



CABINET

DATE:	Friday, 26 May 2017
TIME:	10.30 am
VENUE:	Essex Hall, Town Hall, Clacton-on-Sea, CO15 1SE

MEMBERSHIP:

Councillor Stock	- Leader of the Council and Acting Planning and Regeneration Portfolio Holder
Councillor C Guglielmi	- Resources and Corporate Services Portfolio Holder and Deputy Leader of the Council
Councillor Ferguson	- Tourism and Culture Portfolio Holder
Councillor Honeywood	- Housing Portfolio Holder
Councillor McWilliams	- Leisure and Partnerships Portfolio Holder
Councillor Talbot	- Environment Portfolio Holder
Councillor Turner	- Commercialisation, Seafronts and Parking Portfolio Holder
Councillor Watling	- Cabinet Member Without Portfolio

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Meeting papers can be provided, on request, in large print, in Braille, or on disc, tape, or in other languages.

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

DATE OF PUBLICATION: WEDNESDAY, 17 MAY 2017

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 - 10)

To confirm and sign the minutes of the last meeting of the Cabinet held on Friday 21 April 2017.

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 Report of the Resources and Corporate Services Portfolio Holder - A.1 - Freehold Purchase of 23 Alexandra Street, Harwich (Pages 11 - 14)

To seek approval from Cabinet for the freehold purchase of 23 Alexandra Street, Harwich.

10 Joint Report of the Resources and Corporate Services Portfolio Holder and the Housing Portfolio Holder - A.2 - Acquisition of Sites in the Clacton-on-Sea Area (Pages 15 - 18)

To consider whether to acquire two sites in a regeneration area, Clacton-on-Sea, with a view to facilitating development or directly developing the sites for housing/regeneration stimulation.

11 Joint Report of the Resources and Corporate Services Portfolio Holder and the Leisure and Partnerships Portfolio Holder - A.3 - Clacton Leisure Centre Ventilation System (Pages 19 - 22)

To request additional budgetary provision to ensure sufficient funding for the replacement of the Pool Hall Ventilation system at Clacton Leisure Centre.

12 Management Team Items

There are none on this occasion.

13 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 14 to 17 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.”

14 Exempt Minute of the Last Meeting held on Friday 21 April 2017 (Pages 23 - 24)

To confirm and sign the exempt minute of the last meeting of the Cabinet held on Friday 21 April 2017.

15 Report of Resources and Corporate Services Portfolio Holder - B.1 - Terms for the Freehold Purchase of 23 Alexandra Street, Harwich (Pages 25 - 28)

To consider the terms for the freehold purchase of 23 Alexandra Street, Harwich.

16 Joint Report of Resources and Corporate Services Portfolio Holder and the Housing Portfolio Holder - B.2 - Acquisition of Sites in the Clacton-on-Sea Area (Pages 29 - 34)

To consider the terms for the acquisition of two sites in the Clacton-on-Sea area.

17 Joint Report of Resources and Corporate Services Portfolio Holder and the Leisure and Partnerships Portfolio Holder - B.3 - Clacton Leisure Centre Ventilation System (Pages 35 - 36)

To agree the appointment of a contractor to install a new Ventilation System at Clacton Leisure Centre.

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 Tuesday, 13 June 2017.

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. 14 to 17 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 Last Meeting held on Friday 21 April 2017

Report of Resources and Corporate Services Portfolio Holder - B.1 - Terms for the Freehold Purchase of 23 Alexandra Street, Harwich

Joint Report of Resources and Corporate Services Portfolio Holder and the Housing Portfolio Holder - B.2 - Acquisition of Sites in the Clacton-on-Sea Area

Joint Report of Resources and Corporate Services Portfolio Holder and the Leisure and Partnerships Portfolio Holder - B.3 - Clacton Leisure Centre Ventilation System

Information for Visitors

ESSEX HALL **FIRE EVACUATION PROCEDURE**

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Your calmness and assistance is greatly appreciated.

**MINUTES OF THE MEETING OF THE CABINET, HELD ON FRIDAY 21 APRIL 2017 AT
10.33 A.M. IN THE ESSEX HALL, TOWN HALL, CLACTON-ON-SEA**

PRESENT:

Councillor N R Stock OBE
Councillor G V Guglielmi

Councillor T M Ferguson
Councillor P B Honeywood
Councillor L A McWilliams
Councillor M J Talbot
Councillor N W Turner
Councillor G F Watling

PORTFOLIO:

Leader of the Council (Chairman)
Deputy Leader of the Council; Portfolio Holder for
Resources and Corporate Services
Portfolio Holder for Tourism and Leisure
Portfolio Holder for Housing
Portfolio Holder for Leisure and Partnerships
Portfolio Holder for Environment
Portfolio Holder for Commercialisation, Seafronts & Parking
Portfolio Holder for Planning and Regeneration

Group Leaders Present by Invitation: There were none present on this occasion.

