

**MINUTES OF THE MEETING OF THE COUNCIL,
HELD ON TUESDAY, 11TH FEBRUARY, 2025 AT 7.30 PM
IN THE PRINCES THEATRE, TOWN HALL, STATION ROAD, CLACTON-ON-SEA,
CO15 1SE**

Present:	Councillors Casey (Chairman), Davidson (Vice-Chairman), Alexander, Amos, Baker, Barrett, Barry, Bensilum, Bray (except items 111 and 112), Bush, Calver, Chapman BEM, Codling, A Cossens, M Cossens, Everett, Fairley, Fowler, Goldman, Griffiths, Guglielmi, Harris, I Henderson, J Henderson, P Honeywood, S Honeywood, Keteca, Kotz, Land, Morrison, Newton, Oxley, Placey, Platt (except items 102 - 108), Scott, Skeels Jnr., Smith, Steady, G Stephenson, M Stephenson, Sudra, Talbot, Thompson, Turner, White and Wiggins
In Attendance:	Ian Davidson (Chief Executive), Lisa Hastings (Director (Governance) & Monitoring Officer), Richard Barrett (Director (Finance and IT) & Section 151 Officer), Keith Simmons (Head of Democratic Services and Elections & Deputy Monitoring Officer), Ian Ford (Committee Services Manager), William Lodge (Communications Manager), Maddie Adger (Leadership Support Manager), Kai Aberdeen (Theatre General Manager (Technical)), Bethany Jones (Committee Services Officer), Katie Koppenaal (Committee Services Officer) and Simon Kedge (Casual Technician (Princes Theatre))

102. REPORT OF THE RETURNING OFFICER ON THE DISTRICT COUNCIL BY-ELECTION - THE BENTLEYS & FRATING WARD

The Returning Officer (Ian Davidson) reported that the result of the by-election held in The Bentleys & Frating Ward of the District on 6 February 2025 had been as follows:-

Aimee Louise Keteca	ReformUK – Changing Politics for Good	432 votes
Oli Mupenda	Labour Party	31 votes
Rachael Richards	Liberal Democrats	328 votes
Neil Robin Stock	Conservative Party Candidate	163 votes

The Returning Officer informed Council that therefore Aimee Louise Keteca had been duly elected a Councillor for The Bentleys & Frating Ward of the District of Tendring and that she had made a Statutory Declaration of Acceptance of Office.

Members congratulated Councillor Keteca with a round of applause.

Council noted the foregoing.

103. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors Doyle and Ferguson.

104. MINUTES OF THE LAST MEETING OF THE COUNCIL

It was moved by Councillor M E Stephenson and:-

RESOLVED that the minutes of the ordinary meeting of the Council held on 21 January 2025 be approved as a correct record and be signed by the Chairman.

105. DECLARATIONS OF INTEREST

The Monitoring Officer reminded Members that she and the Section 151 Officer had circulated, by email on 5 February 2025, their annual joint guidance and advice on a number of matters relating to interests and voting on the annual budget and setting of Council Tax and, especially, the requirements of section 106 of the Local Government Finance Act 1992. The Monitoring Officer read out the contents of that email as follows:-

“Tendring District Council adopted the LGA Model Members’ Code of Conduct which does not include the provisions confirming Members do not have a declarable interest which relates to the function of setting the Council Tax under the Local Government Act 1992. Therefore, to enable you to debate and vote on the budget item to set the Council Tax, this email provides all District Councillors with a dispensation under Section 33(2)(a) to (e) of the Localism Act 2011, which I will refer to at the meeting on Tuesday, and its contents will be recorded within the minutes. Consequently, you will not be required to declare an interest based on the fact you live in the District and therefore have to pay Council Tax.

However, Members are importantly reminded of section 106 of the Local Government Finance Act 1992, which provides that any Member, who is in arrears by at least 2 months with their Council Tax payments cannot vote on matters concerning either the level of or administration of Council Tax. It is important to note that this also covers Council Tax liabilities outside of the district and property which may not be your main residence. If present at the meeting, a Member to whom this provision applies must disclose the fact and may speak on the item, but cannot vote. Non-compliance with this section is a criminal offence. Therefore, should this provision apply to any Member, this should be declared at the Declarations of Interest agenda item.

