
**MINUTES OF THE MEETING OF THE CABINET, HELD ON FRIDAY 5 AUGUST 2016 AT
10.30 AM IN THE ESSEX HALL, TOWN HALL, CLACTON-ON-SEA**

PRESENT:

Councillor N R Stock
Councillor G V Guglielmi

Councillor T M Ferguson
Councillor P B Honeywood
Councillor T A Howard
Councillor M J Hughes
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
Enforcement and Community Safety
Portfolio Holder for Tourism and Culture
Portfolio Holder for Housing
Portfolio Holder for Finance and Revenues & Benefits
Portfolio Holder for Corporate Services
Portfolio Holder for Environment
Portfolio Holder for Commercialisation
Portfolio Holder for Planning and Regeneration

Group Leaders Present by Invitation:

Councillors B A Poonian (Deputy Leader of the Tendring Independents Group) and M E Stephenson (Leader of the UKIP Group)

Also Present: Councillors Baker, Bennison, Hones, Parsons and Whitmore (except items 34 – 43)

In Attendance: Corporate Director (Corporate Services) & Deputy Monitoring Officer (Martyn Knappett), Corporate Director (Operational Services) (Paul Price), Head of Governance and Legal Services & Monitoring Officer (Lisa Hastings), Head of Finance, Revenues & Benefits & Section 151 Officer (Richard Barrett), Head of Public Realm (Ian Taylor), Head of Customer and Commercial Services (Mark Westall) (except items 49 and 50), Head of People, Performance and Projects (Anastasia Simpson), Management and Members' Support Manager (Karen Neath), Committee Services Manager (Ian Ford), Executive Projects Manager (Rebecca Morton), Communications and Public Relations Manager (Nigel Brown), Technical Officer (Andy Nepean) and Committee Services Officer (Janey Nice)

34. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Councillors L A McWilliams (Portfolio Holder for Leisure, Health and Well-being), J A Broderick (Leader of the Holland-on-Sea Residents' Group), J Chittock (Leader of the Tendring Independents Group) and I J Henderson (Leader of the Labour Group).

35. MINUTES OF THE LAST MEETING HELD ON FRIDAY 10 JUNE 2016

The minutes of the last meeting of the Cabinet, held on Friday 10 June 2016, were approved as a correct record and signed by the Chairman, subject to it being noted that the meeting had been held in the Princes Theatre and not the Essex Hall as stated.

36. DECLARATIONS OF INTEREST

There were no declarations of interest made at this time though, under Minute 46 below, Councillor G V Guglielmi later declared an interest insofar as he was a local Ward Member and a customer of The Red Lion Public House.

37. ANNOUNCEMENTS BY THE LEADER OF THE COUNCIL

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

38. ANNOUNCEMENTS BY CABINET MEMBERS

The Portfolio Holder for Housing (Councillor Honeywood) made the following announcement:

"Earlier this year Neil [Stock, Leader of the Council] decided that Jaywick Sands should have its own Cabinet Member, a decision that shows this Cabinet's commitment to deliver real improvements for the area, working in tandem with other partners to create a team to champion Jaywick Sands.

I was pleased to be offered that position and grateful for the opportunity to be able to take a leading role in bringing forward change.

Today, I would like to update Cabinet on the progress we have made.

As I'm sure you are aware, Tendring Council has purchased over 28 hectares of land in Jaywick Sands. We have now made an offer to purchase land north of Lotus Way. This will provide alternative access into the former Homes and Communities Agency land. The offer has been accepted and we are now awaiting confirmation from the landowner's solicitors.

As you know, we were awarded a £200,000 grant by the Homes and Communities Agency towards the cost of building 10 brand new high quality flood resilient starter homes. I am pleased to report that the land set aside for this has now been fenced off and an environmental survey undertaken. We now looking at the additional funding needed to complete the project.

We have said from the outset that real change cannot be delivered by local or national government as the money is simply not available in these times of austerity. That's why we need private investors and developers to get involved.

Working with the Coastal Communities Team and in particular the Housing Finance Institute discussions have been ongoing with Cheyne Capitol and Legal and General, potential investors who's Heads of investment have now visited Jaywick Sands and are very positive about investing in the area.

