
**MINUTES OF THE MEETING OF THE CABINET,
HELD ON FRIDAY, 24TH JULY, 2020 AT 12.04 PM
MEETING WAS HELD IN ACCORDANCE WITH STATUTORY INSTRUMENT
2020/392. LINK TO LIVE STREAM IS FOUND AT
[HTTPS://WWW.TENDRINGDC.GOV.UK/LIVEMEETINGS](https://www.tendringdc.gov.uk/livemeetings)**

Present: Councillors Neil Stock OBE (Leader of the Council)(Chairman), Carlo Guglielmi (Deputy Leader of the Council & Corporate Finance and Governance Portfolio Holder), Paul Honeywood (Housing Portfolio Holder), Lynda McWilliams (Partnerships Portfolio Holder), Mary Newton (Business and Economic Growth Portfolio Holder), Alex Porter (Leisure and Tourism Portfolio Holder) and Michael Talbot (Environment and Public Space Portfolio Holder)

Group Leaders Present by Invitation:

Councillors Terry Allen (Leader of the Tendring First Group), Jayne Chapman (Leader of the Independents Group), Ivan Henderson (Leader of the Labour Group), Gary Scott (Leader of the Liberal Democrats Group) and Councillor Mark Stephenson (Leader of the Tendring Independents Group)

Also Present: Councillor Peter Cawthron

In Attendance: Ian Davidson (Chief Executive), Paul Price (Deputy Chief Executive & Corporate Director (Place and Economy)), Damian Williams (Acting Corporate Director (Operations and Delivery)), Lisa Hastings (Assistant Director (Governance) & Monitoring Officer), Richard Barrett (Assistant Director (Finance and IT) & Section 151 Officer), Gary Guiver (Temporary Assistant Director (Strategic Planning and Place)), Andy White (Acting Assistant Director (Building and Public Realm)), Keith Simmons (Head of Democratic Services and Elections), Ian Ford (Committee Services Manager), William Lodge (Communications Manager), Charlene Haynes (IT Officer) and Luke Rosier (IT Officer)

27. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillor Joy Broderick (Independent Living Portfolio Holder).

28. MINUTES OF THE LAST MEETING

It was **RESOLVED** that the Minutes of the meeting of the Cabinet held on Friday 26 June 2020 be approved as a correct record.

29. DECLARATIONS OF INTEREST

Councillors Stock and G V Guglielmi, as members of the Cabinet and therefore decision makers, each declared a Personal Interest in Agenda Item 9 – report A.2 – North Essex Garden Communities Ltd. insofar as they were, respectively, a Director and an alternate Director of NEGC Ltd.

On a point of information for the public record, Councillor Scott, present in his capacity as Leader of the Liberal Democrats Group, declared an interest in Agenda Item 10 – report A.8 – Update on Alresford Parish Council’s Regulation 15 and 16 Neighbourhood Plan Consultation insofar as he was both a member of Alresford Parish Council and one of the District Council Ward Members for Alresford.

30. ANNOUNCEMENTS BY THE LEADER OF THE COUNCIL

Ministerial Visit to Jaywick Sands

The Leader of the Council (Councillor Stock OBE) reported with great pride in this Council (TDC) that the previous day a Minister had visited the District. The Rt. Hon. Chris Pincher MP had been given a tour of the Brooklands and Grasslands area of Jaywick Sands and had been taken around the ten new high-quality flood resilient homes being built by TDC. Housing was a key issue in Jaywick Sands, with a long-standing quality of life challenge due to some substandard housing in the area. However, these new homes looked superb, were safe, improved the quality of life for local residents and offered a bright future for Jaywick Sands.

He thanked Giles Watling MP for Clacton for arranging this visit which had been a real credit to all involved.

Campaigns by the District’s Members of Parliament

Councillor Stock referred to Councillor Watling’s efforts in Parliament to raise support for the Theatre industry which was a vital part of the cultural fabric of the nation. He stated that he had a personal interest in the Theatre as his company was involved in this industry albeit in a limited and oblique fashion.

In addition, Councillor Stock drew attention to Bernard Jenkin MP for Harwich and North Essex and the concerns that he was helping to raise in Parliament about the potential for Chinese state involvement in the construction and operation of the proposed new Bradwell B nuclear power station.

Local Government Re-organisation

Councillor Stock informed Cabinet that he would be arranging a meeting of Group Leaders in August 2020 to discuss the Government’s emerging plans for a local government re-organisation which could see the abolition of both county and district/borough councils and their replacement with large unitary authorities.

31. ANNOUNCEMENTS BY CABINET MEMBERS

There were no announcements made by Cabinet Members on this occasion.

32. MATTERS REFERRED TO THE CABINET BY THE COUNCIL

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

33. MATTERS REFERRED TO THE CABINET BY A COMMITTEE

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

34. LEADER OF THE COUNCIL'S ITEMS - A.1 - EXECUTIVE DECISION TAKEN AS A MATTER OF URGENCY

The Cabinet gave consideration to a report of the Leader of the Council (A.1) which notified Members of a recent urgent Executive Decision taken by the Leader of the Council on behalf of the Cabinet.

