
**MINUTES OF THE MEETING OF THE CABINET, HELD ON FRIDAY 25 NOVEMBER 2016
AT 10.33 AM IN THE ESSEX HALL, TOWN HALL, CLACTON-ON-SEA**

PRESENT:**PORTFOLIO:**

Councillor G V Guglielmi	Deputy Leader of the Council, Portfolio Holder for Enforcement and Community Safety (in the Chair)
Councillor T M Ferguson (except items 104 – 108)	Tourism and Culture
Councillor P B Honeywood	Portfolio Holder for Housing
Councillor T A Howard	Portfolio Holder for Finance and Revenues & Benefits
Councillor L A McWilliams	Portfolio Holder for Leisure, Health and Well-being
Councillor M J Talbot	Portfolio Holder for Environment
Councillor G F Watling	Portfolio Holder for Planning and Regeneration

Group Leaders Present by Invitation:

Councillors J Chittock (Leader of the Tendring Independents Group), I J Henderson (Leader of the Labour Group) and M E Stephenson (Leader of the UKIP Group)

Also Present: Councillors Bennison (except items 95 – 101), Bucke and Everett

In Attendance: Chief Executive (Ian Davidson), Corporate Director (Corporate Services) (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), Management and Members' Support Manager (Karen Neath), Committee Services Manager (Ian Ford), Communications Manager (Nigel Brown) and Committee Services Officer (Janey Nice)

95. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Councillors N R Stock (Leader of the Council), M J Hughes (Portfolio Holder for Corporate Services), N W Turner (Portfolio Holder for Commercialisation) and J A Broderick (Leader of the Holland-on-Sea Residents' Group).

96. MINUTES OF THE LAST MEETING HELD ON FRIDAY 4 NOVEMBER 2016

It was **RESOLVED** that the minutes of the last meeting of the Cabinet, held on Friday 4 November 2016, be approved as a correct record and signed by the Chairman.

97. DECLARATIONS OF INTEREST

Councillor Howard declared a Non-Pecuniary Interest in respect of item A.2 of the Report of the Leader of the Council insofar as he was currently an employee of the University of Essex.

98. ANNOUNCEMENTS BY THE LEADER OF THE COUNCIL

There were none on this occasion.

99. ANNOUNCEMENTS BY CABINET MEMBERS

There were none on this occasion.

100. MATTERS REFERRED TO THE CABINET BY THE COUNCIL

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

101. MATTERS REFERRED TO THE CABINET BY A COMMITTEE – A.1 – REFERENCE FROM THE SERVICE DEVELOPMENT AND DELIVERY COMMITTEE – IMPACT OF THE £1.5 MILLION THREE YEAR STRATEGIC INVESTMENT STRATEGY

Cabinet was informed that, at its meeting held on 24 October 2016, the Service Development and Delivery Committee had received a presentation from the Council's Head of IT & Corporate Resilience (John Higgins) on the impact on the Council of the £1.5 million, three year strategic investment strategy.

The presentation had covered the following areas:

New computer storage area network (SAN) investment;
Replacement Cisco based Council network (Voice & Data);
Strategic Operational Investments;
Strategic Communications Investments; and
Strategic IT Investment Programme Financial Analysis.

There then had followed a general question and answer session and it had become clear that not all Members were aware of the resources available to them i.e. a council managed laptop, how to go about accessing these resources, and further support available to facilitate the most efficient use of these resources i.e. laptops, tablets, software programmes, access to the Council network.

The Head of IT & Corporate Resilience had therefore undertaken to email all Members with regard to the availability of Council laptops etc. together with the Council's conditions of use of the Council's IT hardware.

The Service Development and Delivery Committee had decided that the Head of IT & Corporate Resilience be required to attend a further meeting of the Committee in twelve months' time to give a practical demonstration of the Council's new IT systems in operation such as Microsoft Skype for Business.

The Service Development and Delivery Committee had also agreed to make a recommendation to Cabinet as follows:

"That the Head of IT & Corporate Resilience arrange an IT Surgery for Members over the course of an afternoon and evening together with an ongoing schedule of IT training for Members."

The Enforcement and Community Safety Portfolio Holder had considered the Service Development and Delivery Committee's recommendation and had responded as follows:-

"Arrangements will certainly be put in hand for another IT surgery for Members as the Committee has suggested and consideration will be given to the provision of further IT training for Members."

Having considered the recommendation of the Service Development and Delivery Committee and the Portfolio Holder's response thereto:-

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

RESOLVED that the Enforcement and Community Safety Portfolio Holder's response be endorsed.