I am pleased to report that the first private sector developer has submitted planning applications for two blocks of flats on the front in Brooklands. They are not currently compliant with the planning rules but our planners are working with the applicant's architects to make them compliant. The developer has confirmed that they are looking to submit a third application.

We have always said that Tendring Council would be the catalyst for change and I believe that is proving to be the case.

But working with the local community and listening to their views is important. That's why we don't have a master plan. It's what local people want that matters. Further funding has been agreed with the National Lottery to continue engagement work with the local community and one of the potential investors is also keen to involve the Princes Trust, part of which specialise in such work – they have also visited Jaywick and undertaken a huge amount of background research. The start date and scope will be agreed with the Jaywick & Tudor Residents Forum.

The Happy Club have a voice too. I'm a regular attendee at their meetings along with Tendring Council's Communications Manager.

We have made a promise of "Local Homes for Local People" and that's a priority for me. We are looking to build Council homes in Jaywick Sands and the introduction of a Local Lettings Policy will help to ensure that local people will have an opportunity to gain access to those homes.

At the beginning of my report I said we, that's because this is truly a team effort. We are working with Essex County Council, The Environment Agency, Homes and Communities Agency, Housing Finance Institute, Department for Communities & Local Government, Jaywick & Tudor Residents Forum and the Jaywick Sands Happy Club.

I believe that by everyone working together Jaywick Sands will see one of the most important initiatives to be delivered in the whole of Essex for many years."

The Leader of the Council (Councillor Stock) informed Cabinet that he would be writing to the new Prime Minister (The Rt. Hon. Theresa May MP) to request her to involve herself in Jaywick as much as her predecessor in office, The Rt. Hon. David Cameron MP, had done.

The Portfolio Holder for Enforcement and Community Safety (Councillor G V Guglielmi) informed the Cabinet that the Tendring Locality Board had met, the previous evening, at the Jaywick Resource Centre. Those attending had gone on a walkabout of Jaywick in order to see the changes that had already taken place. He stated that it was a great example of partnership working with Essex County Council and he paid tribute to Paul Price, Corporate Director for Operational Services, for the work that he had put into the Jaywick projects.

39. MATTERS REFERRED TO THE CABINET BY THE COUNCIL

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

40. MATTERS REFERRED TO THE CABINET BY A COMMITTEE – REFERENCE FROM THE CORPORATE MANAGEMENT COMMITTEE

Potential Budget Savings (Report A.1)

It was reported that, at its meeting held on 13 June 2016, the Corporate Management Committee commented that it looked forward to receiving the Cabinet's proposals for budget savings, The Committee also requested that Cabinet ensured that it was given sufficient time to consider the potential budget savings, in order to fit in with the Committee's commitment to pro-actively scrutinise the budget.

Having considered the request of the Corporate Management Committee:

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

RESOLVED that Cabinet notes the comments of the Corporate Management Committee.

41. MATTERS REFERRED TO THE CABINET BY A COMMITTEE – REFERENCE FROM THE COMMUNITY LEADERSHIP AND PARTNERSHIPS COMMITTEE

Review of Highways Issues (Report A.2)

It was reported that, at its meeting held on 11 July 2016, the Community Leadership and Partnerships Committee had received a presentation from Mr Alan Lindsay (Essex County Council's Transport Strategy and Engagement Manager Transportation, Planning and Development) on Highway issues such as the A.120 roundabout, A.133 update (particularly considering recent fatal accidents) and the Manningtree Railway Bridge Bottleneck.

Following that presentation the Committee had agreed to make recommendations to Cabinet as follows:

- “(a) that a letter be sent to Essex County Council urging them to forward fund £150,000 to enable the traffic lights at Manningtree to be installed as soon as possible with the funding to be recovered from S.106 agreements as developments proceeded;*
- (b) that all Members, through engagement with their County Councillor, be encouraged to submit schemes to the Local Highways Panel and to attend the regular meetings; and*
- (c) that the availability of funding to assist householders with flooding be investigated and promoted with home owners in affected areas as appropriate.”*

Having considered the recommendations of the Community Leadership and Partnerships Committee:-

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

RESOLVED that:

- (a) a letter regarding forward funding of the traffic lights at Manningtree be sent from the Leader of the Council and that, at the same time, the opportunity be taken to remind Essex County Council of their obligations in relation to highways maintenance particularly in rural areas; and
- (b) the comments from the Community Leadership and Partnerships Committee in relation to the Local Highways Panel and funding assistance regarding flooding be agreed.