The Cabinet recalled that, as part of the Council's response to the COVID-19 public health emergency the Council's Monitoring Officer had produced a formal "Note on Decision Making Business Continuity Arrangements" which had set out the ways in which the normal operational business of the Council could continue in relation to decisions which would normally be referred to Cabinet, Council or Committees.

In relation to Cabinet decisions the Monitoring Officer's formal Note, as issued on 20 March 2020, had contained the following information and advice:

"The Constitution requires certain matters to be decided by Cabinet collectively. The Leader of the Council may exercise any of the powers delegated to the Cabinet:

a. Following a resolution of the Cabinet (subject to the Constitution), or

b. In cases of urgency, in consultation with the Monitoring Officer and/or Section 151 Officer.

In cases of urgency the decision of the Leader of the Council will be recorded and published in accordance with the Constitution. The Leader of the Council will also be required to make a public statement at the next formal meeting of the Cabinet which will explain why they had taken the decision as a matter of urgency.

Therefore, following consultation with the Leader of the Council, it was recommended that to enable formal decisions to be made on behalf of Cabinet the following procedure should be adopted:

- Reports that would have been considered by Cabinet are emailed to the Group Leaders;*
- a period of five working days would be provided for Group Leaders to email any comments/questions etc. to the relevant Portfolio Holder, Leader and officer(s) identified;*
- responses to comments/questions would be supplied to the Group Leaders;*
- this information will be taken into account by the Leader prior to making his formal decision;*
- a formal decision will be published recording the matters taken into account;*
- at the first formal meeting of Cabinet a report of the decisions taken by the Leader under urgency powers will be produced; and*
- if it was necessary for a key decision to be made under urgency provisions this must be reported to Full Council (in accordance with the Access to Information Procedure Rules 15 & 16.2).*

Whilst it was anticipated that decisions taken during urgency provisions would be limited or uncontroversial in nature, with Group Leaders' comments being sought prior to decisions being made, it must be highlighted that the ability of Members to undertake the statutory overview and scrutiny function is not removed."

The Monitoring Officer had considered that, in responding to COVID-19, the Council was in exceptional times which therefore satisfied the grounds of urgency.

It was reported that in making the decision in question the Leader of the Council had exercised his delegated power as set out in the Council's Constitution in Part 3, Schedule 3 (Responsibility for Executive Functions) - Section 3 (General Principles Regarding Decision Making by the Cabinet) – Principle 4b [Part 3.28].

Members were reminded that the decision taken as a matter of urgency had related to the Write-off of Leisure Facilities Memberships Income for June and July 2020.

Having considered the contents of the report:

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

RESOLVED that –

- (a) the contents of the report be noted; and
- (b) the urgent decision taken by the Leader of the Council on behalf of the Cabinet, as detailed in this report, be formally endorsed.

35. LEADER OF THE COUNCIL'S ITEMS - A.2 - NORTH ESSEX GARDEN COMMUNITIES LTD.

Councillors Stock and G V Guglielmi, as members of the Cabinet and therefore decision makers, each had earlier in the meeting declared a Personal Interest in Agenda Item 9 – report A.2 – North Essex Garden Communities Ltd. insofar as they were, respectively, a Director and an alternate Director of NEGC Ltd.

The Cabinet gave consideration to a report of the Leader of the Council (A.2) which enabled it to consider and agree the preferred option relating to the future of the Company and to note the decision of the Company Board in relation to the three Local Delivery Vehicles.

The Leader's report set out for Cabinet the options for the future of the North Essex Garden Communities Ltd. and the three Local Delivery Vehicles (LDVs) following receipt of the Local Plan Inspector's letter on 15 May 2020 and focused on the following points:

- NEGC Ltd – its structure and purpose and company liabilities and resources;
- Winding up the Company – the legal process;
- Employment implications – pension strain and redundancy/TUPE implications; and the
- Financial implications.

Cabinet was made aware that, on 6 July 2020, the North Essex Garden Communities Ltd Board, consisting of representatives from each of the North Essex Authorities ("the Councils"), had met to consider the current position and to agree the preferred options for the future of the Company and the three LDVs. At that meeting it was agreed that:

- the Company would recommended to the shareholders to cease operations of NEGC Ltd on 31 August 2020 and thereafter begin activities to close the company down;
- the Company would recommend to the shareholders to consider the closure of the three LDV companies in line with the NEGC Ltd closure; and
- the Company would recommend to the shareholders to make the NEGC Managing Director post redundant as of 31 August 2020.