Also Present: Councillor Steady.

In Attendance: Corporate Director (Corporate Services), Corporate Director (Operational Services) (Paul Price), Head of Finance, Revenues & Benefits (Richard Barrett), Head of Property Services (Andy White), Management and Members' Support Manager (Karen Neath), Committee Services Manager (Ian Ford) and Communications and Public Relations Manager (Nigel Brown)

168. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors J A Broderick (Leader of the Holland-on-Sea Residents' Group), I J Henderson (Leader of the Labour Group), M E Stephenson (Leader of the UKIP Group) and E F Whitmore (Deputy Leader of the UKIP Group).

169. MINUTES OF THE LAST MEETING HELD ON FRIDAY 17 MARCH 2017

It was **RESOLVED** that the minutes of the last meeting of the Cabinet, held on Friday 17 March 2017, be approved as a correct record and signed by the Chairman.

170. DECLARATIONS OF INTEREST

Councillor G V Guglielmi declared a non-pecuniary interest in relation to the Disposal of the Riverview Playing Fields at Lawford (Report A.4), as detailed in Minute 177 below.

171. ANNOUNCEMENTS BY THE LEADER OF THE COUNCIL

There were none on this occasion.

172. ANNOUNCEMENTS BY CABINET MEMBERS

There were none on this occasion.

173. MATTERS REFERRED TO THE CABINET BY THE COUNCIL

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

174. MATTERS REFERRED TO THE CABINET BY A COMMITTEE – A.1 – UPDATE ON RELATIONSHIP WITH THE NORTH ESSEX PARKING PARTNERSHIP

Cabinet was informed that, at the meeting of the Service Development and Delivery Committee held on 27 February 2017, Members had received an update on the Council's relationship with the North Essex Parking Partnership and especially the offer made by Essex County Council to extend the current term of the Joint Committee Agreement by four years.

The Committee had before it a briefing note prepared by the Head of Public Realm (Ian Taylor) and which was set out under the following main headings:-

- (1) Background;
- (2) Current Position;
- (3) Alternative Options;
- (4) Proposal and Delegated Power;
- (5) Financial Implications and Risk; and
- (6) Risk Management Implications.

The Committee had also had before it a draft letter to Councillor Robert Mitchell, Chairman of the North Essex Parking Partnership which stated that Tendring District Council (TDC) had considered the matter, understood the advantages of continuing with the current agreement for a further four years and was in agreement with the proposal subject to the following provisions:-

- (a) TDC will not budget for any money to cover losses arising from the partnership;
- (b) No Camera enforcement cars will operate within the Tendring District; and
- (c) That the partnership agrees to further develop the arrangement with Civil Enforcement Officers employed by TDC to assist with meeting local requirements for on street parking enforcement.

The Committee had agreed that Cabinet be requested to -

- *acknowledge the excellent job that the Parking Services team and their Portfolio Holder have done with regards to the building of relationships with the North East Parking Partnership.*
- *be requested to ensure that the North East Parking Partnership Terms of Reference are scrutinised by the relevant committee before the next contract is signed by TDC (likely 2021).*

The Cabinet had before it the following recommendations of the Commercialisation, Seafronts and Parking Portfolio Holder made in response to the requests of the Service Development and Delivery Committee:

- a) *The Committee be thanked for their supportive comments regarding the work done on building relationships with the North Essex Parking Partnership.*
- b) *It will be ensured that the North Essex Parking Partnership Terms of Reference are scrutinised by the relevant committee before the next contract is signed by TDC.*

Having considered the comments of the Service Development and Delivery Committee and the comments and recommendations of the Commercialisation, Seafronts and Parking Portfolio Holder:

It was moved by Councillor Turner, seconded by Councillor Ferguson and:

RESOLVED that the recommendations of the Commercialisation, Seafronts and Parking Portfolio Holder be approved.

175. **MATTERS REFERRED TO THE CABINET BY A COMMITTEE – A.2 – CORPORATE BUDGET MONITORING REPORT FOR THE THIRD QUARTER OF 2016/17**

Cabinet was informed that, at the meeting of the Corporate Management Committee (CMC) held on 13 March 2017 the Committee had considered the contents of the Corporate Budget Monitoring Report for the Third Quarter of 2016/17.

