
**MINUTES OF THE MEETING OF THE CABINET,
HELD ON TUESDAY 5 SEPTEMBER 2017 AT 10.30 AM
IN THE ESSEX HALL, TOWN HALL, CLACTON-ON-SEA, CO15 1SE**

PRESENT:

Councillor N R Stock OBE
Councillor G V Guglielmi

Councillor Z J Fairley
Councillor P B Honeywood
Councillor L A McWilliams
Councillor M J D Skeels
Councillor M J Talbot

PORTFOLIO:

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

Group Leaders Present by Standing Invitation: Councillors Bray (Leader of the Independent Alliance Group), Broderick (Leader of the Holland Residents Group), Bucke (Deputy Leader of the Tendring First / Liberal Democrats Group) and I Henderson (Leader of the Labour Group)

Also Present: Councillor Steady

In Attendance: Ian Davidson (Chief Executive), Martyn Knappett (Corporate Director (Corporate Services)), Paul Price (Corporate Director (Operational Services)), Lisa Hastings (Head of Governance and Legal Services & Monitoring Officer), Karen Neath (Head of Leadership Support and Community), Richard Barrett (Head of Finance, Revenues and Benefits Services) and Katie Sullivan (Committee Services Officer)

71. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors Nicholls (Portfolio Holder for Corporate Enforcement), Stephenson (Leader of the UKIP Group) and Scott (Leader of the Tendring First Liberal Democrats Group).

Councillor Stock OBE announced that Anthony Pugh, a former District Councillor had recently passed away.

72. MINUTES OF THE LAST MEETING

It was **RESOLVED** that the minutes of the last meeting of the Cabinet, held on Friday 14 July, be approved as a correct record and signed by the Chairman.

73. DECLARATIONS OF INTEREST

Councillor G V Guglielmi declared a Non-Pecuniary interest in respect of item A.6 by virtue of the fact that he was a Director of Lawford Housing Enterprise Trust, a not for profit organisation.

Later on during the meeting, as mentioned below in minute 79, Councillor Stock OBE declared a Non-Pecuniary interest in respect of item A.2 by virtue of the fact that he was a Director of the North Essex Garden Communities Ltd.

Later on during the meeting, as mentioned below in minute 79, Councillor G V Guglielmi had also declared a Non-Pecuniary interest in respect of item A.2 by virtue of the fact that he was a Substitute Director of the North Essex Garden Communities Ltd.

74. ANNOUNCEMENTS BY THE LEADER OF THE COUNCIL

There were none on this occasion.

75. ANNOUNCEMENTS BY CABINET MEMBERS

The Portfolio Holder for Leisure and Tourism (Councillor M J D Skeels) announced that on Thursday 7 September Tendring would be hosting the 'Tour of Britain' where some of the very best race cyclists from around the world would be taking part.

76. MATTERS REFERRED TO THE CABINET BY THE COUNCIL

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

77. REFERENCE REPORT FROM THE COMMUNITY LEADERSHIP AND PARTNERSHIPS COMMITTEE - A.1 - COMMUNITY VOLUNTARY SERVICES TENDRING

Cabinet was informed that, at the meeting of the Community Leadership and Partnerships Committee held on 10 July 2017, Community Voluntary Services Tendring's Chief Officer (Sharon Alexander) and Deputy Chief Officer (Lisa Andrews) had been in attendance and gave a presentation to the Committee which had covered the following:-

1. Introduction;
2. Their mission - To lead and support voluntary action in Tendring and empower local people;
3. Member groups;
4. Voluntary Sector Forum;
5. Tendring Trustee Network;
6. Training and courses;
7. Support and services;
8. Partnerships;
9. The various different voluntary opportunities which included Administration, Walking Guides; Business Support and Catering;
10. HILL – Healthier Independent Longer Lives (a short video was shown to the Committee about this project);
11. Plans for the future; and
12. Funding.

Following on from the presentation Members had been given the opportunity to ask questions.