It was reported that the Councils had worked closely together to consider the options available to each of them as Shareholders, and, as a result of that action, the following options had been identified:

Option 1 – Braintree District Council would ‘exit’ and restructure to reflect an alternative purpose;

Option 2 – the Company continues to work on proposals for delivery models for the NEAs to decide upon, though this would require substantial ongoing financial contributions;

Option 3 – the NEAs remain within the Company, but restructure to make it fit for purpose, though this would require ongoing substantial financial contributions; and

Option 4 – Close the Company and three current LDVs.

Cabinet was informed that, following an evaluation of the current position, the options available and the issues identified within the Leader’s report, Option 4 was recommended as the preferred way forward for this Council. The reasons behind that recommendation were that:-

- (1) for the Company to carry on with a view to becoming part of the delivery vehicle would require a company restructure and substantive variations to both the Shareholder Agreements and the Articles;
- (2) the Company had not expressed any interest in progressing with its existing company structure, which included a LDV for the Tendring/Colchester Border Garden Community (TCB);
- (3) there were Value for Money considerations of continuing to use a limited company for the establishment of one Garden Community;
- (4) the TCB garden community could still be delivered through alternative mechanisms and vehicles, and Tendring District Council and Colchester Borough Council (CBC) would need to consider their options around this in due course;
- (5) the Company’s only liability and resource was the Managing Director. All project and external resources had been commissioned through CBC; and
- (6) there was a need to have careful consideration of the pension strain and TUPE implications, if the Company continued to trade with a view to establishing different delivery models.

Cabinet had had circulated to them prior to the commencement of the meeting an updated report of the Leader of the Council. The updated report informed Members that there was a project balance of £883k carried forward at the end of 2019/20 which had met operational costs incurred to date in 2020/21 with sufficient funding estimated to remain available to meet the winding up costs. Project funds were held by Colchester Borough Council (CBC), who effectively acted as the accountable body on behalf of the partnership. Any balance remaining would be carried forward for use in any future delivery vehicle or returned to local authorities as agreed between the partners.

Cabinet was aware that the cost of the project had been supported from its inception by a mix of Government funding and contributions from the four Local Authority shareholders. The contributions from the four Local Authorities had, to date, been based on each Local Authority accepting its equal share of the liabilities of the project. This position had been echoed in a letter required by CBC last year when they had sought the reaffirmation of this commitment from the other Local Authorities given their accountable body role.

The project budget for 2019/20 had therefore continued to be based on an equal share basis, with a contribution of £350k required from each of the Local Authority shareholders. The last tranche of TDC's required contribution of £350k had been made in December 2019.

It was reported that CBC's Cabinet had considered a similar report to the Leader's report at its meeting held on 8 July 2020 and they had resolved to take all necessary steps to wind up North Essex Garden Communities Ltd. At the same meeting, they had also agreed a recommendation to their Full Council to release their 2019/20 contribution of £350k. However, unexpectedly at the meeting of CBC's Full Council held on 15 July 2020, CBC Members had decided that they would not be paying their contribution of £350k in 2019/20. Notwithstanding the decision to make a contribution or not, the project was accruing costs and liabilities which should be fairly borne by the four authorities in accordance with the partnership arrangements that had been established to date.

Members were advised that, as the accountable body, it had been accepted that CBC would incur some costs and overheads as part of supporting the project. At the present time it was understood that those costs totalled £314k. As CBC were not looking to charge those costs into the project, it could be argued that their contribution was therefore an 'in kind' contribution rather than via a direct payment. Therefore in principle this could be an effective way of demonstrating that each of the four local authorities had made a fair contribution to the project costs, albeit not always as a cash payment. It was noted that Tendring had not charged any officer time to this project.

Cabinet was informed that, as part of winding up the company, there would be the need to bring the latest accounting period of NEGC Ltd to a close, with similar activities being required for the wider project, to not only enable any surplus to be considered but also as part of 'cleanly' moving onto the next phase of the TCB project. Therefore as part of those activities, further details would be sought from CBC in order to provide the necessary transparency around their 'in kind' contribution to the project, which had not been provided to date.

Members were made aware that this was important for a number of reasons not least because if the Council was left in the position of making contributions on behalf of

another authority, it would be difficult to reconcile locally and it would potentially take money away from delivering other important priorities within this District such as tackling deprivation and key economic / regeneration projects.

Although CBC had made the decision to not make any further contributions, it was not yet clear whether they would be exploring further options around how they intended to meet any shortfall in their fair share of the accrued liabilities of the project.

Having considered the options and proposals available and the financial, legal and other implications set out in the Leader's report (as updated), together with the implications of CBC's decision:-

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

RESOLVED that Cabinet –

- (a) notes the decision of the North Essex Garden Communities Ltd Board on 6th July 2020 to take all the necessary steps to wind up the three Local Delivery Vehicles, namely Colchester Braintree Borders Ltd, Tendring Colchester Borders Ltd and West of Braintree Ltd;
- (b) notes Colchester Borough Council's disappointing decision not to approve their partnership contribution to the NEGC project and requests that the Leader of Tendring District Council formally write to Colchester Borough Council to express this Council's concerns with regard to future working arrangements and seeking clarity around remedying their equal share of project responsibilities;
- (c) approves, as a Shareholder, that North Essex Garden Communities Ltd. ceases trading with effect from 31 August 2020; and
- (d) approves the necessary winding up procedures are undertaken, subject to the Leader of the Council, in consultation with the Section 151 Officer and the Monitoring Officer, being satisfied around the final accounting processes.