In 2014, the Government passed The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 making it mandatory for councils to amend their Standing Orders so as to include provisions requiring recorded votes at budget meetings. I can confirm that the Constitution reflects this requirement and the Council’s Procedure Rules state at 19.5:

“A recorded vote is mandatory on any decision relating to the budget or Council Tax. This includes not only on the substantive budget motions agreeing the budget and setting Council taxes, but also on any amendments proposed at the meeting.”

For other types of Interests, which need to be considered, Disclosable Pecuniary Interests (DPIs), Other Registerable Interests (ORIs) or Non-Registerable Interests are defined in the Code of Conduct and for DPIs & ORIs, these have been (or should have been) registered in advance, and with the exception of the Council Tax exemption for residing in the District, you should still consider if any other interests do apply. A blanket exemption/dispensation has not been applied for all.”

Councillors P B Honeywood and S A Honeywood each declared a Non Registerable Interest in relation to Agenda Item 9 (Report of the Cabinet – A.1 – Executive’s Proposals: General Fund Budget and Council Tax 2025/2026) insofar as they had a family member who was a customer of Careline. Having previously consulted the Council’s Monitoring Officer, those Councillors intended to remain in the meeting and take part in the Committee’s discussions on this agenda item.

Councillor Bray declared an Interest in relation to Agenda Item 10 (Report of the Cabinet – A.2 – Executive’s Proposals: Housing Revenue Account Budget 2025/2026) insofar as he was a housing tenant of Tendring District Council. He informed Council that he would not take part in the Council’s consideration of this item nor the voting thereon.

106. ANNOUNCEMENTS BY THE CHAIRMAN OF THE COUNCIL

There were no announcements made by the Chairman of the Council on this occasion.

107. ANNOUNCEMENTS BY THE CHIEF EXECUTIVE

Change in membership of the Reform UK Group

The Chief Executive formally reported that, following the meeting of the Council held on 21 January 2025 and pursuant to Regulation 9(b) of the Local Government (Committees and Political Groups) Regulations 1990, Councillor Michael Bush had served formal notice on the Council that he wished to be treated as a member of the Reform UK political group. That notice had been duly counter signed by the Leader of the Reform UK Group (Councillor Jeff Bray).

Councillor Keteca – Membership of the Reform UK Group

The Chief Executive further formally reported that, following the by-election in The Bentleys & Frating Ward on 6 February 2025 and pursuant to Regulation 9(b) of the Local Government (Committees and Political Groups) Regulations 1990, Councillor Aimee Keteca had served formal notice on the Council that she wished to be treated as a member of the Reform UK political group. That notice had been duly counter signed by the Leader of the Reform UK Group (Councillor Jeff Bray).

He reminded Members that, under Section 15(1)(e) of the Local Government and Housing Act 1989 and Regulation 17(c) of the Local Government (Committees and Political Groups) Regulations 1990, a review of the allocation of seats to political groups would be carried out. The results of that review would be reported to Council on 25 March 2025.

Devolution and LGR

The Chief Executive reported that the Government had included Greater Essex in its priority programme for Devolution and local government reorganisation. The interim plan had to be submitted by the Upper Tier Authorities to Government by 21 March 2025 with detailed proposals required by 26 September 2025.

The Essex County Council elections due to have been held in May 2025 had been held postponed until May 2026 when it was anticipated that the election for the Mayor of Greater Essex would be held.

The Chief Executive informed Council that more details would be provided at a forthcoming All Members' Briefing and that information on Devolution and LGR would be disseminated to town and parish councils and TDALC.

Council noted the foregoing.

108. STATEMENTS BY THE LEADER OF THE COUNCIL

There were no statements made by the Leader of the Council on this occasion.

109. STATEMENTS BY MEMBERS OF THE CABINET

Councillor Kotz, Portfolio Holder for Assets and Community Safety

"Members in this Chamber will be aware that the Police, Fire and Crime Commissioner for Essex announced recently that due to budgetary pressures and an announced shortfall of £5.3million that he was proposing to cut the Police Community Support Officer (PCSO) posts across the County.

The Police have been effective at reducing crime across Essex and the PCSOs have been integral to that ongoing reduction.