Leader of the Council's Items – Report of the Leader of the Council

102. THE ESTABLISHMENT OF GARDEN COMMUNITIES LOCAL DELIVERY VEHICLES AND FUNDING REQUIREMENTS (Report A.2)

Councillor Howard had earlier declared a Non-Pecuniary Interest in respect of this item insofar as he was currently an employee of the University of Essex.

There was submitted a report by the Leader of the Council (Report A.2) which provided Cabinet with a comprehensive overview of the proposals which had been developed over the past twelve months jointly with Colchester Borough Council, Braintree District Council and Essex County Council for Garden Communities in North Essex, including one on the Tendring / Colchester border close to the University of Essex and, in particular, to provide Cabinet with information and recommendations to enable them to:

- Establish governance arrangements for the project;
- Agree, in principle, to be a long term funder for the project, in partnership with the other Councils, subject to the terms and requirements set out in the report.

Cabinet was aware that Tendring District Council, Braintree District Council, Colchester Borough Council and Essex County Council were collaborating in order to identify an agreed strategic approach to the allocation and distribution of large scale housing led, mixed use development, including employment opportunities and infrastructure provision, in the form of Garden Communities.

Members were reminded that those Councils had collaborated closely on the preparation of their individual Local Plans, with the draft Part 1 – which set out the approach to Garden Communities across North Essex from a Planning perspective – being identical in all three Plans.

Cabinet was advised that the report before it set out proposals whereby the Councils concerned could take a much more direct approach to ensuring that the proposed Garden Communities were delivered and that they met the high standards expected of them – in terms of housing quality and design, open space provision, roads, schools, healthcare facilities and sustainable transport systems.

The key elements in this approach were:

- A Company – North Essex Garden Communities Ltd - owned equally by the four Councils to oversee the project across North Essex and to drive the delivery of the three planned communities;
- Legally binding deals with local landowners to secure a share in the land value which would arise from the development in return for the Local Delivery Vehicles providing early infrastructure for the developments (with the infrastructure costs being paid for in due course from the land sales);
- A Local Delivery Vehicle for each of the planned Communities with Council, landowner and independent membership and with the clear purpose of delivering a Garden Community (Tendring Colchester Borders Ltd); and
- Clear Masterplans for each Garden Community to be developed.

The Chief Executive addressed the Cabinet and highlighted the salient points within the proposal. He also informed Cabinet that, as part of the project, an Independent Peer Review, had been commissioned and had commenced. The review was being led by Lord Kerslake and the results were due in December and would be made public. The findings would be carefully considered as the project progressed.

With the permission of the Chairman, Councillor Bucke spoke on this item and referred to various textual matters within the proposals which Officers agreed to take on board.

In accordance with Article 7.08 (1.5) of the Council's Constitution, the Leader of the Labour Group (Councillor I J Henderson) requested that it be recorded in the minutes that his Group had concerns with regard to scrutiny, accountability and the Council receiving regular reports on the progress of the Local Delivery Vehicles.

Having considered the contents of the report and the proposals it contained it was moved by Councillor G V Guglielmi, seconded by Councillor McWilliams and:

RESOLVED that:

1. the external legal advice received that these decisions cannot and do not prejudice the outcome of any future decisions that the Council may make about the Local Plan to be made by Council in relation to the allocation of any Garden Community be noted;
2. Cabinet notes that it is proposed that, if appropriate terms can be agreed, the Local Delivery Vehicles will enter into legal agreements with landowners to enable the delivery of the proposed schemes;

North Essex Garden Communities Limited

3. in line with Executive Decision No. 2636 made on 22 January 2016 (minute 130) Cabinet agrees to set up and subscribe to North Essex Garden Communities Ltd in accordance with the terms set out in the report and Appendix 2 thereto;
4. the North Essex Garden Communities Ltd shareholder agreement between the Local Authorities be approved, in accordance with the terms set out in the report and Appendix 3 thereto;
5. the Leader of the Council, who is currently Councillor Neil Stock, be appointed to represent Tendring District Council as a Director on the Board of North Essex Garden Communities Limited;

Tendring Colchester Borders Limited

6. in line with Executive Decision No. 2636 made on 22 January 2016 (minute 130), Cabinet endorses the formation of Tendring Colchester Borders Limited by North Essex Garden Communities Limited in accordance with the terms set out in the report and Appendix 4 thereto;
7. the Tendring Colchester Borders Limited shareholder agreement between the Local Authorities be approved, in accordance with the terms set out in the report and Appendix 5 thereto;
8. the Corporate Director (Corporate Services), Martyn Knappett, be appointed to represent Tendring District Council as a Director on the Board of Tendring Colchester Borders Limited, and also that delegated authority be given to the Chief Executive of Tendring District Council to terminate that appointment and to undertake any future appointments;
9. in principle, Cabinet agrees to provide an appropriate proportion of necessary funding to Tendring Colchester Borders Limited (by an appropriate combination

of loan or equity), subject to a satisfactory business case setting out the full terms of the arrangement, which will need to accord with the approved Business Plans and masterplans for the project and the funding options available at the time any funding is required by the LDV. Such commitment to be subject to Council approval.

