio Holder for Finance and Corporate Resources, which sought Cabinet's approval of:

- a Housing Revenue Account (HRA) budget for 2019/20, including the movement in HRA balances;
- the level of fees and charges for 2019/20; and
- the HRA Capital Programme.

Cabinet was informed that pending the development of the Council's Housing Strategy, only limited changes to the HRA budget were proposed in 2019/20. As reported in previous years, Local Authorities were required to reduce rents by 1% each year for 4 years, with 2019/20 being the fourth and final year of this approach.

It was reported that the 2018/19 reduction in rents had led to a significant reduction in the revenue contribution to the Capital Programme to support new build and acquisition initiatives with the budget reducing from £0.780m to £0.480m. The 2019/20 reduction in rents had led to this contribution being removed completely to enable a balanced HRA budget to be set for the year.

Cabinet was informed that HRA debt continued to reduce year-on-year as the principal debt was repaid with a total debt position at the end of 2019/20 forecast to be £40.105m.

Cabinet was further informed that the Government had committed to removing the HRA debt cap which was currently £60.285m for this Council and any future borrowing decisions would therefore need to take account of existing prudential borrowing principles within a revised HRA Business Plan rather than be limited to this arbitrary cap.

It was reported that the HRA general balance was forecast to total £4.810m at the end of 2019/20, which retained a strong financial position against which the Housing Strategy and associated HRA 30 year Business Plan could be considered.

Members were aware that a Housing Strategy was currently being developed. This would in turn inform the 30 year HRA Business Plan. The 2019/20 budget proposed therefore reflected only limited changes during the interim period, but it could be reviewed in-year to reflect any changes required once a revised business plan was agreed.

Having considered the information in the report:

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

RESOLVED that Cabinet:-

- (a) Notes the 1% reduction in actual rents / formula rents in 2019/20 in line with the Government's imposed restrictions on rent setting policy;
- (b) approves the 2019/20 Scale of Charges shown in Appendix B; and
- (c) subject to (a) and (b) above, approves the Housing Revenue Account Budget for 2019/20 as set out in Appendix A, along with the HRA Capital Programme and the movement in HRA Balances / Reserves as set out in Appendix C and Appendix D respectively.

102. CABINET MEMBERS' ITEMS - REPORT OF THE FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER - A.4 - REVIEW OF THE COUNCIL'S CONSTITUTION - PHASE 2

Cabinet gave consideration to a report of the Finance and Corporate Resources Portfolio Holder (A.4) which sought its approval for the recommended changes to the Constitution for referral onto Full Council following a review undertaken by the Portfolio Holder through the Constitution Review Working Party.

It was reported that the main proposals had covered a revised approach to how Motions on Notice to Full Council were dealt with, the outcome of the six month review on the committee structure, approval of a Member Referral Scheme for the Planning Committee and revised terms and reference to the Local Plan Committee.

Cabinet recalled that at its meeting on 9 November 2018 it had resolved that wider consultation be undertaken with all Members of the Council on the proposed changes to the Council Procedure Rules, as recommended by the CRWP. The following All Member Briefing had included an introduction to the proposed changes which were subsequently discussed within political groups and comments had then been fed back to the Monitoring Officer and captured in the Consultation Outcome which was attached to the report as Appendix F.

It was reported that the CRWP had considered the outcome of the consultation with members and after debate had decided that their preferred approach to how motions should be dealt with was as set out in the proposed changes to the Council Procedure

Rules contained within Appendix A1 to the Report to Cabinet in November 2018. The comments supporting the CRWP's position were as set out in Appendix F.

Cabinet was aware that the purpose of the Working Party was to provide the Portfolio Holder with comments prior to any recommendations being made to Cabinet and Council and in this instance, having taken into account the views of the CRWP and the wider consultation with members, three options were available and details of those were set out in the report.