The Community Leadership and Partnerships Committee had decided to recommend to Cabinet that with regard to mental health support in Tendring, the issue of the cycle of referral, delay of appointment and re-referral be raised with the relevant health authorities as this is continually being raised as an important issue that needs some action taken.

Having considered the recommendation of the Community Leadership and Partnerships Committee and the comments of the Portfolio Holder for Health and Education:

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

RESOLVED that Cabinet supports the comment made by the Committee and agrees that a letter be written to the relevant health authorities as this is an important issue that does need attention.

78. LEADER OF THE COUNCIL'S ITEMS

There were none on this occasion.

79. REPORT OF LEADER OF THE COUNCIL - A.2 - NORTH ESSEX GARDEN COMMUNITIES - PROGRESS TO DATE AND KEY DEVELOPMENTS

There was submitted a report by the Leader of the Council (A.2), which had provided Cabinet with an update on the progress made and the current position regarding the Garden Communities project and in particular:

- To note that the joint Part One of the Local Plans had been agreed by the three District Councils;
- To note that the proposed governance arrangements approved by the four authorities had been established and that whilst no land deals had been secured, discussions and negotiations were continuing in respect of all three areas;
- To advise Members of the emergence of the potential to deliver the Garden Communities through the delivery model of a locally controlled Development Corporation and that support was sought for the approach proposed by North Essex Garden Communities (NEGC) Limited;
- To advise Members of the potential use of compulsory purchase powers to gain control of the land to deliver the Garden Communities and support was sought in principle to the development of an approach to Compulsory Purchase Order (CPO) powers; and
- To provide Members with an update on the financial position of the project and that a further financial contribution of £250,000 to the project from each of the Councils was sought.

Cabinet was informed that the information and proposals that were set out in the report were being submitted to the Cabinets of all four of the Councils involved in the North Essex Garden Communities project during September 2017. The recommendations

being made had sought the same decisions and commitments from each of the Councils.

Councillor Stock OBE declared a Non-Pecuniary interest in respect of item A.2 by virtue of the fact that he was a Director of the North Essex Garden Communities Ltd.

Councillor G V Guglielmi also declared a Non-Pecuniary interest in respect of item A.2 by virtue of the fact that he was a Substitute Director of the North Essex Garden Communities Ltd.

Councillor I Henderson (Leader of the Labour Group) requested that his concerns be recorded in the minutes in regards to ensuring that the public are given the right messages and answers in respect of funding the Garden Communities project versus 10 year financial forecasts and budget cuts, especially when the project would not benefit all of the residents in the district. Councillor I Henderson also stated that he supported growth through the Garden communities and development.

Having considered the report, it was moved by Councillor Stock OBE, seconded by Councillor G V Guglielmi and **RESOLVED** that Cabinet:

1. notes the progress made in respect of the North Essex Garden Communities project and endorses the work of NEGC Ltd;
2. notes the updated position on the control of land and supports the continued work by the Local Delivery Vehicle (LDV) Directors to achieve control of the land for each Community by way of voluntary agreements with the current land owners in accordance with the LDV structure;
3. supports the approach proposed by NEGC Limited that Directors actively engage with Government to promote the positioning of the NEGC Limited as a "Responsible Body" for the establishment of a single new locally-controlled Development Corporation across all three of the proposed North Essex Garden Communities – subject to final consideration of this approach by Members after the publication of the Regulations;
4. supports the signing of a letter (attached as Appendix A) to be sent by the Leaders of all four of the Councils together with NEGC Limited to the relevant Secretary of State to support the promotion of regulations which enable the formation of a New Town Development Corporation with a locally accountable body in a timely and effective way;
5. notes that detailed work is being undertaken by NEGC Limited to assess the financial and legal implications and requirements relating to the use of Compulsory Purchase Orders (CPO) to enable future decisions to be taken by the respective Councils / Development Corporation;
6. supports the principle of using compulsory purchase powers (either as individual Councils or potentially through a new Development Corporation) to secure control of the land if voluntary land agreements cannot be achieved in a reasonable time; and

7. agrees to provide a further contribution of £250,000 to fund the work of NEGC Limited in the development of the project, to be funded from the Garden Communities Project budget which is included within the Council's current budget.

