

**MINUTES OF THE MEETING OF THE CORPORATE MANAGEMENT
SCRUTINY COMMITTEE HELD ON MONDAY 26 SEPTEMBER 2016 AT 7.30 P.M. IN THE
COUNCIL CHAMBER, COUNCIL OFFICES, WEELEY**

Present: Councillors Platt (Vice-Chairman, in the Chair), Baker, Chittock, Everett, Scott and Stephenson

Also Present: Councillor Hughes

In Attendance: Head of Finance, Revenues & Benefits Services (Richard Barrett), Head of People, Performance and Projects (Anastasia Simpson), Head of Finance, Revenues & Benefits Services (Richard Barrett), Human Resources Operations Manager (Katie Wilkins), Organisational Development Manager (Carol Magnus) and Committee Services Officer (Janey Nice)

26. CHAIR

In the absence of Councillor Steady, the Chair was occupied by the Vice-Chairman (Councillor Platt) for the duration of the meeting.

27. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies for absence were submitted on behalf of Councillor Steady (with no substitute) and Councillor Whitmore (with Councillor Everett substituting).

28. MINUTES OF THE SPECIAL MEETING OF THE COMMITTEE HELD ON 12 SEPTEMBER 2016

Councillor Stephenson asked if the Minutes of 12 September 2016 could be corrected under item Minute no. 25 – Financial Strategy – Working Parties. He said that, on the fourth line, where the Minute stated "but he asked what assets...." This should read: "Councillor Baker asked what assets". After Councillor Baker agreed the change should be made, the Minutes of the special meeting of the Committee, held on 12 September 2016, were approved as a correct record and signed by the Chairman.

29. DECLARATIONS OF INTEREST

There were no declarations of interest received from Members.

30. FINANCIAL STRATEGY – INITIAL FINANCIAL BASELINE 2017/18

The Committee was informed that, at its meeting on 5 August 2016, Cabinet had considered the Initial Financial Baseline for 2017/18 and had resolved that (minute 45 referred):

"(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)."

A copy of the report considered by Cabinet was before Members and provided the Committee with the opportunity to comment on the Initial Financial Baseline for 2017/18 as part of developing the budget in accordance with the Council's Budget and Policy Framework.

The Head of Finance, Revenues & Benefits Services (Richard Barrett) informed the Committee that it had been another difficult year with the initial financial baseline for 2017/18 setting out an initial budget 'gap' of £1.565m. He said the Committee had had several Working Parties looking for outcomes and decisions for savings to be made from the Budget

Mr Barrett referred to page 5 of his Report to Cabinet on 5 August 2016 (as attached to item A.1 of the Report of the Corporate Director (Corporate Services)) which showed a table which set out the initial financial baseline for 2017/18. Although this would be subject to revisions and updates as the year progressed, it did set out the estimated initial funding 'gap' for the year. He said the grey column showed a significant difference to the current budget.

He said that the Council were not allowed by Central Government to raise Council Tax by more than 1.99% (that was on the assumption that the Government retained the 2% limit) and the table had been based on Council Tax being raised by 1.99%.

Mr Barrett informed the Committee of the cost pressures the Council were facing and some adjustments to the Council's reserves. Once he had any further information this would be brought back to the Committee.

Members asked Mr Barrett a number of questions and made a number of suggestions, which included:

- Potential savings by Parish Councils maintaining playgrounds within their Parishes;
- Poorly maintained seafront shelters, should they be maintained or removed?;
- Street cleaning and waste, the Council should receive more funds back from recycling;
- The Council maintaining three large buildings which were costing the Council a lot of money, what could the way forward for those buildings be;
- A suggestion that the operations in the Pier Avenue building be moved to the Town Hall with the large, modern building being made available to a paying tenant;

In reply Mr Barrett said that it would be worth the Council looking at the suggestion of Parish Councils taking over the maintenance of the Council's playgrounds. He further responded by saying the seafront shelters only cost about £18,000 to maintain per annum which would only make a small dent in the larger amount.

On the matter of recycling, Mr Barrett agreed, and said that the Council were not quite meeting its recycling budget and that Councillor Talbot's Working Party were currently examining this.

With regard to the Council's three large buildings, Councillor Baker commented that he was sitting on a Working Party and this was one of the items they were currently looking at.

Mr Barrett commented that these were ideas worth looking at and he referred Members to page.11 of the afore-mentioned report which gave ideas for “Saving Strands – Potential Ideas/Proposals for Reviews” and said that the table gave a good starting point which could be useful, not only for this coming year, but for future years. He commented that the Working Parties were politically balanced and Officers attended, with different people all having different ideas for potential savings.