The Committee had agreed to make the following comments to Cabinet:

“Income from Section 106 Agreements

(a) *no monies should ever be left in the “Less than one year column for Section 106 Agreement unallocated/uncommitted monies” i.e. the money should always have been allocated/committed or spent before that point;*

Housing Revenue Account

(b) *a robust system should be put in place to protect Council as much as possible from costs arising on-going major repairs/improvements to Council dwellings especially where these are as a result of tenants’ actions;*

(c) *Are the HRA properties periodically fully inspected and if not, why not?; and*

Supporting People Funding

(d) *Essex County Council (ECC) should be urged to reconsider its decision to end the Supporting People funding. The Committee is disappointed that this Council did not make a public protest at the time especially given the short timescale given before ECC’s decision came into effect and is concerned that this may have set a precedent for future ECC decisions. The Committee is also concerned that the blame for any future decision to remove Sheltered Housing Wardens as a result of budgetary pressures will now be placed at the door of this Council.”*

The Cabinet had before it as Appendix A to item A.2 of the Reference from the Corporate Management Committee the responses of the Resources and Corporate Services Portfolio Holder to CMC’s comments.

Having considered the comments of the Corporate Management Committee and the responses thereto of the Resources and Corporate Services Portfolio Holder:

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

RESOLVED that the responses of the Resources and Corporate Services Portfolio Holder, as set out in the Appendix to item A.2 of the Reference from the Corporate Management Committee be approved, subject to the response to (a) being amended to read as follows:

“Noted, and Cabinet agrees that Section 106 monies should be spent as soon as practicable but cabinet recognises that it may not always be possible, or in the best interests of the Council/community to spend them immediately.”

176. MATTERS REFERRED TO THE CABINET BY A COMMITTEE – A.3 – SUSTAINABILITY TRANSFORMATION PLAN

Cabinet was informed that, at the meeting of the Community Leadership and Partnerships Committee held on 20 March 2017, Susannah Howard (STP Programme Director) from the Clinical Commissioning Group was in attendance and gave the Committee a presentation on the Sustainability Transformation Plan. This is a high level strategy for transformation of the health service and focuses on a system rather than an organisational approach. The next stage will be to develop operational plans for each strand so that meaningful consultation can take place with a wider audience on what the STP means in practice for front line staff and patients. The presentation covered the following:

- (1) Introduction;
- (2) NHS structure;
- (3) Working together and moving forward;
- (4) Suffolk and North East Essex footprint statistics;
- (5) The three main areas of the STP Plan;
- (6) The required steps to help achieve and deliver the complex programme;
- (7) The conclusions of the Kings Fund Review of STPs;
- (8) Taking the STP forward;
- (9) Work streams;
- (10) Governance;
- (11) STP programme board – Terms of reference;
- (12) Process of aligning work streams to the STP;
- (13) Work stream delivery mandate;
- (14) Dashboard reporting; and
- (15) Forthcoming interactive programme events.

Members had asked questions on various issues which including:-

- Social care issues and bed blocking;
- How the high level STP will be communicated down to front line staff;
- What the impact of the STP will ultimately be on patients;
- Financial savings;
- Collaborative working with for example the ambulance service and GP services and how the STP integrated with other health issues such as the urgent care review and the contract for provision to 0 -19 year olds;
- Engagement with other stakeholders such as Police and Fire;
- The need to streamline health provision ranging from consultants to chemists and how this could be done.

It had been agreed that Susannah Howard be invited back to a future meeting along with representatives from the North East Essex Clinical Commissioning Group and Essex County Council in order to discuss a more detailed plan of what STP means for Tending health staff and patients.

The Committee had agreed that Cabinet be requested to contact the STP Lead to seek assurance that when the STP Plan is at a more detailed level, timely consultation with the wide public will take place.

The Cabinet had before it the following recommendation of the Leisure and Partnerships Portfolio Holder made in response to the request of the Community Leadership and Partnerships Committee:

“When the STP Plan is at a more detailed level, the STP Lead be contacted to seek assurance that timely consultation with the wider public will take place.”

Having considered the request of the Community Leadership and Partnerships Committee and the recommendation of the Leisure and Partnerships Portfolio Holder:

It was moved by Councillor McWilliams, seconded by Councillor Turner and:

RESOLVED that Cabinet agrees that when the STP Plan is at a more detailed level, the STP Lead be contacted to seek assurance that timely consultation with the wider public will take place and that an All Member Briefing be held as part of this process.