80. REPORT OF FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER - A.3 - LONG TERM FINANCIAL SUSTAINABILITY PLAN/10 YEAR FORECAST

There was submitted a detailed report by the Portfolio Holder for Finance and Corporate Resources (A.3), which had set out an innovative and long term sustainable approach to budgeting, which would set the direction of travel to maximise savings opportunities alongside delivering growth in underlying income to deliver a balanced budget over a ten year forecast. It was reported that:

- The report had been set out in two distinct parts. The first part had set out a new way of thinking about the forecast and budget setting process with the primary aim of setting out a long term sustainability plan and to protect services, as far as is reasonably possible, that the Council provided to its residents, businesses and visitors in the wake of the on-going and significant reductions in government funding. The second part had built on the proposed new approach and had covered the technical aspects of the financial forecasting process;
- Over recent years, the reductions in Government funding had been so significant in comparison to Council's net budget that it had been impossible to generate underlying growth in locally generated income to make up the shortfall at the same pace as the reductions in grant funding;
- The Council had always made it clear that it was committed to 'growing' its own income via regeneration and economic development initiatives for example;
- The pace of the reductions in Revenue Support Grant (RSG) from the Government had meant that local authorities had not had the space and time to become self-sufficient and that the report, therefore, had set out a longer term view of the forecast and proposes the use of one-off money to support the budget until such time as growth in income exceeded expenditure forecasts;
- It had therefore been projected that the revised approach would create the time for income to outperform reductions in RSG and net expenditure pressures with the Council emerging from the current difficult financial environment in good shape with only minimal reductions in service provision compared with the alternative of making significant and short term cuts to services;
- The longer term approach would enable various actions to be developed to deliver the underlying income growth required to offset changes in expenditure with the eventual aim of delivering budget surpluses in the future and recognised that savings could be identified over a longer period of time;
- The approach had relied upon utilising one-off money set aside to support budget deficits in the short term. The one-off money set aside as part of the Outturn for 2016/17 totalled £1.434m, which would provide a strong foundation against which to build on going forward to support the budget;

- The report had also highlighted the various risks associated with taking a longer term approach and had set out how the Council could effectively respond to them over the life of the forecast;
- Appendix A had set out the initial long term forecast with the assumptions behind the various facts and figures set out in the second half of the report;
- Within the forecast, changes were proposed to the Local Council Tax Support Scheme Grant to Town and Parish Council's along with setting aside the full amount in one go to meet the estimated beach recharge costs along the new Clacton to Holland coast;
- The forecast would need to be closely managed with periodic adjustments over time and that should it not be possible to deliver the revised approach, the Council could revert back to the more traditional shorter term strategy;
- Within the proposed approach it was also worth highlighting that the Council may spend the same amount of money on a service as in previous years but the service may have to be redesigned to accommodate unavoidable cost pressures and that a good example of which could be the waste and recycling contract which was due to expire in 2019. The Council was committed to providing the same level of funding to deliver specific areas of the budget, but recognising that the same amount of money may not buy as much as it did in the past. Providing real term increases in alternative funding across the diverse range of services that the Council provided was unlikely to be possible given the reductions in Government funding; and
- Although some elements of the forecast would occur through 'natural' growth, many of the lines included within the forecast would need to be actively managed. Input from Members and Officers would be crucial in developing the associated delivery plan and that it would always be worth reflecting on the fact that the alternative to taking a long term view was the more traditional approach of looking at the budget on an annual basis and making significant short term cuts, which the proposed approach sought to avoid / minimise as far as possible.

The Monitoring Officer was requested by Councillor I Henderson to give advice on the constitutional procedural matters relating to the approval of budgets and a revised approach and be recorded in the minutes. The Monitoring Officer advised that this report was the start of the process, in that if Cabinet agreed the revised approach, Corporate Management Committee would be consulted and a further report would be brought back to Cabinet to recommend a budget to Council for approval in February. The decision being sought today was not to approve a revised budget.

