

**MINUTES OF THE MEETING OF THE TENDRING DISTRICT COUNCIL,
HELD ON TUESDAY 7 FEBRUARY 2017 AT 7.30 PM
IN THE PRINCES THEATRE, TOWN HALL, CLACTON-ON-SEA**

Present: Councillors Chapman (Chairman), Platt (Vice-Chairman), Amos, Baker, Bennison, Bray, Broderick, B E Brown, M Brown, Bucke, Calver, Cawthron, Chittock, Coley, Cossens, Davis, Everett, Fairley, Ferguson, Fowler, Gray, Griffiths, G V Guglielmi, V E Guglielmi, Heaney, I J Henderson, J Henderson, Hones, Honeywood, Khan, King, Land, Massey, McWilliams, Miles, Newton, Nicholls, Parsons, Pemberton, Poonian, Porter, Raby, Scott, M J Skeels, M J D Skeels, Steady, Stock, Turner, Watling, Watson, White, Whitmore, Winfield and Yallop

In Attendance: Chief Executive (Ian Davidson), Corporate Director (Corporate Services) (Martyn Knappett), Head of Finance, Revenues & Benefits Services (Richard Barrett), Committee Services Manager (Ian Ford), Communications & Public Relations Manager (Nigel Brown) and Committee Services Officer (Katie Sullivan)

133. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors J A Brown, Callender, Stephenson and Talbot.

134. MINUTES

RESOLVED, that the minutes of the ordinary meeting of the Council, held on Tuesday 24 January 2017, be approved as a correct record and signed by the Chairman.

135. DECLARATIONS OF INTEREST

There were none made at this time.

136. ANNOUNCEMENTS BY THE CHAIRMAN

The Chairman thanked everyone who had helped at, or attended, the recent Civic Service and the Pride of Tendring Awards.

The Chairman was also pleased to inform Members that Councillor Talbot was recovering very well from his operation that he had had that morning.

137. ANNOUNCEMENTS BY THE CHIEF EXECUTIVE

The Chief Executive announced that a review of the arrangements for security and for filming at meetings of the Council was being undertaken. Consideration would also be given to the formulation of a protocol for public attendance at meetings.

138. STATEMENTS BY THE LEADER OF THE COUNCIL

The Leader of the Council (Councillor Stock) referred to Members' anxiety about the behaviour of a member of the public at the previous meeting of the Council, which had led to concerns about the security arrangements at Council meetings.

The Leader of the Council welcomed the Chief Executive's review and encouraged Members to engage with that review and to put forward their ideas.

Councillors I J Henderson, Scott, Bray, Broderick, Watling and Porter spoke to the Leader's statement and Councillor Stock responded to those Members, as appropriate.

139. STATEMENTS BY MEMBERS OF THE CABINET

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

140. REPORT OF THE CABINET – A.1 - CABINET'S PROPOSALS – GENERAL FUND BUDGET AND COUNCIL TAX 2017/2018

The Council gave consideration to the Cabinet's General Fund budget proposals for 2017/18 and the amount of Council Tax for District and Town and Parish Council services for the financial year 2017/18, for each category of dwellings within the District of Tendring, to support the proposed level of expenditure.

Members were aware from Minute 135 (A.2) of the meeting of the Cabinet held on 20 January 2017, that the Corporate Director (Corporate Services), in consultation with the Leader of the Council and the Interim Finance, Revenues & Benefits 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 Department for Communities and Local Government, as may necessarily affect the budget.

The Council was advised of all the resolutions made by the Cabinet on 20 January 2017, 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 Corporate Management 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 E to the Report of the Cabinet, which detailed the Precepts on the Collection Fund. The Council was also aware from Appendix F, that the average District and Parish Council Tax for a Band D property would increase to £192.52.

The Leader of the Council (Councillor Stock) made the following statement on the Council's estimates and financial arrangements for the year ending 31 March 2017:

"When I stood here 12 months ago and introduced the 2016/17 budget I explained how it had been the toughest budget in many recent years. But the budget for 2017/18 has been even tougher and following the Government's 4 year funding offer there will be no let-up in the need to find savings right through to 2019/20.