177. LEADER OF THE COUNCIL’S ITEMS – DISPOSAL OF THE RIVERVIEW PLAYING FIELDS AT LAWFORD TO THE LAWFORD PARISH COUNCIL (Report A.4)

Councillor G V Guglielmi had earlier in the meeting declared a non-pecuniary interest in relation to this item.

There was submitted a report by the Leader of the Council (Report A.4), which sought Cabinet’s agreement, in principle, to the disposal of the playing fields at Riverview, Lawford to Lawford Parish Council.

It was reported that Lawford Parish Council currently had a lease for the Riverview playing fields which had started in 1992 and had passed its contractual end date in August 2013. Since 2013 the lease had continued in force under the provisions of Part II of the Landlord and Tenant Act 1954.

Cabinet was informed that terms for the renewal of the lease had been proposed but after initial acceptance the Parish Council had subsequently declined to accept the proposed increase in rent. The Parish Council had instead applied for the transfer of the freehold of the land under the Council’s Community Asset Transfer Policy to enable them to have certainty going forward and to apply for grant funding. This had been rejected by Tendring District Council as Officers did not consider that the proposal was strong enough to warrant the transfer of the freehold.

Members were advised that the Parish Council had now offered to purchase the land for a cash consideration. In addition to the land that the Parish Council currently rented they would also be purchasing the land which Essex County Council (ECC) rented from TDC. This was because the land currently rented to ECC for school playing fields was effectively land locked by the section of land rented by the Parish Council. If the Parish Council did not buy all of the land then TDC would have no access to land that it owned thereby devaluing that area. The lease to ECC would remain in place and the use of the area would not change.

Having considered the information provided:-

It was moved by Councillor Stock, seconded by Councillor Watling and:-

RESOLVED that Cabinet approves, in principle, the disposal of the playing fields at Riverview, Lawford to Lawford Parish Council subject to the decision as to the terms of the disposal to be taken later in the meeting following the exclusion of the press and public.

Cabinet Members' Items – Report of the Portfolio Holder for Leisure and Partnerships**178. DETERMINATION OF A NOMINATION TO REGISTER AN ASSET OF COMMUNITY VALUE: YE OLDE CHERRY TREE, CLACTON ROAD, LITTLE CLACTON, CO12 5JH (Report A.5)**

There was submitted a report by the Portfolio Holder for Leisure and Partnerships (Report A.5), which sought Cabinet's decision on whether Ye Olde Cherry Tree, Clacton Road, Little Oakley met the criteria set out in the Localism Act 2011 and the Assets of Community Value (England) Regulations 2012, following its valid nomination as an Asset of Community Value by Tendring CAMRA Branch. No other criteria were pertinent to the decision.

The Cabinet was informed that the Officers, taking the evidence provided into account, were of the opinion that the building nominated did meet the criteria set out in Section 88 of the Localism Act 2011 and, accordingly, were recommending that the building should be listed as an Asset of Community Value.

Having considered the report, the valid nomination and the advice of Officers, it was moved by Councillor Watling, seconded by Councillor Ferguson and:

RESOLVED that Cabinet agrees that Ye Olde Cherry Tree, Clacton Road, Little Oakley, CO12 5JH meets the definition of an Asset of Community Value, as set out in Section 88 of the Localism Act 2011, and that the building be added to the Council's list of Assets of Community Value.

Cabinet Members' Items – Report of the Portfolio Holder for Resources and Corporate Services**179. ASSET MANAGEMENT PLAN, PROPERTY STRATEGY, PROPERTY PROGRAMME, PROCEDURE RULES AND CONSEQUENT CONSTITUTION AMENDMENTS (Report A.6)**

There was submitted a report by the Portfolio Holder for Resources and Corporate Services (Report A.6), which enabled Cabinet to consider the draft Asset Management Plan, Property Strategy, Property Programme, Procedure Rules and consequent Constitution amendments.

Cabinet was informed that the adoption of an Asset Management Plan was no longer mandatory but it was considered to be good practice. The Asset Management Plan was not a budget and policy framework document. The Asset Management Plan, Property Strategy and updated procedure rules had been outstanding Auditors' requirements for some years. Officers had therefore produced a suite of policy and procedure documents comprising a high level Asset Management Plan and subsidiary documents.

It was proposed that the Asset Management Plan would be adopted at full Council together with the necessary changes to the Council's Constitution.. Other parts of the package would be adopted, subject to the foregoing, as the documents progressed through the approvals process.

It was reported that the key proposed changes to the Constitution were to:

- Provide authority for the adoption of the Property Strategy, Property

Programme and procedure rules.

