

**MINUTES OF THE MEETING OF THE COUNCIL,
HELD ON TUESDAY, 5TH FEBRUARY, 2019 AT 7.30 PM
IN THE PRINCES THEATRE, TOWN HALL, STATION ROAD, CLACTON-ON-SEA,
CO15 1SE**

Present:	Councillors Platt (Chairman), Yallop (Vice-Chairman), Alexander, Amos, Baker, Bennison, Bray, Broderick, B Brown, M Brown, Bucke, Bush, Callender, Calver, Cawthron, Chapman, Chittock, Coley, Cossens, Davis, Everett, Fairley, Ferguson, Fowler, Gray, Griffiths, C Guglielmi, V Guglielmi, Heaney, I Henderson, J Henderson, P Honeywood, S Honeywood, Khan, King, Land, McWilliams, Miles, Newton, Nicholls, Pemberton, Poonian, Raby, Scott, Skeels Jnr, Steady, Stephenson, Stock OBE, Talbot, Turner, Watson, White, Whitmore and Winfield
In Attendance:	Ian Davidson (Chief Executive), Martyn Knappett (Deputy Chief Executive (Corporate Services)), Lisa Hastings (Head of Governance and Legal Services & Monitoring Officer), Richard Barrett (Head of Finance, Revenues and Benefits Services & Section 151 Officer), Ian Ford (Committee Services Manager & Deputy Monitoring Officer), William Lodge (Communications Manager) and Katie Sullivan (Committee Services Officer)

117. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors J A Brown and Skeels Snr.

118. MINUTES OF THE LAST MEETING OF THE COUNCIL

RESOLVED, that the minutes of the ordinary meeting of the Council, held on Tuesday 22 January 2019, be approved as a correct record and signed by the Chairman.

119. DECLARATIONS OF INTEREST

With regard to the Council's consideration of the budget and Council Tax proposals and the statutory provisions in respect of Members' declarations of interest thereon, the Chief Executive reminded Members that advice had been recently circulated to them by email on 31 January 2019 by the Council's Monitoring Officer.

120. ANNOUNCEMENTS BY THE CHAIRMAN OF THE COUNCIL

There were no such announcements on this occasion.

121. ANNOUNCEMENTS BY THE CHIEF EXECUTIVE

There were no such announcements on this occasion.

122. STATEMENTS BY THE LEADER OF THE COUNCIL

There were no such statements on this occasion.

123. STATEMENTS BY MEMBERS OF THE CABINET

There were no statements by members of the Cabinet on this occasion.

124. REPORT OF THE CABINET - A.1 - EXECUTIVE'S PROPOSALS - GENERAL FUND BUDGET AND COUNCIL TAX 2019/20

The Council gave consideration to the Cabinet's General Fund budget proposals for 2019/20 and the amount of Council Tax for District and Town and Parish Council services for the financial year 2019/20, for each category of dwellings within the District of Tendring, to support the proposed level of expenditure.

Members were aware from Minute 100 (A.2) of the meeting of the Cabinet held on 18 January 2019, that the Deputy Chief Executive, in consultation with the Leader of the Council and the Finance and Corporate Resources Portfolio Holder, had been authorised to submit a report to this meeting in respect of the formal draft resolutions necessary to implement the Cabinet's budget proposals, together with any late information, or notifications received from the Ministry for Housing, Communities and Local Government, as may necessarily affect the budget.

The Council was advised of all the resolutions made by the Cabinet on 18 January 2019, together with the additional recommendations necessary to set the Council Tax levy. Those resolutions and recommendations were before the Council, as contained within item A.1 of the Report of the Cabinet.

The Council was aware that the Cabinet's proposed budget had been subject to the Council's Budget and Policy Framework Procedure Rules, which had included scrutiny by the Council's Resources and Services Overview and Scrutiny Committee.

Members were also aware that the Town and Parish Councils within the District had met to set their precepts and those precepts were contained within Appendix G to the Report of the Cabinet, which detailed the Precepts on the Collection Fund. The Council was also aware from Appendix H that the average District and Parish Council Tax for a Band D property would increase to £207.13.

The Leader of the Council (Councillor Stock) made the following budget statement -

"In introducing the budget report tonight, I will repeat the words I used when the budget was considered by Cabinet on 18th January – that this is a good, honest budget.

There are no frills; this is simply a budget crafted to enable us to carry on being the outstanding local authority that we have become over the past few years; leading our communities, delivering high-quality services for our residents and helping our businesses to prosper and our visitor numbers to soar.

But then again that was always the ambition at the heart of our long-term approach to the budget that we were brave enough to adopt last year.

We talked about the need to keep delivering against the new long-term approach to build confidence in it – 2018/19 was delivered and we are presented tonight with a budget that delivers again for 2019/20.