At the Cabinet meeting on 31 January, it was suggested that the Council write to the Commissioner of our concern of the loss of our PCSOs and how important they are in keeping our community safe.

Later that same day the Government announced £100million of extra funding for policing nationally and Essex's share of this funding is £2.3million. Subsequently, the Police, Fire and Crime Commissioner for Essex has said that this extra funding along with other measures will help bridge the shortfall.

A new budget has been put in place which is designed to retain PCSOs in Essex. I invite Members to note the 5.66% council tax precept increase, which equates to £13.95 million per year, put forward by the PFCC and that this along with the extra funding from Government means that PCSOs across Essex and importantly in Tendring will be retained alongside maintaining other provision.

The use of the Neighbourhood Policing Guarantee funding still needs to be approved by the Home Office and there is some confidence that the requirements attached to this funding will be met.

Pay constitutes 81% of the Police budget and there are some cuts proposed to staffing of non-critical roles and also to allowances. However, there will be no backfilling by front line Officers to cover any vacancies which occur.

Members will no doubt support the proposal to retain the PCSOs in Tendring who play a crucial role engaging with residents and the public, undertaking reassurance patrols and vulnerability visits. Their support at community events helps the smooth running of

activities in the District for the benefit of our population and visitors. They are invaluable in supporting the Council's Community Ambassadors and Anti-Social Behaviour Officers."

Councillor Kotz then responded to questions and points put to him by Councillors Platt, Harris and Turner.

Councillor Placey, Portfolio Holder for Partnerships

Councillor Placey reminded Members that the 9th Tendring Youth Awards were now open to nominations. Those awards spotlighted amazing accomplishments by young individuals in the age range of 5 – 21 years who lived, studied or worked in the District. Award categories covered included 'Young Lifesaver'; 'Community Improvement'; 'Environment Initiative'; and the 'Unsung Hero' for adults who supported young people. The categories recognised achievements in academics, inspirational caring, community work, and environmental efforts etc. Nominations could be for an individual or for a group and anybody could submit a nomination. Details were on the Council's website.

Councillor Placey also sought volunteers to join the committee for the Tendring Youth Awards at its AGM which would be held at the Town Hall on Tuesday 25 February at 5.30 p.m. It would be an opportunity for people to learn more about the Awards and how to get involved.

110. REPORT OF THE CABINET - A.1 - EXECUTIVE'S PROPOSALS - GENERAL FUND BUDGET AND COUNCIL TAX - 2025/26

Earlier on in the meeting, as detailed under Minute 105 above, Councillors P B Honeywood and S A Honeywood had each declared a Non Registerable Interest in relation to this item insofar as they had a family member who was a customer of Careline. Having previously consulted the Council's Monitoring Officer, those Councillors remained in the meeting and took part in the Committee's discussions on this agenda item.

Further to Minute 116 of the meeting of the Cabinet held on 31 January 2025, the Council considered the Executive's General Fund budget and Council Tax proposals for 2025/26.

Members noted that, as highlighted in the report to Cabinet on 31 January 2025, the following adjustments had been outstanding at that time, which had now been reviewed / finalised for inclusion within the final budget proposals as necessary:

1. recharges between the GF and HRA;
2. income from Business Rates;
3. changes emerging from the Final Local Government Finance Settlement and / or other grants / funding, which would include the final position in respect of the proposed reimbursement of the increased national insurance costs that was set out within Appendix B; and
4. any impact from proposed fees and charges.

Council was made aware that, in respect of item 3. above, the Final Local Government Finance Settlement was still awaited. A recommendation had therefore been included

within the report to enable the budget to be updated accordingly once confirmation was received.

Members were informed that the updated forecast for 2025/26, including the changes above, was set out in Appendix A. The forecast deficit for 2025/26 of £0.056m, that had been reported to Cabinet on 31 January, had been revised to an overall net surplus of £0.839m. This change had been largely due to the final figures associated with income from business rates. This had therefore negated the need to draw money down from the Forecast Risk Fund, and instead a contribution of a corresponding amount to the same fund was proposed.

It was reported that Appendices B and C set out the Net Savings and Cost Pressures respectively. Those remained unchanged from the same appendices considered by Cabinet on 31 January 2025.