And even then, whilst I am sure many people will be hoping that things will start to get better after 2019/20 with the introduction of the 100% business rates retention approach, I think it would be safe for us all to remain cynical and assume that our funding position is not going to get any easier. History would suggest that it is quite likely that Government will be considering devolving further burdens down to Local Authorities but not backing them up with the right level of funding, which was the trick we all remember

they did with the Local Council Tax Support Scheme.

Our underlying principle in past years when making savings has always been to protect front line services. So our focus has been on working more efficiently and reducing our staffing and overhead costs alongside modest changes to service delivery. We have taken £12million out of the budget over the last few years and I am extremely proud that the impact on front line services has been minimal. Twelve million pounds out of the budget with little or no impact on services!

However, given the scale of savings required over the next two years and beyond, this line is becoming increasingly difficult to hold. In fact, let me be frank; it's going to be impossible!

Chairman, it was interesting to see that there were no responses to the budget consultation exercise we undertook this year. It set out two simple questions one of which was:

Have you any specific ideas about how the council can save money and protect services, then please let us know?

We received no responses to that consultation. And of course, it is worth reminding ourselves that even if we had been inundated with responses and ideas it is still the responsibility of my Cabinet to put forward any actual budget reductions, wherever the original idea came from, but we do all need to help shape what this Council will look like over the next few years and what services our residents, businesses and visitors want from us. We may all have different ideas about how to do this but let's put them on the table as it is so important that we set out what the foundations of this Council will be, as at the end of the day we are only the current trustees or custodians of the Council for a limited period of time and we want to make sure we set our stall out now to build on over the next 5 to 10 years.

I am always torn between an emotional response to the budget reductions needed and the hard headed approach that we need to maintain. I have recently seen comments where people criticise us for the budget reductions we are proposing, such as the closure of some public conveniences. I totally understand people's frustration but this has to be aimed at the Government and not this Council. I would love us to be in the position where we do not have to make any further budget reductions but this is simply not an option.

So the question I would always have for people when they criticise us for the tough decisions we need to make is what savings would they put forward instead – we simply cannot protect everything we currently provide to our residents, business and visitors. I would always welcome any suggestions for how we can balance the budget regardless of who proposes it - if it's a good idea, it's a good idea and therefore one we can explore it further.

So, turning to the budget for 2017/18, the budget presented to Members tonight continues to be built on strong foundations as has been the case in previous years.

We would all agree that raising additional income instead of reducing services is a logical place to work from. We mention self-sufficiency during each budget cycle and 2017/18 is no different. We need to build our Council Tax and Business Rates income over the coming years. Although this will take time it will ensure that it limits budget reductions elsewhere and working without the black cloud of the annual revenue support grant announcement will be welcomed.

With this firmly in mind, we have to put money into the long term financial sustainability of the Council as this will provide future generations with a Council that can still deliver quality services to local people.

The money that we have set aside from new homes bonus aims to achieve this. Broadband, Garden Communities, regeneration in Jaywick along with events like the Airshow and Women's cycle tour all have one thing at their hearts – building our economy and therefore strengthening our local business and council tax base.

I recall discussions in connection with economic studies a few years ago where it was suggested that as a district we needed to grow our way out of historically low economic performance. You could say that this is stating the obvious but a stronger local economy will be delivered through housing and business growth, which need to go hand in hand. Although housing growth will always present a very difficult political challenge for all of us, it does make economic sense. However, as I have said in the past it is about the right growth in the right area as similarly to being custodians of this Council we are also stewards of our fantastic district which forms the basis of the legacy we will all leave behind.