RECOMMENDED TO COUNCIL that

10. the decision of the Cabinet to set up and subscribe to North Essex Garden Communities Limited be noted;
11. the Cabinet's endorsement of the formation of Tendring Colchester Borders Limited be noted;
12. the, in principle, decision of Cabinet to provide an appropriate proportion of necessary funding to Tendring Colchester Borders Limited (by an appropriate combination of loan or equity), subject to a satisfactory business case setting out the full terms of the arrangement, which will need to accord with the approved Business Plans and masterplans for the project and the funding options available at the time any funding is required by the LDV, be endorsed;
13. the external legal advice received that these decisions cannot and do not prejudice the outcome of any future decisions that the Council may make about the Local Plan to be made by Council in relation to the allocation of any Garden settlement be noted.

Cabinet Members' Items – Report of the Portfolio Holder for Corporate Services

103. PERFORMANCE REPORT – QUARTER TWO 2016: JULY 2016 TO SEPTEMBER 2016 (Report A.3)

There was submitted a report by the Portfolio Holder for Corporate Services (Report A.3), which presented the Performance Report for the period July to September 2016 (Quarter Two).

Cabinet was aware that the Performance Report 2016/17 set out the detailed actions and targets for the delivery of the Council's priorities for the coming year.

It was reported that three of the indicators and projects highlighted in the report were deemed 'non measurable' as the Council's role was that of 'influence' only. Of the 14 indicators and projects where performance was measured, 12 (86%) were on, or above, their expected target and 2 (14%) were not currently in line with the expected performance. Explanations of the performance and the supporting data were included under each topic in the report.

Cabinet was informed that this report would be presented to members of Corporate Management Committee at its meeting to be held on 12 December 2016. Any feedback from Corporate Management Committee would be presented to a future meeting of the Cabinet as a separate reference report.

Having considered the information provided:-

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

RESOLVED that the contents of the report be noted.

Cabinet Members' Items – Reports of the Portfolio Holder for Finance, Revenues & Benefits**104. CORPORATE BUDGET MONITORING – SECOND QUARTER 2016/17 (Report A.4)**

There was submitted a report by the Portfolio Holder for Finance, Revenues & Benefits (Report A.4), which provided Cabinet with an overview of the Council's financial position against the budget as at the end of September 2016 and which also set out a number of budget adjustments required in 2016/17.

Cabinet was informed that the position to the end of September 2016 showed that overall the General Fund Revenue position was behind the profiled budget by £5.807 million. After allowing for significant one-off budgets such as the Fit for Purpose Budget where commitments or decisions were still to be made, the position was revised to £1.701 million behind the profiled budget. A considerable element of that variance was due to the timing of expenditure and income although some emerging issues had been identified which were explained within the report and which required budget adjustments to be made and specific recommendations to Cabinet.

It was reported that in respect of other areas of the budget such as the Housing Revenue Account, Capital Programme, debt recovery, treasury activity and LCTSS / council tax and business rates there were no significant issues that had been identified to date.

Cabinet was aware that the budget monitoring process continued to form a fundamental element of supporting the forecast for future years through the identification of savings that could be 'banked' as the year progressed rather than just as part of the annual budget setting cycle. This enabled the medium term forecast to be updated on an on-going basis with the savings identified being available to support the future year's budget. No transfers to the Building for the Future Reserve were proposed within this report but further consideration of such changes would form part of the detailed estimates process that would be reported to Cabinet in December 2016 following the completion of the comprehensive processes behind the formulation of the revised budget for 2016/17.

Members were informed that a half-year treasury management review had been carried out which had led to Officers making a recommendation to Cabinet for a revision to the Council's Treasury Management Practices to provide additional flexibility around investments with other Local Authorities.