36. LEADER OF THE COUNCIL'S ITEMS - A.8 - UPDATE ON ALRESFORD PARISH COUNCIL'S REGULATION 15 AND 16 NEIGHBOURHOOD PLAN CONSULTATION

Earlier in the meeting, on a point of information for the public record, Councillor Scott, present in his capacity as Leader of the Liberal Democrats Group, had declared an interest in Agenda Item 10 – report A.8 – Update on Alresford Parish Council's Regulation 15 and 16 Neighbourhood Plan Consultation insofar as he was both a member of Alresford Parish Council and one of the District Council Ward Members for Alresford.

The Cabinet gave consideration to a report of the Leader of the Council (A.8) which sought its authorisation for an eight week statutory public consultation on the emerging Alresford Neighbourhood Plan. The report also sought Cabinet's approval for a Scheme of Delegation for Neighbourhood Plans.

Cabinet was informed that Alresford Parish Council had submitted the final version of its Neighbourhood Plan to this Council (TDC) so that TDC could undertake a public consultation on it. The Plan itself, a Consultation Document, the Basic Condition

Statement and a number of other supporting documents had been submitted to TDC. It was only the Plan, the Consultation Statement, the Basic Condition Statement and the Habitats Regulations Assessment/Strategic Environmental Assessment which would be the subject of the public consultation.

Members were made aware that from this point forward the Neighbourhood Plan process would be hosted by TDC, through a statutory process in its final stages of preparation. That statutory process was set out in The Town and Country Planning Act 1990 and the Neighbourhood Planning (General) Regulations 2012 (as amended).

It was reported that Officers were satisfied that the submitted plan complied with all the relevant statutory requirements (as outlined in Regulation 15) and therefore were requesting that Members now allow the Plan (and associated documentation) to go out to an eight week public consultation.

The Cabinet was advised that the decisions involved in the process of making a Neighbourhood Development Plan were largely technical or administrative in nature, however certain decisions, for example, the decision to hold a referendum or ultimately the decision to make the Neighbourhood Plan and bring it into force could be key decisions and as such should include Members' formal involvement.

In view of the statutory timescales it was proposed that Cabinet approve a scheme of delegation for functions/decision-making under the Neighbourhood Development Plan process to apply to neighbourhood plan proposals. It was important that Neighbourhood Development Plans were processed in a timely and efficient manner, in line with statutory timescales and this proposal sought to streamline the current approach by delegating certain administrative and technical tasks to Officers, in consultation with the Portfolio Holder for Planning where appropriate, whilst reserving the formal decision to make the plan to Cabinet.

The Leader of the Council (Councillor Stock OBE) congratulated Alresford Parish Council for being the first parish council within the District to reach this stage.

Having considered the contents of the Alresford Neighbourhood Development Plan and the proposals contained in the Leader's report:-

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

RESOLVED that Cabinet –

- a) notes the contents of the submitted documentation at Appendix 1 to 3 to item A.8 of the Report of the Leader of the Council and agrees that they satisfy the requirements of Regulation 15 of the Neighbourhood Planning (General) Regulations 2012 (as amended);
- b) authorises the Assistant Director (Strategic Planning and Place) to undertake an eight week public consultation on the Plan and other related documents in accordance with Regulation 16 of the aforementioned Regulations;
- c) authorises the Assistant Director (Strategic Planning and Place) to agree any minor amendments to the Plan and supporting documents (if required) before the public consultation begins; and

- d) approves the Scheme of Delegation for Neighbourhood Plans as set in Appendix 4 to the aforementioned Leader of the Council's report.

37. CABINET MEMBERS' ITEMS - REPORT OF THE BUSINESS & ECONOMIC GROWTH PORTFOLIO HOLDER - A.3 - ECONOMIC GROWTH STRATEGY

The Cabinet gave consideration to a report of the Business & Economic Growth Portfolio Holder (A.3) which sought its approval for the Tendring Economic Strategy 2020-2024, as set out in the Appendix to the Portfolio Holder's report. Cabinet's agreement was also sought to allocate £100,000 from uncommitted resources within the Council's Regeneration Budgets in order to support the development and delivery of projects that would deliver key interventions against the objectives of the Strategy.

It was reported that in 2013 the Council had undertaken significant work in order to develop a ten year Economic Strategy for the District. That work had reflected the commitment of the Council and its partners to create the conditions needed to stimulate economic growth in the period to 2023. This Strategy had now been refreshed in order to:

- Respond to uncertain economic conditions, both locally and nationally;
- Better understand the current evidence explaining the under-performance of Tendring's economy;
- Ensure that the case for future investment in Tendring was informed by the best available evidence and articulated through a clear Strategy; and
- Inform the technical and employment requirements of the Council's emerging Local Plan.