It was reported that, at the meeting of CRWP, when reviewing the outcome of the consultation, the Finance and Corporate Resources Portfolio Holder after consulting the Monitoring Officer suggested an alternative approach (option 3) to how motions should be dealt with and which were summarised in the report as the following procedure:

- (i) The Motion is moved and seconded, and thereafter the member who moved the motion would be permitted to explain their motion and give reasons why they felt it would be appropriate for it to be dealt with on the night;
- (ii) The Leader, Portfolio Holder or relevant Chairman of the Committee would be permitted to respond either agreeing with the motion being dealt with on the night or setting out reasons why it would be appropriate to stand referred to the appropriate body for further consideration;
- (iii) The Chairman after hearing both representations and receiving professional advice makes a ruling on whether the motion should be debated or referred; and
- (iv) In making the Ruling the Chairman must give consideration to Article 13 of the Constitution and the Executive Functions Regulations and provide a short explanation of the reasons for their decision.

The Finance and Corporate Resources Portfolio Holder's recommendations were summarised as follows:-:

"The recommended alternative approach, as set out in Option 3 above, allows members who move motions to explain them at the meeting to which they are put and if there are no further implications to take into account, could be debated at the meeting. This provides the Chairman with flexibility which does not currently exist.

However, the alternative approach also allows the Chairman to receive representations from the Leader, relevant Portfolio Holder or Committee Chairman and if necessary professional advice prior to making a ruling on whether a matter should be referred.

The benefit of this approach is that the decision is made in an open and transparent manner, allowing members to explain their motions and give reasons why it should be considered on the night whilst protecting the Council in its wider decision making."

Praise and thanks were given to Councillor G V Guglielmi, the Constitution Review Working Party, Lisa Hastings (Head of Governance and Legal Services & Monitoring Officer) and Ian Ford (Committee Services Manager & Deputy Monitoring Officer) for all their hard work and efforts.

Having considered the contents of the report and the detailed proposed amendments to the Constitution set out in Appendices A to F thereto:-

It was moved by Councillor G V Guglielmi seconded by Councillor McWilliams and:-

RECOMMENDED TO COUNCIL that –

- (a) the Council's Constitution be amended to reflect the proposed changes as set out in Appendices A to E, attached hereto;
- (b) the changes as set out in appendices A to D to come into effect immediately following approval;
- (c) the changes as set out in Appendix E to the sizes of committees to come into effect from 1st May 2019;
- (d) the start time of 7.30pm for Ordinary Full Council meetings remains unchanged recognising that a proportion of elected councillors are employed; and
- (e) the alternative procedure for changes relating to dealing with Motions on Notice, as set out in the report, is agreed in principle only and that revised Council Procedure Rules be produced for approval to the next practicable meeting of Full Council, so that the same can come into effect on 1st May 2019.

103. CABINET MEMBERS' ITEMS - REPORT OF THE FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER - A.5 - FREEHOLD DISPOSAL OF LAND AT COLCHESTER ROAD, HOLLAND-ON-SEA

There was submitted a report by the Finance and Corporate Resources Portfolio Holder (A.5), which sought Cabinet's agreement, in principle, of the freehold disposal of land at Colchester Road, Holland on Sea.

It was reported that the infill plot extended 0.04Ha and was being sold with outline planning permission for one single story detached dwelling.

It was further reported that, following the initiation decision made on 15 December 2017, bids for the land were invited from interested parties and the general public and that the bids had now been received.

Having considered the information provided:-

It was moved by Councillor G V Guglielmi, seconded by Councillor Stock OBE and:-

RESOLVED that Cabinet approves terms for the freehold disposal of the land in principle.

NOTE: Agenda items 12, 13, 14 and 15 were moved on block.

104. MANAGEMENT TEAM ITEMS

There were none on this occasion.

105. 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 15 on the grounds that it involves the likely disclosure of exempt information as defined in the relevant paragraph(s) of Part 1 of Schedule 12A, as amended, of the Act.

106. CABINET MEMBERS' ITEMS - REPORT OF THE FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER - B.1 - TERMS FOR THE FREEHOLD DISPOSAL OF LAND AT COLCHESTER ROAD, HOLLAND-ON-SEA

RESOLVED that Cabinet:-

- (a) approves the terms for a freehold disposal to a named individual; and
- (b) authorises the Deputy Chief Executive to enter into a contract to dispose of the site on the terms set out and subject to such other terms that he considers necessary.

The Meeting was declared closed at 11.50 am

Chairman