42. MATTERS REFERRED TO THE CABINET BY A COMMITTEE – REFERENCE FROM THE SERVICE DEVELOPMENT AND DELIVERY COMMITTEE

Regularity of Taxi Vehicle Checks (Report A.3)

It was reported that, at its meeting held on 1 June 2016, the Service Development and Delivery Committee had received from the Council's Licencing Manager an overview of the scope of work that his team undertook and some background towards the relationship that they had with the many Licensees and other local authorities, such as Essex Police and Essex Trading Standards. The Chairman of the Service Development and Delivery Committee had invited licensees from both the taxi and alcohol related trades to attend in order to give a balanced view regarding the licensing service that the Council delivered.

During the discussions it was noted by representatives of the taxi trade that currently the Council only offered one day per week (Tuesday) whereby taxi drivers could take their vehicle to the garage services delivered by the Council at Northbourne Depot in order to get the prerequisite vehicle checks. It was also noted that sometimes the garage was very busy and that checks had to spill over until the following day. It was felt to be very important for taxi drivers, many of whom were self-employed, that they

could keep their vehicle on the road. Dependant on timing a vehicle could sometimes not be used for more than a week whilst waiting for a slot to have a vehicle check especially where a vehicle was being changed for a new vehicle. This could have a big impact on the financial security of a taxi driver.

Following those discussions the Committee requested that the Licensing Manager explored the possibility of extending the number of days whereby taxi checks could be undertaken. The Committee also requested that the Cabinet note the following comments of the Committee that:

- “(a) the Licencing General Purposes Sub-Committee is seeing less taxi drivers coming in front of them after being caught using their mobile phones whilst driving;*
- (b) the relationship between the TDC Licencing team and Licensees is very good and that the service is seen as good value for money;*
- (c) the Committee would investigate the possibility of a working party being set up to explore the safety of taxi drivers which would mean liaising with Community Safety; and*
- (d) the presentation had been excellent and very informative on a very complex subject.”*

Having considered the comments of the Service Development and Delivery Committee:-

It was moved by Councillor Stock, seconded by Councillor Ferguson and **RESOLVED** that the contents of the report be noted.

43. LEADER OF THE COUNCIL’S ITEMS

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

Cabinet Members’ Items – Reports of the Portfolio Holder for Finance, Revenues & Benefits

44. TREASURY MANAGEMENT PERFORMANCE 2015/16 (Report A.4)

There was submitted a report by the Portfolio Holder for Finance, Revenues & Benefits (Report A.4), which sought to provide Cabinet with an overview of the Council’s treasury management activities and Prudential Indicators for 2015/16.

Cabinet was informed that:

- Borrowing and investments had been undertaken in accordance with the 2015/16 Annual Treasury Strategy that had been approved by Council on 24 March 2015;
- No external borrowing had been undertaken in 2015/16 for either the General Fund or the Housing Revenue Account; and
- The amount of interest earned from investments remained low because of the continuing low interest rates existing throughout the year. However, due to maximising investment opportunities and cash flow advantages during the year interest returns had been in line with the increased amount budgeted.

The outturn for the Prudential Indicators was before Members as Appendix B to the Report of the Portfolio Holder for Finance, Revenues & Benefits.

Having considered the report:

It was moved by Councillor Howard, seconded by Councillor G V Guglielmi and **RESOLVED** that the treasury management performance position and Prudential and Treasury Indicators for 2015/16 be noted.

45. FINANCIAL STRATEGY – GENERAL FUND BASELINE 2017/18 (Report A.5)

There was submitted a detailed report by the Portfolio Holder for Finance, Revenues & Benefits (A.5) which sought to provide Cabinet with an initial General Fund financial baseline for 2017/18 against which the detailed estimates would be built upon over the course of the year.