Council noted that, as recommended by Cabinet on 31 January 2025, the Executive's budget proposals set out a Band D Council Tax of £199.52 in 2025/26, an increase of 2.99% (£5.79), with a Council Tax requirement of £10.674m.

Members were advised that, taking into account the changes to the budget required since Cabinet had met on 31 January 2025, the total net General Fund revenue budget for 2025/26 was £17.660m, along with a General Fund capital programme totalling £0.827m.

It was felt that the proposed contribution to the forecast risk fund in 2025/26 as highlighted above provided additional financial flexibility when looking ahead to 2026/27 and beyond.

Within that context it was acknowledged that the Council needed to maximise the time that the Forecast Risk Fund provided, to identify and deliver the necessary savings to continue to support long term financial sustainability.

Council was cognisant that the budget recommended by Cabinet for consideration by Full Council included only the District and Parish elements of the council tax rather than those from the major precepting authorities. The formal approval of the 'full' Council Tax levy for the year, including the precepts from Essex County Council, Police and Fire, was delegated to the Human Resources and Council Tax Committee which was due to meet later on during February 2025.

The Leader of the Council (Councillor M E Stephenson) made the following budget statement:-

"Chairman, Members of the Council, I would like to start by acknowledging that, while these budget speeches have historically been lengthy, I will endeavor to keep mine brief this year—much to the relief of some of you, I am sure. This meeting, as always, is about the budget for the coming year, and my goal is to allow for more time for valuable discussion on one of the most important roles we, as a Council, undertake: our responsibility for financial stewardship.

I am pleased to lead with some positive news: the budget presented tonight is not only balanced, but also includes a surplus. For the time being, this surplus will be directed into our Forecast Risk Fund, ensuring a stable financial outlook for the years ahead. Our

long-term financial planning provides us with both flexibility and security to respond to future challenges—whether these come in the form of cost pressures, structural deficits, or the delivery of our key priorities.

This budget also offers the opportunity to reflect on some of our collective achievements. As many of you know, I have consistently emphasised my focus on getting things done. This includes both continuing the important projects initiated by previous administrations and driving forward this administration's new initiatives. Some of our notable successes include:

Spendells - our flagship homeless centre that provides a much-needed roof over the heads of 30 homeless families and contributes over £200k saving per year against our homelessness cost pressure.

Honeycroft - a sheltered scheme that was delivered under budget and on time. This allowed us to look after the more vulnerable residents in Tendring whilst freeing up seven council homes for much deserving families.

Sunspot - a scheme in Jaywick Sands, a multi-million-pound, award-winning project now complete and is now fully covering its costs two years ahead of predictions.

It should also be noted that by completing these projects swiftly we have minimised the rising cost that invariably happens to projects between conception and delivery.

That is not all that has been achieved this year as there is a significant amount of projects that are progressing well that are still in the pipeline to be delivered. These include:-

- Levelling Up Fund - Carnarvon Terrace / Library in Clacton*
- Significant progress on the 15 projects within Community Regeneration Partnership Programme ('Levelling Up') which will make transformative investments in the District.*
- Capital Regeneration Project - Milton Road /Kingsway/ Victoria Street/ Harwich library.*
- Necessary improvements to the Clacton Leisure Centre and investments in local assets, ensuring our facilities meet the growing needs of residents.*
- Playzones in all of the towns in the District.*

Stewardship isn't just about counting the money and delivering exciting projects, it is also about the confidence of how we spend and getting the very best value from it and I am pleased to get a few milestones tucked away this year, and I wanted to raise two tonight;

- The first is the developing and administering of a new Social Value Policy, which will allow the way we spend our money to generate additional benefits for our communities.*
- The second is the clearing of the backlog of the Council's external audits. For the first time in years, we have a complete, signed off audit trail for the Council's finances. I'd like to thank our outstanding officers who have worked so hard with the many demands that come from not just the three outstanding audits, but also the current audit. It is a testament to them that our backlog has been cleared and our current audit is on its way to our Audit Committee as I speak.*

Our ability to secure external funding continues to be a key focus, and I'm proud to report success on this front as well. We have secured multiple strands of funding from the Government's regeneration programs and beyond, including:-