- Remove detailed provisions on property procedures and provide authority for a separate suite of procedure rules.
- Update decision making and valuation thresholds.

Cabinet was reminded that the Corporate Management Committee had considered the draft documents at its meeting held on 13 March 2017 and had made comments as set out below. Where applicable the draft documents had been adjusted to reflect the Committee's comments.

The Corporate Management Committee had commented to Cabinet that:

- a) the Council's attitude should be that "if we don't need it and its costing us money then we dispose of it";*
- b) robust action/business plans should be put in place to deliver the aspirational aspects of the Property Programme;*
- c) the Property Programme should cover at least a three year period in order to take into account the next District Council Elections; and*
- d) the need for an Integrated Transport Plan should be included, where appropriate, in the documents*

The Resources and Corporate Services Portfolio Holder had responded to those comments as set out below. Where applicable the draft documents had been amended to reflect those responses.

The Portfolio Holder's responses were:

"I thank the Committee for its time and comments.

- a) The Committee is quite right in its view of the need to dispose of surplus property. This approach is in line with the draft documents prepared by officers and will help the Council to achieve a leaner property portfolio that actively contributes to our objectives and is sustainable in the light of our future financial circumstances.*
- b) The documents proposed are not the best place to expand on the detailed plans for specific projects. Instead I propose that Cabinet should request that officers prepare plans separately for the delivery of projects.*
- c) The Property Programme needs to both reflect long term aspirations and focus on immediate priorities as well as retaining flexibility to deal with changing circumstances. Cabinet will note the change of the duration of the programme attached to the report also on this agenda in line with the suggestion of the Committee.*
- d) Members will note the addition of a Transport Plan into the infrastructure section of the Property Strategy. It is likely that the Council will look towards sector partners for delivery."*

Having considered the comments of the Corporate Management Committee and the responses thereto of the Resources and Corporate Services Portfolio Holder:

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

RESOLVED that Cabinet -

- a) recommends and refers the Asset Management Plan and proposed Constitution amendments to full Council for adoption;
- b) subject to Council's decision on the foregoing, adopts the Property Strategy;
- c) notes the draft Property Programme and procedure rules proposed for separate adoption by the Portfolio Holder and by Officers subject to the adoption of the Asset Management Plan and Constitution changes, as detailed above; and
- d) requests that Officers bring forward delivery plans for the aspirational projects in the Property Programme as resources permit.

RECOMMENDED TO COUNCIL that the Asset Management Plan and the proposed amendments to the Council's Constitution be approved.

180. MANAGEMENT TEAM ITEMS

There were none on this occasion.

181. EXCLUSION OF PRESS AND PUBLIC

It was moved by Councillor Stock, seconded by Councillor Turner and:

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.

182. REPORT OF LEADER OF THE COUNCIL – B.1 – TERMS FOR THE DISPOSAL OF THE RIVERVIEW PLAYING FIELDS AT LAWFORD TO LAWFORD PARISH COUNCIL

RESOLVED that Cabinet:

- (a) approves the terms for proposed for the sale of the playing fields, as set out in Appendix A to item B.1 of the Report of the Leader of the Council; and
- (b) authorises the Corporate Director (Corporate Services) to accept the offer from Lawford Parish Council on the terms set out and subject to such other terms that he considers necessary for the freehold of the playing fields.

DATE AND TIME OF NEXT SCHEDULED MEETING

The next scheduled meeting of the Cabinet was due to take place on Friday 26 May 2017 at 10.30 a.m. in the Essex Hall, Town Hall, Station Road, Clacton-on-Sea.

The meeting was declared closed at 10.56 a.m.

Chairman

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

26 MAY 2017

REPORT OF PORTFOLIO HOLDER FOR RESOURCES AND CORPORATE SERVICES

A.1 FREEHOLD PURCHASE OF 23 ALEXANDRA STREET, HARWICH
 (Report prepared by Tim Clarke and David Black)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To seek approval from Cabinet for the freehold purchase of 23 Alexandra Street, Harwich.

EXECUTIVE SUMMARY

23 Alexandra Street is a late 70's built ex-Council owned 3 bedroom house in a terrace of four. Two other of these houses still remain in the Council's ownership making this a logical opportunity. Full details can be found in Part B of this Report.

RECOMMENDATIONS

That Cabinet authorises the freehold purchase, in principle, subject to its decision on terms and authorising the Corporate Director (Corporate Services) to enter in to a contract and transfer deed to complete the purchase of the property all as set out in the report in Part B of this agenda.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The freehold purchase of 23 Alexandra Street Harwich has potential to contribute to the Council priority to deliver a quality living environment by:

- supporting the supply of affordable housing.
- managing public money effectively meaning value for money principles are embedded in the delivery of all of our services

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The purchase of the property carries a financial cost but would bring an additional dwelling into the housing stock that would meet a local need and would immediately generate rental income. Details of this are contained in Part B of this report.