Having considered the report, it was moved by Councillor G V Guglielmi, seconded by Councillor M J D Skeels and **RESOLVED** that Cabinet:

- (a) agrees the revised long term financial sustainability approach and associated ten year forecast that is set out in this report;

- (b) subject to (a) above, requests officers to continue their work in developing an associated delivery plan, in consultation with Portfolio Holders, to support the delivery of the ten year forecast and in particular the budget for 2018/19;
- (c) consults the Corporate Management Committee on the revised approach being taken as set out in this report;
- (d) that subject to (a) above, agrees that the Local Council Tax Support Scheme grant to Town and Parish Council's be removed from the budget via the phased approach set out in the ten year forecast; and
- (e) agrees to make an additional one-off contribution of £1.200m to the Beach Recharge Reserve in 2017/18, funded by £0.202m from the Fit for Purpose budget and £0.998m from the New Homes Bonus Budget.

81. REPORT OF FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER - A.4 - CORPORATE BUDGET MONITORING REPORT FOR THE FIRST QUARTER OF 2017/18

There was submitted a detailed report and appendices by the Portfolio Holder for Finance and Corporate Resources (A.4), which provided Cabinet with an overview of the Council's actual financial position against the budget as at the end of June 2017 (Quarter One).

Cabinet was informed that some of the information that was set out in the appendices had been refreshed for 2017/18 and that separate appendices were no longer included for the significant income streams and council tax and business rate information.

The overview covered the following areas of the budget:-

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

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

- (a) the financial position, as at the end of June 2017, be noted;
- (b) in respect of the General Fund capital programme for 2017/18, a revised capital programme that totals £17.425m as set out in Appendix D be agreed; and
- (c) the repair of the Venetian Bridge, Clacton be agreed and that the 2017/18 General Fund capital programme be increased by £0.205m to meet the cost of the necessary work, funded from the 2017/18 Fit for Purpose Budget.

82. **REPORT OF FINANCE AND CORPORATE RESOURCES PORTFOLIO HOLDER - A.5 - PERFORMANCE REPORT APRIL - JUNE 2017 - QUARTER ONE REPORT**

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

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

It was reported that three of the indicators and projects highlighted in the report were deemed 'non measurable' as the Council's role was that of 'influence' only. Of the 15 indicators and projects where performance was measured, 11 (73%) were on, or above, their expected target and 4 (27%) were not currently in line with the expected performance. Explanations of the performance and the supporting data were included under each topic in the report.

Cabinet was informed that the report would be presented to the Corporate Management Committee at its meeting scheduled for 25 September 2017.

Having considered the information provided, it was moved by Councillor G V Guglielmi, seconded by Councillor Stock OBE and it was **RESOLVED** that the contents of the report be noted.

83. **REPORT OF THE HOUSING PORTFOLIO HOLDER - A.6 - HOUSING MANAGEMENT ON BEHALF OF THE LAWFORD HOUSING ENTERPRISE TRUST**

Councillor G V Guglielmi had earlier declared a Non-Pecuniary interest in respect of item A.6 by virtue of the fact that he was a Director of Lawford Housing Enterprise Trust, a not for profit organisation. Councillor G V Guglielmi withdrew from the meeting whilst Cabinet considered this item and reached its decision.

There was submitted a report by the Portfolio Holder for Housing (A.6), which sought Cabinet's approval, in principle, to enter into a management agreement with Lawford Housing Enterprise Trust (LHET) to manage houses on their behalf.

It was reported that a Section 106 affordable housing contribution for a site in Lawford had been made by way of gifting eight units of accommodation to a specially formed housing enterprise trust (planning application reference 13/00452/OUT).

Cabinet was informed that Lawford Housing Enterprise Trust had proposed to offer up the dwellings as affordable accommodation on fixed term tenancies and that the properties would be owned by them and let to tenants drawn from the Council's Housing Register who had a local connection to Lawford.