- Funding for improvements to our leisure centres from the Government's Swimming Pool Fund.*
- £500k of UKSPF money to support various initiatives District-wide on top of over £1million in previous years.*
- An additional £500k of green space funding for High Street Accelerator in Dovercourt, which includes investment for open spaced landscape improvements. This is in addition to £237k secured last year for improvements in Dovercourt.*
- £40k to fund a structural survey on the Dovercourt Leading Lights*
- £200k capacity funding Long Term Plan for Towns overseen by Clacton Town Board.*
- We're also pursuing a SALIX funding bid for over £1 million green energy solutions, aimed at replacing our ageing boilers at Clacton Leisure Centre.*

In terms of future financial management, we've been proactive. Notable actions this year include:-

- Waste, recycling, and street cleaning contract preparations to provide flexibility as decisions are made later in the year.*
- Investment in Council assets to avoid "ticking time bomb" scenarios due to neglect.*
- Setting aside £1 million for coastline management, which we hope will help leverage additional external funding.*
- Proactively managing cost pressures, such as the growing issue of homelessness, where we've allocated resources to manage the financial implications.*
- £1 million to fund a Project Delivery Unit to give much needed capacity to deliver the many ongoing projects and more may be needed if we are to complete all outstanding projects to meet the timelines set by LGR.*

Looking ahead to the proposed General Fund Budget for 2025/26, we have made careful assumptions and managed risks to ensure a balanced budget. The savings plan will continue to be an important element in helping us continue to balance the budget in future years. Savings do not necessarily mean reductions in expenditure as they can include increases in income, which is reflected within the current plan and will be something we will continue to explore going forwards – one good example being the ongoing successful management of our investments. As reflected in the savings plan, income from our treasury management activities continues to deliver a significant level of funding that remains an important part of balancing our books, with the budget for 2025/26 expecting an investment income of over £1.8 million. Unlike other councils that have proposed savings plans that are ultimately undeliverable, as shown, the savings in our plan are achievable, many of which have already been secured.

In terms of the overall net budget for 2025/26, it is now in surplus with a contribution being made to the Forecast Risk Fund rather than a contribution from it, which was the case in earlier forecasts.

This budget is supported by a 2.99% proposed increase in our share of the total council tax bill. It is always good to take the opportunity to highlight that our share of the overall bills, that will start to hit doormats in March, totals just over £199 per year for a band D property. This represents only about 10% of the overall amount payable by households and is just over 50 pence a day. I think this continues to provide excellent value for money, especially when you think of everything the Council delivers each year.

Part of stewardship is having one eye on the future and the challenges that may lie ahead and for me these come in three areas:-

The first is the BAU, the business as usual and these incorporate items such as the rise of inflation, the increase in the cost of living, which makes even more demands on council services, reduced interest rates, which will affect treasury outcomes and volatile energy costs.

The second is the Government equation. I welcomed the continued commitment to our levelling up projects, and announcements around UKSPF and right to buy receipts, alongside a commitment to a multi-year settlement which will add stability in forecast predictions. We do however need to understand the significant impact from National Insurance changes, along with potential changes in and around business rates and the new homes bonus which will impact our 2026/27 financial position.

Lastly, but by no means the least, is the Government's recent white paper on local government devolution, having a significant impact on our future financial planning. We are actively considering this new landscape and preparing our savings plans with a focus on identifying efficiencies, protecting services, and managing cost pressures.

The budget surplus for 2025/26 also provides us with some flexibility, which could be crucial in supporting the capacity required for local government reorganisation, should that occur.

However, despite these uncertainties, I am confident that the strong financial foundation we have built will enable us to navigate these challenges. This confidence is backed by the recent recognition from our External Auditor, whose independent view, after a long delay, assures us of the effectiveness of our financial stewardship.

Lastly, I want to highlight that we remain committed to supporting Town and Parish Councils. In 2025/26, we will continue to provide grant funding to offset the costs of the Local Council Tax Support Scheme, ensuring that these local councils remain financially stable and able to support our communities.

To conclude, this budget represents a continued commitment to sound financial management, while also allowing us to deliver on our key priorities. By adopting this budget, we will maintain our momentum in managing resources effectively, protecting services, and planning for the future. I'm confident that with the steps we've taken, we are in a strong position to face the challenges ahead.