Cabinet was informed that evidence from the Office of National Statistics demonstrated that there had been some important changes in Tendring's economy since 2013, which underpinned the need for a change in the Council's approach.



The refreshed Strategy therefore sought to promote:

- A greater focus on Clacton-on-Sea and Jaywick Sands, noting a decline in the economic performance of those locations. This focussed specifically on local participation within communities and securing long term prosperity;
- Bold action in Clacton Town Centre, recognising that its future was unlikely to be led by retail alone;
- A balance in the evolution of Harwich as a port with the development of the visitor economy in the town and the surrounding area;
- A need to focus on two sectors: Care and Assisted Living; and Clean Energy, whilst recognising the need to be alive to opportunities in the rural economy, culture/creativity and tourism; and
- A focus upon the higher growth companies within the District, enlisting their experience and know-how to support the development of policy and focussed interventions to support new and existing companies in Tendring.

However, whilst the Strategy set out the longer term direction, more immediate refocusing or reprioritisation could be required to support those sectors which would be hardest hit by the Covid pandemic. Members were therefore advised that the Strategy would need to factor in this agility of approach particularly in the short term.

Cabinet was made aware that the Vision and Objectives of the Strategy would need to be delivered via the implementation of projects that were developed departmentally and through new and existing partnerships with the public, private and voluntary sectors (locally, regionally and nationally). Delivery of the Strategy would take time as many of the objectives identified would require a significant step-change in Tendring's economic trajectory.

It was suggested that in order to achieve the desired outcomes, the Council would need to work closely with public and private sector partners in order to realise practical and deliverable actions. This was particularly important given the current challenging and volatile economic conditions, with on-going uncertainty in relation to resources to support delivery. Ensuring that partners could see the long-term vision for Tendring would be a crucial part in building momentum behind Tendring's economy.

Members were advised that some of the required actions would be easier to deliver, and the results would be more visible, particularly those related to physical development. For others, especially those linked to aspiration, employment and skills, action would be as much about shifting the business culture in the District as it was about measurable results. Some of those actions could take a generation or more to embed, but were not any less important to the long-term economic success of the District.

It was felt that the long-term nature of the Strategy meant that there would be a need to maintain a strong dialogue between the Council and its partners. Also fundamental to the success of the Strategy would be the Council's ability to work alongside national, regional and sub-regional development partners (including the South East LEP, Essex County Council and neighbouring districts) and to ensure that partners could see the long-term vision for Tendring's economy.

The Cabinet's agreement was therefore sought to allocate £100,000 from the uncommitted resources within the Council's Regeneration Budgets in order to support the development and delivery of projects that would deliver key interventions against the five objectives of the Strategy.

Important Advisory Note

Cabinet noted that work on the Council's refreshed Economic Strategy had concluded well in advance of the COVID-19 pandemic, which had subsequently had such a devastating short-term impact on the UK's economy (the longer-term impact was yet to be known). However, it was not felt at this stage that the Strategy's Vision(s) and/or its Strategic Objectives needed amending to accommodate the impact of the pandemic on the national, regional or local economic scene, as those sought to address the established structural weaknesses in the District's economy.

It was proposed that the immediate project interventions arising from the Strategy should be influenced, guided and moulded by the need to help existing businesses recover from the COVID-19 lockdown. This could mean that in the early years of delivery, greater emphasis was placed upon the need to provide tailored business support (Information, Advice and Guidance), and as appropriate financial aid, to help businesses get back to their pre-COVID position with regard to market share, turnover, and prospects for growth.

It was also noted that the Economic Strategy was a key document for Part 2 of the Local Plan and as such it had been concluded that, whilst the effects of COVID-19 might require a refresh of the Strategy it would be better to adopt the Strategy based on what was currently known rather than to wait and potentially delay the development of the Local Plan.

Members were informed that, at the beginning of June 2020 the Council's Economic Growth Team had launched a business survey aimed at securing intelligence on the range and type of business support required by the District's businesses. Data from the survey would be used to inform project interventions.

Cabinet recalled that, at its meeting held in January 2020, it had allocated £90,000 in support of its Tendring4Growth Strategy, £60,000 of which had been sourced from previously uncommitted Section106 funding and identified for use in support of a tailored Tendring4Growth Business Support Service. Work on this scheme had been suspended as a consequence of COVID-19, but a specification of requirements would now be prepared using the intelligence secured as part of the business survey referenced above. The specification would then be used to procure a suitable third party business advice provider, which (subject to cost and available funding) would be contracted to work with the Council for a period of three years.