Cabinet was made aware that given the intended use of the eight houses, Lawford Housing Enterprise Trust had approached the Council to consider managing the properties on their behalf as they did not have any experience in this area, providing terms could be agreed.

It was reported that whilst management agreements had existed elsewhere in the country the circumstances surrounding the creation of the arrangement with the Lawford

Housing Enterprise Trust were thought to be unique and arose as a consequence of the affordable housing market situation at that point in time.

It was further reported that following a financial and resource analysis officers had believed that it would be viable to enter into a management arrangement with Lawford Housing Enterprise Trust and had calculated a management fee. The fee would include costs associated with allocation and identification of potential tenants, all aspects of tenancy management, rent collection and management of the maintenance of the dwellings.

Following consideration of the report, it was moved by Councillor Honeywood, seconded by Councillor M J D Skeels and:

RESOLVED that Cabinet agrees in principle to the Corporate Director (Operational Services) and Corporate Director (Corporate services) to undertake negotiations and agree the terms of a management arrangement with Lawford Housing Enterprise Trust, the final details of which to be further reported and approved by Cabinet.

84. REPORT OF CORPORATE ENFORCEMENT PORTFOLIO HOLDER - A.7 - CORPORATE ENFORCEMENT STRATEGY

There was submitted a report by the Portfolio Holder for Corporate Enforcement (A.7), which sought Cabinets approval of the Corporate Enforcement Strategy following consultation and Cabinets agreement to implement the Strategy and Services Standards within services.

Cabinet recalled that at its meeting held on 16 December 2016 it had considered, and agreed for consultation, a draft Corporate Enforcement Strategy.

It was reported that the draft Strategy had been considered by the Community Leadership and Partnership Committee, Planning Committee, Licensing and Registration Committee and the Community Safety Partnership. The comments were set out in Appendix A, together with the responses that had been given and an indication as to whether the Strategy had been updated in light of the comment.

Cabinet was informed that the updated Strategy was attached at Appendix B to the report and that as well as amendments for any comments from consultees (highlighted in yellow) the Strategy had been updated to reflect the new responsible Portfolio Holder which was the Portfolio Holder for Corporate Enforcement.

It was reported that once the Corporate Enforcement Strategy was agreed, the next steps would be for services to review their own policies in line with the Corporate Strategy and for the service standards to be embedded across the authority.

It was further reported that the Portfolio Holder would lead on further engagement on the Harm Assessment to develop and agree a harm risk assessment that could be used to prioritise and support decision making on enforcement cases across the authority. The harm risk assessment would need to accommodate both corporate and service specific risks and scoring and set out a consistent approach to judgements on which cases were deemed to be harmful and which were not.

Cabinet was informed that further work would also be undertaken to publicise the corporate approach to enforcement and to update the Council's website.

Having considered the report, it was moved by Councillor G V Guglielmi, seconded by Councillor Stock OBE and **RESOLVED** that:

- a) the Corporate Enforcement Strategy and Service Standards as set out in Appendix be approved;
- b) each service now reviews its own enforcement policy in line with the Corporate Enforcement Strategy;
- c) services now adopt and use the Services Standards; and
- d) authority be delegated to the Corporate Enforcement Portfolio Holder to develop with Officers and agree a harm risk assessment for use across the Council.

85. MANAGEMENT TEAM ITEMS

There were none on this occasion.

86. EXCLUSIONS OF PRESS AND PUBLIC

It was **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 17 on the grounds that it involved the likely disclosure of exempt information as defined in the relevant paragraph(s) of Part 1 of Schedule 12A, as amended, of the Act.

87. EXEMPT MINUTE OF THE LAST MEETING HELD ON FRIDAY 14 JULY 2017

It was **RESOLVED** that the exempt minute of the last meeting of the Cabinet, held on Friday 14 July 2017, be approved as a correct record and signed by the Chairman.

The Meeting was declared closed at 11.50 am

Chairman