The purchase can be funded from existing capital receipts.

Risk

There is a minimal risk that the purchase might not complete if the seller were to pull out but if this does happen then officers would look to find another appropriate property in the area to purchase.

LEGAL

In coming to decisions in relation to the management or procurement of assets, the Council must act in accordance with its statutory duties and responsibilities. Under case law following Section 120 of Local Government Act 1972, the Council is obliged to ensure that the management of its assets are for the benefit of the District.

Section 17 of the housing Act 1985 provides the principal power for the acquisition of land including houses or land for housing for housing purposes.

The Portfolio Holder for Resources and Corporate Services' approval was obtained in 12 April 2017 to initiate the property dealing procedure

OTHER IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of Crime and Disorder, Equality and Diversity, Health Inequalities, Consultation/Public Engagement and Wards; and any significant issues are set out below.

None

Ward

Harwich East

PART 3 – SUPPORTING INFORMATION**BACKGROUND**

Officers have been exploring the local property market to expand the housing offer in the Harwich area having previously sold an unsuitable property in 2015 and have identified this property as becoming available. It is an ex council house which was purchased by the current owner through the right to buy scheme several years ago. The Council still owns two other properties within this terrace and so is familiar with their management and repair requirements.

CURRENT POSITION

The Housing Tenancy Management and Building Services Teams have viewed the property and carried out full assessment. On 12 April 2017 Portfolio approval was obtained to initiate the property Dealing process and an independent valuation has been undertaken.

FURTHER HEADINGS RELEVANT TO THE REPORT

None

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

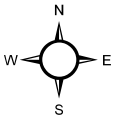
- Appendix A – Location Plan

Appendix A

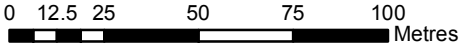
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Date: 08/05/2017



Author: 23 Alexandra Street



Map Notes



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Key Decision Required:	YES	In the Forward Plan:	NO – GENERAL EXCEPTION PROCEDURE USED
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CABINET

26 MAY 2017

JOINT REPORT OF THE RESOURCES & CORPORATE SERVICES PORTFOLIO HOLDER & THE HOUSING PORTFOLIO HOLDER

A.2 ACQUISITION OF SITES IN THE CLACTON-ON-SEA AREA

(Report prepared by Paul Price)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To consider whether to acquire two sites in a regeneration area, Clacton-on-Sea, with a view to facilitating development or directly developing the sites for housing/regeneration stimulation.

EXECUTIVE SUMMARY

- Following changes to the financing of Council housing within the Housing Revenue Account, it is now financially viable for local authorities to add to their existing stock through acquisition or new build;
- In accordance with its initiation procedures, Tendring District Council has been in exploratory discussions with several landholders and landlords in the west Clacton area for a number of months/years and has now purchased some sites and reached provisional agreements subject to the necessary approvals and contracts on other sites.
- Two sites which were not previously included in the previous Cabinet reports have now become available and negotiations have been completed.
- The Council has recognised that due to the difficult market conditions in the area high quality private sector housing development is potentially not viable and therefore unlikely to take place. The Council, in its Community Leadership and housing provider roles, is seeking to kick-start regeneration of the area by direct housing development to improve housing conditions for local residents and stimulate a change in market conditions. It is also in discussions with Essex County Council with a view to it also facilitating investment in the area;
- Whilst viability of market housing is a concern, the Council can take a longer strategic view in respect of its investment in the area but given the competing offers which are emerging it requires flexibility in undertaking negotiations with developers and so at this stage, specific details pertaining to this site are only identified in part B of this report as disclosure prior to other negotiations being completed may compromise the Council's position on these sites as well as others which may emerge.

RECOMMENDATION(S)

- (a) That Cabinet approves in principle the acquisition of the sites identified in part B of the report for the purposes of development and providing housing, subject to Cabinet's further decision on terms in Part B of this agenda.**

(b) That, subject to (a) above, Cabinet authorises the Corporate Directors (Corporate Services) and (Operational Services), in consultation with the Leader of the Council, the Council's Section 151 and Monitoring Officers to complete the acquisition of the sites on terms set out in the report and on such other terms and conditions that they consider appropriate.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The acquisition of the sites could help to meet housing need in Tendring, would help to kick start regeneration and help to achieve one of the Council's objectives of delivering at least five units of council housing accommodation.