Having considered the contents of the proposed Economic Strategy:-

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

RESOLVED that Cabinet –

1. approves the draft Tending Economic Strategy 2020 – 2024, as set out in the Appendix to item A.3 of the Report of the Business & Economic Growth Portfolio Holder;
2. notes that actions to deliver the Economic Strategy will be developed as part of annual Departmental Service Plans;
3. approves the allocation of £100,000 from the Council's Business Investment and Growth Budget to support the delivery of the Strategy; and
4. notes that, as part of the Council's back to business strategy, following the pandemic, the strategic interventions may need to be reframed or reprioritised in order to deliver the economic stimulus required to deliver economic growth and support businesses.

38. CABINET MEMBERS' ITEMS - REPORT OF THE BUSINESS & ECONOMIC GROWTH PORTFOLIO HOLDER - A.4 - REJUVENATING CLACTON TOWN CENTRE

The Cabinet gave consideration to a detailed report of the Business & Economic Growth (A.4) which:-

- advised it of the progress of, and proposed submission of a bid for the Future High Streets Fund;
- sought its support for substantial capital investment in Town Centre Proposals;
- sought its support for the commitment of Council owned property to the proposed schemes; and
- sought its direction on the continued development of proposals within the scope of the bid and beyond the bid.

Cabinet recalled that at its meeting held on 13 September 2019 it had, inter alia, approved a vision for Clacton Town Centre and the consultations and funding for the preparation of a bid for the Future High Streets fund, including:

“the Director for Planning and Regeneration, in consultation with the relevant Portfolio Holders, be authorised to submit a detailed business case for Clacton Town Centre to the Government's 'Future High Streets Fund' by the deadline of 30th April 2020.”

Subsequently, the Government had extended the deadline for submissions to 31 July 2020 and, in addition, the Council's Management Team had been restructured and the Deputy Chief Executive & Corporate Director (Place and Economy) was now the relevant delegated officer.

It was reported that both the District and County Council's officers had carried out consultations and investigations and had prepared a bid proposal for submission.

Members were made aware that the Portfolio Holder for Business & Economic Growth and the Deputy Leader of the Council & Portfolio Holder for Corporate Finance and Governance had both been consulted and had concurred with the proposed submission of the bid.

Cabinet was informed that the Council was promoting recovery from the COVID 19 crisis and a Back to Business approach to the economy which interlocked closely with the renewal of the Town Centre. Details of the bid were set out in the current position section of the Portfolio Holder's report.

It was reported that the guidance provided in relation to the bid submission indicated a requirement for co-funding of the proposals to be demonstrated.

It was considered that the proposals created included the redevelopment and reuse or disposal of property owned by both the District Council and the County Council and the potential acquisition of further property.

Cabinet was advised that the proposals also required capital investment by the Authorities which would be offset by partner investment, grant and future potential disposals.

Members' attention was drawn to the fact that Officers from Essex County Council were seeking approval from their Recovery Advisory Board to the principle of use of County Council property and a capital investment. It was proposed that TDC's Cabinet made a similar 'in principle' commitment in support of the bid.

Cabinet was reminded that the amount of Government grant would be determined during the bid process and detailed design and negotiations had not yet been fully concluded. It was therefore proposed at this stage for commitments to be 'in principle' only and for specific investment decisions to be quantified in business case form for a future specific decision by the Cabinet.

It was reported that Officers were also working with consultants on potential public sector relocation to the area and with the Clinical Commissioning Group on a potential Seacole Centre for community health services.

Cabinet was advised that the process of preparing the bid had identified a significant gap between useful interventions and the available funding. There were significant further opportunities for community and cultural activities, transport and open space, covered areas links to the coast and a number of other aesthetic and management improvements. It was proposed therefore that officers should prepare in outline a framework for such initiatives in order to prepare for potential future partnerships and funding schemes.

The Portfolio Holder (Councillor Newton) informed Cabinet that an exemption from call-in in respect of the Cabinet's decision on this matter had been granted by the Chairman of the Resources and Services Overview & Scrutiny Committee (Councillor M E Stephenson).

Councillor Stephenson informed Cabinet that he had agreed to grant the aforementioned exemption due to the fact that the Government had set a deadline of 31 July 2020 for the submission of bids for the Future High Streets Fund.

Having considered the proposals and actions contained within the Portfolio Holder's report:-

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

RESOLVED that Cabinet –

- a) notes the progress of the bid for the Future High Streets Fund and the proposed submission of that bid on, or before, 31 July 2020;
- b) approves, 'in principle', the addition of an allocation in the Capital Programme in order to facilitate substantial capital investment in Town Centre Proposals, subject to the normal approval and business case processes in respect of the detail of the schemes being developed;
- c) approves, 'in principle', the acquisition of strategic property and the appropriation of currently owned property pursuant to the proposed schemes, subject to its specific approval of the terms and details in each case;
- d) instructs Officers, in partnership with officers of Essex County Council, to continue the development of proposals within the scope of the bid (as set out in the Portfolio Holder's report) in anticipation of award of a significant grant. Such proposals to be subject to detailed business cases and a formal decision by Cabinet; and
- e) instructs Officers, in partnership with officers of Essex County Council, to develop further complimentary outline proposals, in line with the bid proposals, for 'Back to Business' initiatives, the further rejuvenation of Clacton Town Centre and the enhancement of its links to the Seafront and all parts of the District. Such proposals to be subject to further funding reports and a formal decision by Cabinet.