When asked about the process of Working Parties and their way forward, Mr Barrett informed the Member that the Working Parties were advisory with the relevant Portfolio Holder reporting back to Cabinet with the ideas for savings, which would then come back to this Committee to scrutinise the options.

A Member raised his concern about the possibility of fly-tipping when Essex County Council (ECC) raised its charges for trade waste at its Refuse Tips especially as the cost of clearing up fly-tipping came out of this Council’s budget, not ECC’s.

Mr Barrett was also asked about what income was generated for July/August for car parking as that was when residents could not use their free parking permits and he said he would give the figures in his next report to the Committee, but that he believed the figures were meeting budget expectations.

Having considered and discussed the Initial Financial Baseline the Committee agreed to make the following **COMMENT** to Cabinet:

“To raise the Committee’s concerns concerning fly-tipping due to the changes to business waste due to take place from 31 October 2016.”

31. CORPORATE BUDGET MONITORING REPORT FOR THE FIRST QUARTER OF 2016/17

The Committee had before it a report of the Corporate Director (Corporate Services), which presented it with an overview of the Council’s actual financial position against the budget as at the end of June 2016.

The Committee was aware that, at its meeting held on 9 September 2016, Cabinet had considered the Corporate Budget Monitoring Report for the first quarter of 2016/17 and had resolved (minute 61 referred) that:

“(a) the financial position as at the end of June 2016 was noted;

(b) the 2016/17 budget is to be amended via the transfer of up to £0.150m from employee budgets to a planning inquiry budget to meet this cost pressure which had emerged during the first quarter of 2016/17;

(c) delegation to be given to the Head of Finance, Revenues and Benefits to amend the 2016/17 budgets to reflect the IT service being brought in-house from April 2016 with no net impact on the Council’s overall budget; and

(d) delegation to be given to the Head of Finance Revenues and Benefits, in consultation with the Finance, Revenues and Benefits Portfolio Holder, to accept the Government’s 4 year revenue support grant offer, via the submission of an efficiency plan, if favourable to the Council.”

The Cabinet report referred to above was attached as Appendix A to item A.2 of the Report of the Corporate Director (Corporate Services) for the Committee’s consideration.

During the discussions of this item, it was suggested that the Council extend parking permits to the London Boroughs to encourage visitors to the Tendring area rather than going to Southend-on-Sea. Mr Barrett said that it was a matter of a fine balance, if the Council's car parks were full of visitors where would the District's residents park? When Essex Wildlife Trust was mentioned as a tourist attraction at Walton, the Committee was informed by a Member that the Essex Wildlife Trust had the biggest membership of any other Trust in England. The Committee agreed that those suggestions should be raised with the Head of Public Realm.

Mr Barrett informed the Committee that the Local Plan budget stated that the variance shown was for the first quarter which would not be equal to the level of spend as costs may come up further in the year. When asked if the figures were on track, Mr Barrett said it was difficult to say as the Head of Planning (Cath Bicknell) would be controlling the budget. He added that costs could mount during the inquiry stage, at the moment he was not aware of any pressure of overspend currently but he reminded Members that the other three quarters had yet to be figured in.

A Member raised concerns about figures on page 14 of the Report of the Corporate Director as he could see that the revenue figure was down in the first quarter with less income from Business Rates from March onwards.

Concern was also raised by a Member about the New Homes Bonus which was shown on page 16 of the afore-mentioned report and Mr Barrett said that this was an underspend. The Member commented on the large amount being spent on one Planning Inquiry and asked if this was on a separate budget. Mr Barrett said it was not the case but the Head of Planning had to manage the whole of the Planning budget and costs for an appeal would depend on how far an appeal could go and Mrs Bicknell could manage the costs up to a point. He added that Cabinet had allocated £150,000 to help cover any gap and said that it was never a straight-forward matter to recover costs especially as the last planning appeal had been very expensive.

It was also asked if a lot of planning appeals were to be expected and if the Council was putting enough money aside for those appeals and Mr Barrett said that money was set aside but that the budget could not take too much pressure. The Member commented that the St Osyth Priory Planning Appeal had cost a substantial amount of money at its last hearing and was there enough money set aside, he was informed that £150,000 had been set aside for the same site.

A Member queried the money budgeted for the seafront café and Mr Barrett informed him that no decision whether to proceed had yet been taken. If not, then the money would go back into the budget. The Member also queried about Westleigh House and if it was going to be demolished and what was happening with the building and was informed by Mr Barrett that the issue of the Council's assets was being dealt with in one go.