The Council's Corporate Plan makes a commitment to "ensure that all residents live in high quality housing which meets local needs" and to "regenerate the District and improve deprived areas".

Whilst the Council has the option of choosing not to take action the consequences of doing so are the continuation of unacceptable levels of housing and economic and social deprivation.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

£780,250 has been identified within the Housing Revenue Account (HRA) budget for 2017/18 for the new build and acquisition programme. This includes the purchase of land or property.

Following changes to the housing subsidy system in 2012 the HRA can borrow such sums as its business plan can support within a total borrowing ceiling set by government when the subsidy system changed and self-financing was introduced. Borrowing will be required to build on the acquired land, the exact detail, design etc. will be determined following the completion of the acquisition programme, completion of the flood risk assessment etc.

Stamp Duty Land Tax – the purchase of site will be subject to SDLT and is payable to HMRC within 30 days of completion, although exemptions might be applicable.

One of the sites in question was also the subject of a successful LGF SELEP Coastal Communities Housing Intervention Project bid in 2016/17 which was for the acquisition or build out of a development on this site.

Risk

In considering risk the Council must consider the options which are available including deciding not to continue with the individual acquisitions. In terms of the decision making process, potential risks have been considered at the various stages of taking forward the acquisition of land and forms an integral part of the risk and value for money section of the report below.

LEGAL

In coming to decisions in relation to acquisition of land, the Council must act in accordance with its statutory duties and responsibilities. Under case law following Section 120 of Local Government Act 1972, the Council is obliged to ensure that decisions on the acquisition and management of its assets are for the benefit of the district.

Section 17 of the Housing Act 1985 provides the principal power for the acquisition of land for housing purposes, including land as a site for the erection of houses, this includes the power to acquire land for the purposes of disposing of the land to a person who intends to provide housing accommodation on it.

Under the Property Dealing Procedure in Part 5 of the Council's Constitution, all investigations must be undertaken and the appropriate steps to negotiate and otherwise agree terms for the potential deal, followed by a report containing the relevant information to record whether to complete the deal on the terms reached.

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

Golf Green

PART 3 – SUPPORTING INFORMATION

BACKGROUND

Following changes to the financing of Council housing within the Housing Revenue Account (HRA) in April 2012, it is now financially viable for local authorities to add to their existing stock through acquisition or new build. Prior to this date Councils could build and/or acquire property but they may have been financially penalised through the HRA subsidy system if they did so.

If Councils wish to add to their stock with grant there are a number of conditions which they would need to comply with to satisfy the Homes and Communities Agency grant regime, such as adopting the Affordable Rent Regime, but if no grant is required the programme can be undertaken in accordance with the local authorities' own requirements. It is unlikely that the Council would wish to use the Affordable Rent Model for any properties built on any sites which are acquired, but using this model may be considered as the overall development progresses.

Tendring District Council has been in exploratory discussions with several landholders and landlords in the Clacton area for a number of months and has purchased several sites whilst others are yet to be completed. Normal valuation models do not work in the area given the viability issues, but values can be determined using a discounted cash-flow methodology. However, such a methodology does rely on various assumptions and therefore, such a methodology has to be viewed over the very long term and a fair degree of caution has to be applied when considering models which run for 20 plus years.

The Council has recognised that due to the difficult market conditions, high quality private sector housing development is potentially not viable and therefore unlikely to take place. Indeed discussions with potential developers has shown that none are currently envisaging market led development at this point in time but they are very encouraged by

the upturn in the market. The Council, in its Leadership role and as housing provider, is seeking to kick-start regeneration by direct development of housing in the area to stimulate a change in market conditions. In discussions with both the Council's own valuers and with landholders agents it is clear that market conditions are such that building for sale is marginally not viable at this time and returns on renting need to be considered over a very long term for such development to become viable.

Whilst viability is a concern, the Council can take a longer term view in respect of its investment in the area and take account of non-financial factors, but given the competing offers which are emerging it requires flexibility in undertaking negotiations with developers.

In order to provide a more viable development footprint for one of the sites which is in the acquisition process the purchase of the site detailed in part B to this report is being recommended.

This site has been recognised by the Coastal Community Team and specifically by the Housing and Finance Institute as a key strategic site in terms of transforming the housing market in the area given the blight created by this central and highly visible abandoned site and as such whilst the number of units which can be delivered on the site is small in the overall scope of the project, its acquisition will impact very significantly on the overall deliverability of the renewal project.