Cabinet was informed that:

- The initial financial baseline for 2017/18 set out an initial budget 'gap' of £1.565m. In continuing the move to self-sufficiency, this was based on a 1.99% increase in the level of Council Tax at this stage of the budget cycle. This would, however, be subject to further review over the course of the budget setting process and against the referendum limits for 2017/18 which would be announced by the Government later in the year. If the referendum limit was set at £5.00 for 2017/18, in a repeat of the 2016/17 limit, then this could provide the opportunity to raise additional on-going income of £0.095m.
- The initial budget 'gap' also reflected the provisional revenue support grant (RSG) figure of £1.650m, a reduction of £0.914m (36%) compared to 2016/17.
- As highlighted in last year's budget reports, the Government had announced provisional / minimum RSG figures for 2017/18, 2018/19 and 2019/20 on the basis of each Authority submitting efficiency plans to the Government by Autumn this year. The provisional settlement phased out RSG by the end of 2019/20 with only £0.400m receivable in that year.
- A number of savings strands were already being progressed which would be finalised as part of presenting the revised position to Cabinet in December 2016. Work remained in progress in consultation with Portfolio Holders, the Corporate Management Committee and Members in order to identify the level of savings required to meet the budget 'gap'.
- Given current economic uncertainty following the EU referendum, it was difficult to forecast any knock on impact that could arise, which could include a more front loaded reduction in the RSG than already proposed. However, the Government had recently announced that they would no longer be aiming for a budget surplus by 2019/20, which it was hoped would limit any changes to the provisional RSG figures already announced. Although this would be monitored over the budget setting cycle with updates provided to Members accordingly, the provisional RSG figures announced last year had therefore been included.
- The Council had to continue to seek ways to grow its own funding through regeneration, economic development etc. which would provide a strong position to move into the new era of 100% business rates retention from 2020. There were a number of critical 'core funding' risks around business rates, not only in the future but within the current partial retention regime.
- The initial forecast did not include the final position for items such as cost pressures and potential further changes to budgets although estimates had been included where possible with further details likely to emerge over the course of the year. Therefore it was recognised that the budget 'gap' could increase further.

- A number of Essex Local Authorities continued to remain members of a Business Rates Pool in 2016/17. However, given the uncertainty and risks surrounding business rates, it was not clear whether there would be a benefit in continuing an Essex Pool in 2017/18. Subject to the financial performance of the existing arrangements and future forecasts and risks, a decision whether to continue to remain in the pool would be required in the Autumn.
- In continuing the principle of passing on the reduction in the Council's Government funding to Town and Parish Council's via the Local Council Tax Support Scheme Grant, it was proposed on reducing the grant by 5% in 2017/18.

The Portfolio Holder for Finance, Revenues & Benefits (Councillor Howard) made the following statement:

- *"The report sets out the initial forecast for 2017/18 and therefore reflects the usual items such as inflation, an allowance for cost pressures and adjustments for one-off items.*
- *After making these adjustments the current forecast funding gap is £1.565m.*
- *The forecast reflects the reduction in the Revenue Support Grant from the Government - £1.650m is estimated to be receivable in 2017/18 – a reduction of £0.914m or 36% compared with the figure receivable in 2016/17.*
- *In terms of the current forecast, an increase in council tax of 1.99% is included. This will be subject to review as part of developing the budget over the course of the year.*
- *Last year also saw the Government acknowledge and support a move to self-sufficiency by allowing authorities to increase Council Tax by £5. It is likely that the Government will enable authorities to consider similar increases in 2017/18 and if they do, let's hope that they provide some guidance early in the budget setting process rather than on the day of the Full Council meeting, as none of us found this helpful last year.*
- *In terms of our core funding it is interesting to note that council tax now makes up approximately 50% of our overall funding, with 34% coming from business rates and just 12% from Government via the Revenue Support Grant. You have only got to look back to 2013/14 to see quite a different funding position with 38% of the Council's core funding coming via the Revenue Support Grant.*

Under the stewardship of George Osbourne, this government rapidly eroded the Revenue Support Grant payable to Local Authorities in recent years.

Let's hope that Philip Hammond gives careful consideration to the squeezing of Local Government and considers either a freeze, or at the very least reduces the pace of the total removal of the Revenue Support Grant.