Having considered the information provided, it was moved by Councillor Howard, seconded by Councillor Watling and:

RESOLVED that

- (a) the financial position as at the end of September 2016 be noted;
- (b) that in respect of the 2016/17 budget it be approved that:
 - planning expenditure budgets be increased to facilitate additional capacity to meet the current demand for the service with the associated income budget increased by £0.102m as set out in the report;

- the General Fund Capital Programme be increased by £0.120m to accommodate the increased cost of the air handling units at Clacton Leisure Centre funded by the adjustments set out in the report and;
- (c) the Council's Treasury Management Practices be amended to allow the aggregate amount that can be invested with any one Local Authority to be increased from £4.000million to £6.000million

105. FINANCIAL BASELINE 2017/18 – SAVINGS IDENTIFIED FROM PORTFOLIO HOLDER WORKING PARTIES (Report A.5)

There was submitted a report by the Portfolio Holder for Finance, Revenues & Benefits (Report A.5), which presented Cabinet with the outcomes from the various Portfolio Holder Working Parties to enable it to consider whether to take them forward / develop further for inclusion in the budget from 2017/18 and beyond.

Cabinet was aware that, as part of the financial strategy process for 2017/18, it had agreed that Portfolio Holder led working parties be established with the aim of identifying the necessary budget reductions to meet the budget 'gaps' estimated for the period 2017/18 to 2019/20.

Following the working party meetings, the relevant Portfolio Holders had put forward budget reduction proposals totalling £0.268million in 2017/18 rising to £0.528million on an on-going basis from 2019/20. Those amounts included a number of other items that had been identified outside of the working party meetings but in consultation with the relevant Portfolio Holder where relevant.

It was reported that a number of proposals would be subject to further decision making processes via separate reports presented to Cabinet later in the year. However, subject to the Officers' recommendations being approved, the items put forward would be considered for inclusion in the budget as it was developed over the next three months for recommending to Council in February 2017, which could include an initial investment to deliver the budget reductions.

The Cabinet was advised that the budget reductions identified to date did not meet the required savings target of £1.565million in 2017/18. Officers therefore continued to work in consultation with Portfolio Holders in order to identify further savings. At this stage of the budget process, the one-off use of reserves to balance the budget could not be ruled out which would add further budget pressures in 2018/19 where further on-going savings would need to be found to replace any money drawn down from reserves in 2017/18.

Therefore, given the scale of the estimated budget 'gaps' of £1.700million and £1.500million in 2018/19 and 2019/20 respectively, it was proposed to continue the Portfolio Holder led working parties in order to support the identification of further savings needed to deliver a balanced and sustainable budget in future years.

Having considered the information provided, it was moved by Councillor Howard, seconded by Councillor G V Guglielmi and:

RESOLVED that Cabinet:

- a) notes the outcome from the Portfolio Holder Working Parties and other savings proposals identified and requests comments from the Corporate Management Committee;

- b) requests the relevant Corporate Director to undertake the necessary actions to take forward the proposed budget reductions to be considered for inclusion in the detailed estimates for recommending to Council in February 2017 and/or to present further reports to Cabinet in due course.

Management Team Items – Report of the Monitoring Officer

106. LOCAL GOVERNMENT OMBUDSMAN (Report A.6)

Cabinet was made aware that the Constitution (Article 12.03(a)) required the Monitoring Officer to report to Council, or to Cabinet for executive functions, if any decision or omission had given rise to maladministration. The Ombudsman had recently found that the Council was at fault in relation to the way in which it had dealt with a Disabled Facilities Grant application. The Ombudsman had made two recommendations in her decision which included sharing lessons learnt with the service and making a compensation payment, which the Ombudsman suggested should be withheld until the outcome of an appeal, recently granted to the complainant, was known. The recommendations of the Ombudsman had been accepted and no further action would be taken by the Ombudsman in this matter.

Cabinet noted the foregoing.

107. EXCLUSION OF PRESS AND PUBLIC

It was moved by Councillor G V Guglielmi, seconded by Councillor Talbot 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 14 on the grounds that it involves the likely disclosure of exempt information as defined in the relevant paragraph(s) of Part 1 of Schedule 12A, as amended, of the Act.

108. EXEMPT MINUTE OF THE LAST MEETING HELD ON FRIDAY 4 NOVEMBER 2016

The exempt minute of the last meeting of the Cabinet, held on Friday 4 November 2016, was approved as a correct record and signed by the Chairman.

DATE AND TIME OF NEXT SCHEDULED MEETING

The next scheduled meeting of the Cabinet was due to take place on Friday 16 December 2016 at 10.30 a.m. in the Essex Hall, Town Hall, Station Road, Clacton-on-Sea.

The meeting was declared closed at 11.27 a.m.

Chairman