There was also a query about the cost of beach equipment of £50,000 and was informed that the equipment was not just for the beach but could actually be used elsewhere when needed.

Mr Barrett also informed the Committee that any funding money given by the Environment Agency which was left over, the Council would be allowed to keep.

On page 38 a query was made about the cash office expenditure and Mr Barrett said the figure was correct. Mr Barrett said that a small amount of additional funding of £100,000, which was made to cover several years, was allocated to give grants and loans and when

repaid, the Council would ring fence it for 3 to 5 years and this then could be re-allocated out to final grants.

Mr Barrett was asked about the cash incentive scheme on page.40 of the aforementioned report and was it for encouraging people to move? Mr Barrett said this was a valid scheme although it had not been heavily used. When asked about the New Build Initiatives and Acquisitions Mr Barrett said that this was funded.

A question was asked about the Section 106 money on page 43 which needed to be spent by the end of September 2016. Mr Barrett said the money had been moved into another budget as it was allowed to be spent where needed from the agreement's point of view. The Member was worried about Section106 monies available which were not being spent and he said he wanted it to be invested to gain interest. Mr Barrett said he would be speaking to the Corporate Director (Operational Services) (Paul Price) to see if the monies could be part of a scheme he was using for the Jaywick Project and would check with him to see if that was indeed the case.

A Member asked about £6,000 put aside for Open Space and Mr Barrett said he would speak to the relevant department to see what was happening to this money and there was a general discussion as to what this money could be used for, with Mr Barrett confirming it was a 'one-off' amount of money and he added there was never a problem spending open space money. When asked how long the open space money was kept for Mr Barrett said that the legal view was 5 to 7 years.

When asked about the Revenue Scheme Mr Barrett explained about the processes of how it worked.

A question was asked about the Right to Buy (RTB) number of properties and was informed that 11 were sold last year but the actual figures did not show that and monies were held on a capital programme and explained again how that worked. When asked if the cash receipts were put aside and if the Council was building property, Mr Barrett said that building property had gone ahead in Brightlingsea, a flat had been acquired in Walton-on-the-Naze and that with the big Jaywick project the Council was acquiring properties. He added that the Council needed to sell 3 -4 houses to have enough money to build another property as the Council had a duty to ensure its properties were properly maintained.

Having considered and discussed the budget monitoring report:-

It was **RECOMMENDED** to Cabinet that:

- (a) Cabinet notes the concerns about the 1% rent reduction and the impact for Tendring District Council; and
- (b) Members of the Cabinet raise this matter as a concern at the relevant Local Government Association conference.

32. PERFORMANCE REPORT – QUARTER ONE REPORT – APRIL 2016 TO JUNE 2016

The Committee had before it a report of the Corporate Director (Corporate Services) which presented the Performance Report for Quarter One (April 2016 to June 2016), including the Corporate Plan and Priorities and Projects 2016. Appendix A to that report contained details of the 14 indicators and projects where performance was measured. Of those, 12 (86%) were on, or above, their expected target and 2 (14%) were not currently in line with the expected performance. Three of the indicators and projects highlighted in

the report were deemed 'non-measurable' as this Council's role was that of influence only.

Officers responded to questions raised by Members on various topics and where an answer was not immediately available, the Officers undertook to respond to Members as soon as possible after the meeting.

Questions and comments raised by the Members included:

- More information about Broadband being more widely available;
- Recycling targets not being met and why this Council did not accept all types of waste plastics rather than the hard plastic collected currently. However, it was commented by another Member that the Council only received recycling credits on the higher graded plastics;
- Concern was raised about the accuracy of the planning application figures and a request was made for a breakdown of the figure of 3.8 years and how it was calculated. The Member said the figures needed to be accurate in light of the Boundary Commission review. The Human Resources Operations Manager (Katie Wilkins) replied that the figures were for the first quarter of the year up to the end of June and the figures would have changed since then;
- When asked who sets the targets that needed to be met, the Head of People, Performance & Projects (Anastasia Simpson) said that the Corporate Plan and the Performance Report targets had been agreed by all Councillors at full Council;
- Members commented that the 5 year housing supply figure given by the Boundary Commission needed inclusion of applications that had not yet received planning permission including approvals for small building applications that had been Officer granted; and
- Congratulations should be given to the Officers responsible for the increased numbers of members of the public using the Council's Leisure Centres.

After discussion of the report it was **AGREED** that the Committee **COMMENTS TO CABINET** that the Committee:

- (a) notes the Council's performance report for the period April to June 2016; and
- (a) Cabinet notes the Committee's comments.

The meeting was declared closed at 9.29 p.m.

Chairman