Chairman, I present the budget for 2025/26."

It was moved by Councillor M E Stephenson that the recommendations, as set out on page 18 of the Council Book, be approved.

In addition to Councillor Stephenson, Councillors P B Honeywood, Harris, Everett, Bray, Bush and M A Cossens addressed the Council on the subject matter of Councillor Stephenson's motion.

In accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, as reflected within Council Procedure Rule 19.5 of the Council's Constitution, a named vote on Councillor Stephenson's motion was taken.

That vote resulted as follows:

<u>Councillors For</u>	<u>Councillors Against</u>	<u>Councillors Abstaining</u>	<u>Councillors Not Present</u>
Amos	None	Alexander	Doyle
Baker		Bray	Ferguson
Barrett		Bush	
Barry		Codling	
Bensilum		Everett	
Calver		Griffiths	
Casey		Harris	
Chapman BEM		P B Honeywood	
A I Cossens		S A Honeywood	
M A Cossens		Keteca	
Davidson		Skeels	
Fairley		Thompson	
Fowler		Turner	
Goldman			
Guglielmi			
I J Henderson			
J Henderson			
Kotz			
Land			
Morrison			
Newton			
Oxley			
Placey			
Platt			
Scott			
Smith			
Steady			
G L Stephenson			
M E Stephenson			
Sudra			
Talbot			
White			
Wiggins			

Councillor Stephenson's motion was declared **CARRIED** and it was therefore:-

RESOLVED that, having had regard to the Chief Finance Officer's (Section 151 Officer) report on the Robustness of Estimates and Adequacy of Reserves in accordance with the requirements under Section 25 of the Local Government Act 2003, and having taken

account of any responses to the budget consultation process, the Council approves the 2025/26 budget proposals (based on a 2.99% (£5.79) Band D council tax increase for district services) and agrees that:

- i) the total General Fund net revenue budget for 2025/26 be set at £17.660m (a council tax requirement of £10.674m excluding parish precepts);
- ii) the General Fund capital programme be approved totalling £0.827m in 2025/26;
- iii) the detailed General Fund budget for 2025/26 be as set out in Appendix D to item A.1 of the Report of the Cabinet;
- iv) the calculation of the Council's Council Tax requirement, Special Expenses and Parish/Town Council precepts, be as set out at Appendix F to item A.1 of the Report of the Cabinet;
- v) the Council Tax for District and Parish/Town Councils' services be as at Appendix I to item A.1 of the Report of the Cabinet and that these are the amounts to be taken into account for the year in respect of the categories of dwellings listed in different valuation bands; and
- vi) if budget adjustments are required such as those necessary to reflect the Final Local Government Finance Settlement and the late notification of other external / grant funding, then in consultation with the Corporate Finance and Governance Portfolio Holder, the Council's Section 151 Officer be authorised to adjust the budgets accordingly with no net impact on the overall budget or capital programme set out above.

111. REPORT OF THE CABINET - A.2 - EXECUTIVE'S PROPOSALS - HOUSING REVENUE ACCOUNT BUDGET 2025/26

Earlier on in the meeting, as detailed under Minute 105 above, Councillor Bray had declared an Interest in relation to this item insofar as he was a housing tenant of Tendring District Council. He thereupon withdrew from the meeting whilst Council considered this item and reached its decision thereon.

Further to Minute 119 of the meeting of the Cabinet held on 31 January 2025, the Council considered the Executive's Housing Revenue Account (HRA) budget proposals for 2025/26 (including fees and charges, capital programme and movement in HRA balances).

Members noted that there had only been a very limited number of changes since Cabinet had met on 31 January 2025, which had been reflected in Appendices A to E as necessary. The outcome of the changes required was a reduced deficit of £1.043m in 2025/26 compared with the figure of £1.131m reported to Cabinet on 31 January. It was proposed to fund this estimated deficit by calling on money from HRA balances as an alternative to potentially reducing expenditure.

Council was made aware that, as has been the case in previous years, the use of reserves struck a necessary balance of 'protecting' the investment in tenants' homes whilst recognising the need to use reserves to respond to the on-going financial challenges that the Council continued to face. It was however recognised that this was

not a sustainable long-term solution, but it enabled the Council to meet its key priorities in the immediate term, which could be revisited as part of the HRA Business Plan in future years.