It is important to highlight that we have already set aside significant amounts of money to keep moving our priorities forward. These are not reserves; this is money we have allocated and are about to spend on major projects that will greatly enhance and benefit this District, for example:

- *Over £2 million for business, investment and growth,*
- *Over £1 million for office transformation,*
- *£1 million for public realm projects in Harwich,*
- *Two and a half million pounds for homes in Jaywick Sands including support from within the Housing Revenue Account,*
- *£4.6 million for cliff stabilisation work,*
- *Over £1million for digital transformation.*

These are bold and ambitious projects because we are a bold and ambitious Council.

I notice that the argument about the size of Local Authority Reserves appears to have resurfaced again, at least in the emails of one Member. Now, banks and building societies are required by legislation to hold reserves as a prudent measure to protect them from future 'shocks', any large business will do the same, but when Councils take the same prudent approach, there will always be someone trying to suggest we should be spending the cash and leave nothing to fall back on.

To give just one example, and there must be thousands of others, we have the longest coastline of any District in the country and I don't need to remind Members of the sometimes-tragic events that have befallen this area due to our proximity to the sea. As the housing authority it is our legal duty to provide emergency housing for people displaced from their homes due to a calamity such as a catastrophic flooding event. That could be thousands of people made homeless and it could be for months or even years that they need alternative accommodation. Without adequate reserves we would simply not be able to meet those legal obligations and our residents would be left abandoned and homeless. Our reserves would play an absolutely vital role in supporting us through any such scenario.

The balance we are trying to find is to spend the one-off money we do have on things that either raise money, save money, or protect us from increased costs. This seems both logical and pragmatic.

These are not just warm words. Examples to demonstrate our genuine commitment to this approach are the office transformation project and the changes we have made to the waste and recycling contract, which together will save the Council in excess of £500 thousand pounds per year – half a million pounds that will support front line services next year, the year after and for the future.

This has surely got to be good news for the users of our front-line services.

I do appreciate the various comments on the waste service but what I cannot accept is that the changes to the contract are a cut in service. If we carried on with the existing contract, the additional cost to this Council would be close to half a million pounds per

year. Instead we have invested in a redesigned service that provides a revised collection methodology, with residents still having access to the same quality service where recyclables are collected from their doorsteps along with residual waste in a safer and more efficient way. This is good management of the Council's available resources and one that protects front line services; we are keeping weekly collections, we are moving to wheelie bins – which many residents have been demanding for years now, and we are saving shed loads of cash!

I have also heard people voice concerns about the proposed £5 increase to Council Tax.

Let me take this opportunity to set out the context to this proposal. The Government has reduced funding to this Council by over £7million pounds over the last few years. Their delayed response to this was to allow Councils the opportunity to increase Council Tax by £5, thereby recognising the pressure in the system. So, we are faced with a simple choice, and it's a choice we do have to face; we can increase Council Tax by £5 or we make some pretty savage cuts to frontline services to make up for the loss of £300 thousand per year from our budget. It's a simple choice, it's just not a very nice one.

When we set out our long-term approach to the forecast, we stated that we wanted to protect front line services as far as possible. The £5 increase is only one ingredient to the overall budget, and it is a compromise we have to make to help deliver on this promise – let's not forget we still have one of the lowest levels of council tax in Essex and we are in the bottom quartile nationally.

This leads me onto another point, and I will try to not get too technical here, but the Government has suggested that when they agree a fair funding settlement for Councils from next year, they will take into account the level of income raised locally from Council Tax. However, they will not make a deduction based on the level of income actually raised locally but it will be a deduction based on a notional council tax level determined on a national level. If our level of council tax is lower than this notional amount, then we will perversely lose out as the amount deducted from our funding settlement will be more than the figure we actually raise locally.

I am not saying the tail should wag the dog but perversely, having a lower level of Council Tax going forward will probably have an adverse impact in future years which could require more savings to be found in future than would otherwise be the case.

Who says public sector funding is boring? – We all have to stay alert to such subtleties in the system as they could have an impact on our overall financial position in future years.

It is also a truth universally acknowledged that local authorities who do not take advantage of the flexibilities to increase Council Tax but then complain to Government about the financial pressures on local services will simply be told "well you should have increased council tax, you only have yourselves to blame."

And I say that with no joy whatsoever; I am instinctively a Conservative, I believe in low-taxation and minimal state-interference. I believe that people know how to spend their money better than governments do. But I also realise and accept that as a local authority we have a job to do, services to deliver, communities to lead and businesses to support. We play a vital role in the lives of the residents of this District and we are a

force for good. And the simple fact is that running a large local authority like this one does cost money.

However, based on all that I have just said, I think the £5 increase is the right balance and the most financially prudent thing to do in the long term – let's not forget we will be protecting front line services by doing so.

As I said last year, the evidence is there to show that as a Council we will always find new ways and different approaches to deliver our services, a challenge we have lived up to in the past and one we will continue to do going forward.

We constantly punch above our weight and I can see no reason why this should change.