39. CABINET MEMBERS' ITEMS - REPORT OF THE CORPORATE FINANCE AND GOVERNANCE PORTFOLIO HOLDER - A.5 - GRANT OF EASEMENT, IN RESPECT OF A RIGHT OF WAY, OVER LAND SITUATED IN COLCHESTER ROAD, WEELEY

The Cabinet gave consideration to a report of the Corporate Finance and Governance Portfolio Holder (A.5) which sought its approval, 'in principle' for the granting of an easement over land situated in Colchester Road, Weeley, as shown on the Plan in Appendix A to the Portfolio Holder's report.

It was reported that the Council had been approached by the owner of a proposed development on Colchester Road, Weeley. Following the granting of their planning consent, they had discovered that the only access from the development to the highway was over a small piece of land owned by the Council. The Developer had originally been advised that this land was part of the public highway due to an error with Essex Highways' data. Following an approach by this Council's Officers to both the Developer

and Essex Highways, it had been established that there was a piece of land in the Council's ownership between this development and the public highway.

The owner had therefore sought an easement from this Council in order to provide access to the development for both themselves and the future property owners, by way of the construction of a section of road to link their development to the Highway. This access was imperative to the land owner as without it the development would no longer be feasible as there was no viable alternative route available.

Having considered the nature of the request and the advice of Officers on this matter:-

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

RESOLVED that, subject to its decision to be taken later on in the meeting in respect of the related report B.1 on the Agenda, Cabinet authorises, 'in principle' the granting of an easement over the land in question in Colchester Road, Weeley.

40. CABINET MEMBERS' ITEMS - REPORT OF THE CORPORATE FINANCE AND GOVERNANCE PORTFOLIO HOLDER - A.6 - OUTTURN 2019/20 AND PROPOSED ALLOCATION OF THE GENERAL FUND VARIANCE FOR THE YEAR

The Cabinet gave consideration to a report of the Corporate Finance and Governance Portfolio Holder (A.6) which sought its approval of the allocation of the overall 2019/20 General Fund revenue variance.

It was reported that the Portfolio Holder for Corporate Finance and Governance had formally agreed the overall outturn position for 2019/20 on 17 July 2020, with a high level summary of the General Fund revenue position as follows:

Variance for the year before carry forward requests	(£11.038m)
Less agreed carry forwards that meet the carry forward criteria	£9.518m
Variance for the year after agreed carry forwards	(£1.520m)
Carry Forward requests from services that did not meet carry forward criteria	£0.658m
Remaining Variance for the year	(£0.862m)

The Portfolio Holder as part of that decision had also agreed the variance for the year of £0.862m as part of the overall consideration of the outturn position for the year.

The Cabinet was informed that the report now before it therefore presented for its consideration the £0.658m requested to be carried forward by services and the allocation of the remaining variance for the year of £0.862m.

Members were made aware that the £0.658m that had been requested by services to be carried forward at the end of the year had been subject to further review as the various items did not meet the associated qualifying criteria. They were in effect a 'bid' by services to retain a proportion of the overall favourable outturn variance of £1.520m before any further allocations were considered. The various items were set out in Appendix A and it was proposed by the Portfolio Holder to agree all of the items.

If all of the items were agreed to be 'carried forward' then the general overall variance for the year of £0.862m remained to be allocated and proposals to allocate that funding in 2020/21 were set out within Table 1 of the Portfolio Holder's report.

Having duly considered the requests by Services to retain funding at the end of 2019/20 via 'carry forward' requests into 2020/21 and the proposed allocations of the general overall variance monies in 2020/21:-

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

RESOLVED that Cabinet –

- (a) agrees that the total of £0.658m requested by Services can be retained by them via the associated carry forward requests, as set out in Appendix A to item A.6 of the Report of the Corporate Finance and Governance Portfolio Holder; and
- (b) approves the allocation of the General Fund Variance for the year of £0.862m as set out in Table 1 of the Portfolio Holder's report and repeated below:-

Proposed Allocation	Amount	Portfolio Holder's Comments
'Back to Business' Initiatives and associated activities	£0.862m	<p><i>"It is proposed to allocate the full uncommitted General Fund variance to this major initiative and associated regeneration and economic activities.</i></p> <p><i>As elsewhere in the country, the Tendring District has been hit hard by the COVID19 crisis. Therefore it is important that this Council establishes a clear focus and determination in supporting the district and the economy to not only recover as quickly as possible but to also strengthen and embed a level of resilience that will undoubtedly be required going forward. This approach will provide a solid foundation along with complimenting all of the Council's overall prioritised and strategic objectives.</i></p> <p><i>As already discussed by Members, there should be no constraints to the range of projects and initiatives that are put forward for consideration to support the whole district or perhaps more locally at ward level.</i></p> <p><i>In agreeing the carry forwards of £0.658m set out earlier on in this report, along with other existing projects and actions, there will be an overlap with direct back to business activities going forward to make this initiative a success.</i></p> <p><i>In terms of this success, it is also acknowledged that local businesses must have a strong influence in terms of how the Council can help and support them through what has been and will continue to be a very challenging time for them and our residents.</i></p>