Members were aware that the above challenge was recognised within Cabinet's current initial highlight priorities for 2025/26.

It was reported that, for 2025/26, the Executive's budget proposals set out an increase in dwelling rents of 2.7% along with a total HRA expenditure budget of £18.592m (net of indirect income / expenditure) and a capital programme totalling £5.106m.

The 2.7% increase in dwelling rents resulted in an average weekly rent of £103.49 in 2025/26 (£100.89 in 2024/25).

Council was informed that Appendix C set out the proposed fees and charges for 2025/26, which broadly reflected inflationary uplifts of 2.7% where relevant or other inflationary changes to better reflect the cost of providing the associated service.

The proposed budget reflected the continued repayment of debt, with the total level of existing debt falling from £32.535m to £31.120m at the end of 2025/26.

The HRA general balance was forecast to total £2.683m at the end of 2025/26, which retained a strong financial position against which the associated HRA 30 Year Business Plan could continue to be delivered / developed.

Members recognised that the HRA balances, together with the proposed rent increase for 2025/26 were important elements of delivering a financially sustainable HRA in the longer term and that the HRA Business Plan and proposed budget played a significant role in the delivery of affordable and decent housing in the District and the Council's responsibilities as a landlord had direct implications for the Council's ability to deliver on its objectives and wider priorities. This recognised the socio-demographics of the area and the increased focus on housing standards by the Government / Social Housing Regulator.

The Leader of the Council (Councillor M E Stephenson) made the following budget statement:-

"Before I talk about the proposed budget for 2025/26, it might be worth setting the scene in terms of the underlying principle that both my administration and the previous administration have applied to the Council's important social housing landlord role.

And that is we want to make sure that as much of the rents we collect from our tenants is invested back into their homes and associated services. This continues to remain a fundamental premise of what a good social landlord should do, regardless of the social housing regulations that might require it. Good quality housing goes hand in hand with the quality of life of our tenants.

Effective Management of our tenants' homes and the support we provide them are further cornerstones of our important landlord role, that we will be judged against by both our tenants and the Regulator.

As I mentioned last year, the Council instigated its own peer review of our housing provision along with identifying additional capacity to support the work associated with this and the new era of Social Regulation. The outcome of the review was considered by our Audit Committee in April last year, where they heard how it had been a positive step in understanding the current policy and practice within the service and where further work was needed.

Set against the outcome of the review above and our key priority of providing decent housing that everyone deserves, 2024/25 has been a busy year, which has seen:

- *The initial outcomes from the stock condition surveys resulting in timely repairs and a refocusing of the housing investment programme to include energy efficiency and anti-condensation measures.*
- *The recruitment of 4 tenant engagement officers providing valuable services through tenant engagement which includes general advice, debt management and maximising opportunities to access financial support. It is our aim that we visit all of our tenants on a regular basis via this additional resource.*
- *The introduction of a number of policies such as:*
 - *A Tenant Involvement Policy*
 - *An Anti-social Behaviour Policy*
 - *A Reasonable Adjustment Policy*
 - *A Vulnerability Policy*
 - *An Acceptable Customer Behaviour Policy*
 - *A Housing Neighbourhood Management Policy*
 - *A Housing Rent Setting and Collection Policy*
 - *A Housing Allocations Policy for consultation*
 - *A Gas Safety Policy*
 - *An Electrical Safety Policy*
 - *A Fencing and Paving Policy*
 - *An Empty Homes Management Policy*

We also considered at our last Cabinet our Housing Asset Management Plan which covers a number of important elements including the management of empty properties.

I think this ably demonstrates how serious we take our landlord role and how we are always striving to improve what we do. We may not always get things right, but we are never afraid to hear what our tenants or the Regulator have to say. We can then be judged on how we respond.

As set out in the report, and similar to the General Fund, there are challenging times ahead and there will always be trade-offs in terms of balancing our aims and aspirations with the depth of our pockets. We acknowledge that the proposed use of reserves in 2025/26 and beyond is not a sustainable long-term solution, but in the more immediate term it strikes the necessary balance of 'protecting' the investment in tenants' homes and enables the Council to meet its key priorities and regulatory responsibilities.