Site surveys and searches are being undertaken to provide the necessary assurances with regards to the acquisition and the outcomes will be considered and assessed by Officers when seeking to agree the final terms and conditions of the acquisition.

BACKGROUND PAPERS FOR THE DECISION

None.

APPENDICES

None

Key Decision Required:	YES	In the Forward Plan:	NO – GENERAL EXCEPTION PROCEDURE USED
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CABINET

26 MAY 2017

JOINT REPORT OF THE RESOURCES & CORPORATE SERVICES PORTFOLIO HOLDER & THE LEISURE AND PARTNERSHIPS PORTFOLIO HOLDER

A.3 CLACTON LEISURE CENTRE VENTILATION SYSTEM (Report prepared by Michael Carran)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To request additional budgetary provision to ensure sufficient funding for the replacement of the Pool Hall Ventilation system at Clacton Leisure Centre (CLC).

EXECUTIVE SUMMARY

- The sum of £50,000 was originally included in the capital programme to replace the Pool Hall Ventilation System at CLC, which is now beyond its economic lifecycle. After further exploratory works by the mechanical consultant appointed to oversee the project on behalf of the Council, an additional £120,000 was allocated, as the original budget was deemed substantially insufficient.
- A tender exercise was carried out in February 2017 with five contractors submitting quotations. An exercise in value engineering was subsequently undertaken by the consultant, with the cheapest quote being reduced to £199,539, from an original submission of £264,112. The reason for the variance from the original budget is an underestimation of the physical mechanical costs from the consultant's projections and the added cost of keeping the facility open throughout the works.
- After taking into account the remaining professional fees payable to the mechanical consultant of £9,518, there is currently a project shortfall of £56,636. This balance is required to allow a works order to be placed and commence this essential installation.
- As the current system has deteriorated significantly, a temporary unit has been installed to ensure satisfactory environmental conditions are maintained in the pool hall until a new unit is installed. This temporary solution is not ideal and has been the subject of some complaints during cold weather.

RECOMMENDATION(S)

That an additional £56,640 is allocated to the capital budget for the replacement of the Pool Hall Ventilation System at CLC, with delegation given to the Head of Finance, Revenues and Benefits to make the necessary reallocation of funding within the existing capital programme.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The installation of this ventilation system will assist the Council in its objective to enhance its Leisure Facilities and achieve affordable excellence throughout its services.

FINANCE, OTHER RESOURCES AND RISK

Finance and other resources

The following table sets out the lowest tender figure submitted, together with the amount deducted after the consultant’s value engineering exercise. This has resulted in the figure of £199,539.01.

	Contractor’s Submission
Tender Figure	264,111.61
After value engineering	-64,572.60
Revised Figure	199,539.01

It was originally considered that works would be required to the pool hall roof in order to install the new unit, but after intrusive investigations, this is no longer considered necessary at this time. This accounts for the majority of the value engineering figure.

Further to the tender sum payable to the contractor, there will be a total of £9,518 in professional fees to the Mechanical Consultant who will oversee the works.

The additional budget required to complete the necessary works is £56,640. It is proposed to meet this cost by reallocating funding already within the capital programme which was originally set aside as a contingent sum for a capital project that was completed several years ago but where the final position has only just been concluded.

Risk

If the ventilation system is not replaced, the environmental conditions in the pool hall will be unsuitable for customer access.

LEGAL

The proposals are within the Council’s powers. The Request for allocation of additional budget is in accordance with the Budget and Policy Framework, as set out in Part 5 of the Council’s Constitution

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

St. Paul’s

PART 3 – SUPPORTING INFORMATION

BACKGROUND

It has been identified that the Pool Hall ventilation system at Clacton Leisure Centre is beyond its economic lifecycle. Due to its age, parts can no longer be sourced for the unit and repair is no longer viable or possible. In order to guard against poor environment conditions before the new unit is in place, a temporary/portable system has been installed in the Pool Hall.

Five contractors tendered for this project and a full analysis has been undertaken by the appointed Mechanical Consultant. All the contractors submitting proposals are considered to have a strong track record and suitable to carry out the works. There will be a six week lead in period for the works to commence and the replacement is projected to take a further six weeks to complete.

Clacton Leisure Centre attracts approximately 420,000 visits per year and the swimming pool accounts for an estimated £200k per year in income generated through lessons and casual use. The work to replace the ventilation system will take place without closing CLC, in order to protect the income stream and provide continuity of service to our customers. Although this will incorporate an additional capital cost, any closure carries a risk of losing income in the short term and customers being displaced over a much longer term.

BACKGROUND PAPERS FOR THE DECISION

None.

APPENDICES

None

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