		<i>The 'Back to Business' initiative will continue to be developed over the coming weeks and further reports will be presented to Members in late summer / early autumn."</i>
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41. CABINET MEMBERS' ITEMS - REPORT OF THE CORPORATE FINANCE AND GOVERNANCE PORTFOLIO HOLDER - A.7 - TREASURY MANAGEMENT PERFORMANCE 2019/20

The Cabinet gave consideration to a report of the Corporate Finance and Governance Portfolio Holder (A.7) which reported on the Council's treasury management activities and Prudential Indicators for 2019/20. The Treasury performance figures for the year were set out in Appendix A to the Portfolio Holder's report with the Prudential Indicators attached as Appendix B to that report.

Cabinet was informed that borrowing and investments had been undertaken in accordance with the 2019/20 Annual Treasury Strategy that had been approved by Council at its meeting held on 26 March 2019.

The Council's borrowing position was summarised as follows:-

Amount Outstanding at the end of March 2020	Average Interest Rate Paid in 2019/20	Total Interest paid in 2019/20
£0.207m (General Fund)	7.790%	£0.022m
£40.106m (HRA)	3.386%	£1.401m

Cabinet was made aware that no external borrowing had been undertaken in 2019/20 for either the General Fund (GF) or the Housing Revenue Account (HRA).

The Council's Investment Position was summarised as follows:-

Value of Investments held at the end of March 2020	Average Interest rate on Investments 2019/20	Interest Earned on Investments 2019/20
£66.460m	0.829%	£0.583m

It was reported that the amount of interest earned from investments had increased during the year as rates had risen slightly although the bank base rate had remained at 0.75% until 11 March 2020 when, due to the Covid-19 pandemic it had been cut to 0.25%, with a further cut to 0.10% on 19 March 2020. However, compared to historic interest figures, the 2019/20 return still remained relatively low because of the continuing underlying low interest rate environment. The impact of the latest base rate reduction to 0.1% would be felt in 2020/21. Estimated income had increased during the year from the original estimate of £0.336 million to £0.556 million, with the outturn figure being £0.583 million as set out in the table above.

Members were reminded that the Council continued to hold one property within its Commercial Investment Portfolio, which had a balance sheet value at 1 April 2019 of £2.300 million. This 'book value' had been reduced by the Council's appointed valuers to £2.155 million at the end of 2019/20. However, this was an 'accounting' valuation and not a direct value that could be achieved on the market if that property was sold. In-line with the budget, rental income of £0.211 million had been earned on the property in 2019/20.

Cabinet's attention was drawn to the fact that during 2019/20 there had been one occasion when the treasury management limits had been exceeded. The maximum amount that could be invested with a single Local Authority was £6million. However, due to human error that limit had been exceeded by £1million when a deal had been agreed with a local authority on 27 March 2020. Efforts had been made to find a replacement counter party, but this could not be readily achieved, so the Council had had £7million with this one borrower from 27 March 2020 until an investment of £2million held with them had matured on 6 July 2020. Given the relatively low risk that investments with other Local Authorities presented, there had been only a very limited credit risk and once balanced with the potential adverse impact on the Council's reputation in the financial markets if it had tried to withdraw from a deal, the position had been deemed to be acceptable.

Having duly considered the treasury performance for 2019/20 together with the Prudential Indicators for that year:-

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

RESOLVED that –

- (a) the Treasury Management performance position for 2019/20 be noted; and
- (b) the Prudential and Treasury Indicators for 2019/20 be approved.

42. EXCLUSION OF PRESS AND PUBLIC

It was moved by Councillor Stock OBE, seconded by Councillor P B Honeywood 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 17 on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A, as amended, of the Act.

43. CABINET MEMBERS' ITEMS - REPORT OF THE CORPORATE FINANCE & GOVERNANCE PORTFOLIO HOLDER - B.1 - TERMS FOR THE GRANT OF AN EASEMENT, IN RESPECT OF A RIGHT OF WAY, OVER LAND FRONTING COLCHESTER ROAD, WEELEY

RESOLVED that Cabinet -

- (a) approves the terms proposed in order to grant an easement for a right of way to St Osyth Beach Estates Limited and their Successors in Title; and

- (b) authorises the Acting Corporate Director (Operations and Delivery), in consultation with the Portfolio Holder for Corporate Finance and Governance, to grant such an easement including on such other terms and conditions as he sees fit.

The Meeting was declared closed at 1.28 pm

Chairman