As part of our active management of the business plan, we will need to continue to keep a watching brief on potential cost pressures and other liabilities. As recognised within the report we have in front of us tonight, along with earlier reports, the cost of

undertaking the required level of maintenance to our tenants' homes continues to rise due to inflationary pressures. We are also required to meet a set of tenant satisfaction measures and are subject to an enhanced programme of regulation from the Regulator for Social Housing. Such a challenging background to our financial planning process will naturally limit options to rationalise resources across the various lines of the forecast.

However, we need to be up to the challenge of seeking efficiencies and exploring the prioritisation of resources without compromising our underlying principles or our ability to meet regulatory requirements.

As discussed at the recent Resources and Services Overview and Scrutiny Committee, a good example relates to properties that may be becoming costly to maintain and repair and use up a disproportionate amount of HRA resources. It may therefore be better to dispose of such properties in order that resources can be focussed elsewhere within the HRA.

That highlights another balance we have to make – if we dispose of properties, we then need to explore opportunities to replace them.

As summarised in the report, the Government have introduced a number of helpful flexibilities around the use of right to buy receipts that should support us in this endeavour.

However, as we have said before, adding homes to our existing stock of houses does not have to come from us directly building them. We have seen a number of homes given to the Council as part of planning obligations and hopefully you have all seen the recent press release relating to the 8 new homes handed to us by Matthew Homes, relating to their site in Meadow Gardens in Clacton with 10 more to come in the near future.

In terms of rental income, which clearly plays an important role in the stability and financial sustainability of the HRA, we are proposing a rent increase of 2.7% in 2025/26 in addition to taking the necessary and effective action to continue to bring the level of void losses down to match those levels achieved before COVID.

All the things I have talked about tonight have been drawn together within our Initial Highlight Properties for 2025/26 where we have set out our commitment to developing the long term HRA 30 Year Business Plan proposals to secure sustainability of the HRA, which will include the management of long term empty council properties and responding to the Government's drive to increase the stock of social housing.

Councillor Baker and I will be undertaking a deep dive into numerous lines of the business plan, with not only a focus on managing our more difficult properties effectively, which includes any of our long-term empty homes, but also using data well to drive change and efficiency.

In terms of reserves, the estimated use of balances in 2025/26 is just over one million pounds. This has been partly offset by the estimated surplus in 2024/25 and the money that was transferred to reserves when the outturn position for 2023/24 was finalised last year. It is important to highlight that the money proposed to be drawn down from reserves is invested back into our tenants' homes.

As I mentioned last year, we remain a good landlord, and I hope tenants see their future as having their homes owned and managed by us rather than the alternative that we have seen elsewhere in the country where Councils have sold off their housing stock. That brings me to the point I referred to when I introduced the General Fund Budget earlier tonight and that is the impact from Local Government devolution and reorganisation.

Ultimately our future is not necessarily in our hands in terms of LGR, but as we discussed at our Full Council meeting last month, work will continue to ensure that the District of Tendring is in the best possible position and that Members and Officers will continue to deliver this Council's best value and other statutory duties for the benefit of its residents, businesses and communities every day that it exists, which will be applied to the HRA and our responsibilities as a social housing landlord.

The budget we are considering tonight therefore continues to provide a sound basis for us to meet the various challenges I have outlined along with continuing to deliver a well-managed and financially sustainable housing revenue account on behalf of our tenants."

In addition to Councillor Stephenson, Councillors P B Honeywood and Harris spoke on the subject matter of this item.

It was moved by Councillor M E Stephenson and unanimously:-

RESOLVED that Council approves:-

- (a) a 2.7% increase in dwelling rents in 2025/26; and
- (b) the Housing Revenue Account Budget for 2025/26, as set out in Appendix B to item A.2 of the Report of the Cabinet, along with the Fees and Charges, HRA Capital Programme and the movement in HRA Balances / Reserves, as set out respectively in Appendices C to E to item A.2 of the Report of the Cabinet.

112. URGENT MATTERS FOR DEBATE

No urgent matters had been submitted in accordance with Council Procedure Rule 2(viii) for this meeting.

The Meeting was declared closed at 8.44 pm

Chairman