- *Based on early estimates, additional savings of £1.7m and £1.5m will be required in 2018/19 and 2019/20 respectively so there is no respite in the need to identify and secure significant savings year on year.*
- *In terms of 2017/18 we must continue to build a balanced budget and based on the current forecast, this will require £1.565m of savings to be identified by December this year.*

- *Finding further significant savings on top of the £12m plus savings we have already identified is now a significant challenge and presents members with some very tough decisions. Whilst we all want to protect the services we deliver, financial reality means that there is only so much this Council can provide within the limited resources it now has following the significant on-going reductions in Government funding.*

Appendix A of the report sets out a number of initial ideas that we need to review and explore to see if they can deliver the savings required whilst limiting wherever possible reductions in the services provided to our customers. This will require a mix of transforming how we work and identifying options for alternative service delivery.

As I have said before I would like to be able to say that there will be no reduction in services, but I think we all acknowledge that this is highly unlikely given the savings we need to make in 2017/18 to 2019/20.

I am also keen to examine opportunities to increase revenue for the council as opposed to only considering cuts.

Unfortunately, opportunities for Local Authorities to generate additional income through innovative service provision is often prevented by over-regulation by the government. The time has come when we need to lobby this 'rebooted' government to help Local Authorities to be innovative, and to generate additional income to plug the gap being created by the savage and sustained reduction in the Revenue Support Grant that was initiated by the previous Chancellor of the Exchequer.

To successfully face up to this financial challenge, we need the engagement of all members so we all have a voice in how we shape our services going forward. Portfolio lead working groups are proposed as a way of exploring some of the ideas further. Having good debates and discussions as early in the budget cycle as possible is going to be invaluable - we must not underestimate the challenge that lies ahead.

In echoing my words during the budget process last year, I am happy to come along to any committee or any other member group to support the sharing of ideas to enable the necessary savings to be identified - not only to balance the budget in 2017/18 but to support us in moving a step closer to becoming fully self-sufficient by 2020."

Having discussed the report and its implications:-

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

RESOLVED that:

- (a) Cabinet agrees the initial financial baseline for 2017/18 and requests Portfolio Holders, supported by Officers, to continue to facilitate the various savings strands and initiatives to deliver a balanced budget for presenting to Cabinet in December 2016;
- (b) the Corporate Management Committee be consulted on the initial financial baseline for 2017/18;
- (c) the Local Council Tax Support Scheme grant to Town and Parish Councils be reduced by 5% in 2017/18, and

- (d) the decision whether to remain in the Essex-wide pool for non-domestic rates in 2017/18 be delegated to the Finance, Revenues and Benefits Portfolio Holder, in consultation with the Corporate Director (Corporate Services).

Cabinet Members' Items – Portfolio Holder for Well-being and Partnerships Portfolio Holder

46. DETERMINATION OF A NOMINATION TO REGISTER AN ASSET OF COMMUNITY VALUE: THE RED LION, 42 SOUTH STREET, MANNINGTREE, CO11 1BG

There was submitted a report by the Portfolio Holder for Well-being and Partnerships (Report A.6) which sought Cabinet's decision on whether The Red Lion Public House, Manningtree 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 the Tendring CAMRA Branch. No other criteria were pertinent to the decision.

Councillor G V Guglielmi declared an interest insofar as he was a local Ward Member for The Red Lion and also a customer of that premises.

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 G V Guglielmi, seconded by Councillor Watling and:

RESOLVED that Cabinet agrees that the Red Lion Public House, 42 South Street, Manningtree, CO11 1BG 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.

47. MANAGEMENT TEAM ITEMS

There were no items from the Management Team on this occasion.

48. EXCLUSION OF PRESS AND PUBLIC

It was moved by Councillor Stock, seconded by Councillor G V Guglielmi 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 Items 12 and 13 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.

49. EXEMPT MINUTE OF THE LAST MEETING HELD ON FRIDAY 10 JUNE 2016

The exempt minute of the last meeting of the Cabinet, held on Friday 10 June 2016, was approved as a correct record and signed by the Chairman, subject to it being noted that the meeting had been held in the Princes Theatre and not the Essex Hall as stated.

DATE AND TIME OF NEXT SCHEDULED MEETING

The next scheduled meeting of the Cabinet was due to take place on Friday 9 September 2016 at 10.30 a.m. in the Princes Theatre, Town Hall, Station Road, Clacton-on-Sea.

The meeting was declared closed at 11.15 a.m.

Chairman