We continue to work closely with Government on a number of issues such as supporting the Jaywick Sands project. It is great to see the various strands of that work finally coming together and it genuinely feels that we are as close as we have ever been to making the long-lasting changes so desperately needed to lift the area out of the difficulties it has faced over so many generations.

I think the Government are now getting the same feeling and they have asked us what they can do to support our plans. We need to be honest but pragmatic and put our points forward, most of which do not need necessarily need the Government to put their hand in their pocket – they are more about technical and legalistic issues such as the time limit placed on right to buy capital receipts retained locally, which do not help us formulate a longer term plan.

We are being listened to and one reason why is that the Government see us as a "can do" council. That's a reputation we want to keep delivering against, not just in words, but in what happens on the ground, as that is where we will be judged by our residents, our businesses and our visitors.

I will quickly return to the purpose of the long-term approach to the forecast we have adopted before I finish with some comments about the Members and Officers here at the Council.

One of the major successes that the long-term approach could deliver, when we do finally emerge from one of the toughest financial environments that Local Authorities have ever been faced with, is that the level of services we currently provide have been protected as far as possible. Sometimes success is dressed up in different clothing and some people may not see this as overly ambitious within a long-term plan.

Success is relative and such a judgement will be made by comparing this Council with how other Local Authorities have fared across the same period – when this day arrives I genuinely believe that we would be up there with the best and continue to be there for our residents – we are here to provide an extensive range of public services and I hope that that range will be as extensive as possible and of the quality expected of us.

Members and Officers will continue to work hand in hand to make this possible.

Whatever happens we must keep up the enthusiasm that is clearly there amongst us all to carry on making a difference. Let's carry on with good and honest debates and make

well-informed decisions that are supported by our excellent Officers that we are fortunate enough to have behind us on this Council.

I have really enjoyed Cabinet meetings over the last year as people have really engaged and made useful and helpful contributions – this can only be a good thing for the Council as a whole and an approach that would be expected of us by the people we serve. I sincerely hope that this carries on after the elections in May and we can look forward to constructive and pragmatic discussions during Cabinet meetings long into the future.

I call all Members to support the 2019/20 budget that is being proposed and vote in favour of it tonight.”

It was moved by Councillor Stock and seconded by Councillor G V Guglielmi that the recommendations set out on pages 11 and 12 of the Council Book be approved.

Councillor I J Henderson spoke to Councillor Stock’s motion.

The Chief Executive reminded Members that The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 required local authorities to hold a named vote on the Budget motion and any and all amendments thereto.

In respect of Councillor Stock’s motion the vote resulted as follows:

Councillors For

Alexander
Amos
Baker
Bennison
Bray
Broderick
B E Brown
M Brown
Callender
Calver
Cawthron
Chapman
Chittock
Coley
Cossens
Davis
Everett
Fairley
Ferguson
Fowler
Griffiths
G V Guglielmi
V E Guglielmi
Heaney
I J Henderson
J Henderson

P B Honeywood
S A Honeywood
Khan
King
Land
McWilliams
Miles
Newton
Nicholls
Platt
Poonian
Raby
Scott
M J Skeels
Steady
Stephenson
Stock OBE
Talbot
Turner
Watson
White
Whitmore
Winfield
Yallop

Councillors Against

Bush
Gray
Pemberton

Councillors Abstaining

Bucke

Councillors Not Present

J A Brown
Hones
Massey
Porter
M J D Skeels
Watling MP

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

RESOLVED that, having had regard to the Chief Finance Officer's (Section 151 Officer) report on the Robustness of Estimates and Adequacy of Reserves, in accordance with the requirements under Section 25 of the Local Government Act 2003, and having taken account of the responses to the budget consultation process, the Council approves the budget proposals (based on a £5 Band D council tax increase for district services) and agrees:

- i) that the total General Fund net revenue budget for 2019/20 be set at £13.557m (a council tax requirement of £7.955m excluding parish precepts);
- ii) that the General Fund capital programme be approved totalling £2.637m in 2019/20;
- iii) that the detailed General Fund budgets be as per the Cabinet's budget proposals of 18 January 2019, as set out in Appendix D to item A.1 of the Report of the Cabinet;
- iv) the calculation of the Council's Council Tax requirement, Special Expenses and Parish/Town Council precepts, as set out at Appendix F to item A.1 of the Report of the Cabinet;
- v) the Council Tax for District and Parish/Town Councils' services, as set out at Appendix I to item A.1 of the Report of the Cabinet and that these are the amounts to be taken into account for the year in respect of the categories of dwellings listed in different valuation bands; and
- vi) that if budget adjustments are required following the late notification of external / grant funding, then in consultation with the Finance and Corporate Resources Portfolio Holder, budgets be adjusted accordingly with no net impact on the overall budget or capital programme set out above.

125. URGENT MATTERS FOR DEBATE

There were none on this occasion.

The meeting was declared closed at 7.57 pm

Chairman