With this in mind, I am pleased that we are bold enough to be a key player in the Garden Community project and I applaud all Members in this chamber for the massive support you gave it at our meeting back in November. We are all aware of the infrastructure requirements when there is housing growth and we know people are concerned that if you grow your housing numbers you need the infrastructure around it – this is exactly what lies at the centre of the garden community principles and it will provide a good quality environment for those who will live and work there. Although it is a long term project that will span a number of administrations here at Tendring District Council, it will provide additional income from council tax and business rates as part of the council's overall drive towards self-sufficiency. We could take a really short term view based on the short democratic cycle but we have chosen not to, and that is why an additional £2million has been set aside to support this project.

Although some Councils may think that a project of this scale is enough to be getting on with, we are looking to do even more. In addition to various projects we are developing, the budget also includes a number of commitments including:

- 1) £1 million for the Harwich Public Realm project*
- 2) £350 thousand to support Channel Shift projects within the Council*
- 3) £20 thousand to continue the sea and beach festivals*
- 4) £40 thousand to refurbish the theatre toilets*
- 5) £25 thousand to continue to lift the profile of the district via a TV commercial campaign*
- 6) £23 thousand to support the continuation of the important Mental Health Hub work*

These are in addition to the investment in the office transformation project with £1.160million set aside to fund it and £70,000 to be spent on public conveniences across the District as part of an overall package which will include the closure of some facilities.

Whilst we can make decisions around investments we can't take our eye off our emerging cost pressures. The budget recognises a number of these such as £220,000 for remedial works to the cliff retaining wall along Marine Parade West, Clacton, which is a significant amount of money that we have had to find within a difficult budget round.

It is also worth highlighting cost pressures within our supply chains. A good example of

this is the Waste, Recycling and Street Cleansing Contracts. At a total cost of £4.3 million these account for a significant element of our overall budget. Given their size it is logical to think that it would be a good place to see what savings may be possible to achieve from this area of the Council's budget. However, on recent investigation, it quickly became apparent that our suppliers and contractors are experiencing their own cost pressures such as the living wage, pensions, apprenticeship levy to name a few. Such costs all feed through to us as the final customer and compound the challenge of identifying budget reductions – it could well be possible that the Council has to reduce a service just to keep costs the same in future.

If that was the case, then we will need to look elsewhere in the budget for the savings – I really hope that people understand the real financial challenge we face rather than think we are just going around suggesting reductions to services because we want to – identifying budget reductions is not an option or a choice that we have made but a financial necessity, just as would be the case if we all experienced the same reduction in income in our own domestic lives. We cannot keep spending money that is not coming in any more.

As I have said before, I would always urge those who initially and perhaps instinctively oppose the options and ideas we put forward to just take a moment to appreciate the difficult financial job the Council is continually faced with. I think it is fair to say that a lot more people in the Government now know who we are and where we are for all of the right reasons - we have built a reputation for being a confident and 'can do' Council which is definitely being recognised at Whitehall.

As we have highlighted before, most of our residents see a Council Tax bill for an amount in excess of £1,000 each year. You could argue that our residents should not care about where this funding goes as it is all within the Public Sector but we must make it clear whenever we can that only a very small percentage is receivable by this Council. Let's never forget that no private sector organisation can boast of doing what we do – that is to deliver such a diverse range of services to such a diverse range of customers all for an average Council Tax amount of just £3 per week.

In terms of looking towards 2018/19 and beyond, I genuinely want to work with as many members and other stakeholders as possible – we may all have different political backgrounds or outlooks but as mentioned earlier we are the current custodians and stewards of this Council and District. Only working together can we secure the best possible future for this Council and for everyone who lives, works or visits the district and it will take all of us and the people who fill our seats in the future to keep shaping the Tendring District and the Council which serves it for the good of all – PRO BONO OMNIUM.

And one final word Chairman, before I sit down. When discussing the details of a budget we don't often talk about our reserves – except perhaps when an amendment is proposed to dip into them. And I just wanted to mention one example of why we need reserves and indeed why our Chief Financial Officer has a legal obligation to ensure that they are sufficient; just a few weeks ago hundreds of our residents were evacuated to safety as their homes faced the imminent threat of being flooded by the sea. Luckily the sea didn't come over the wall. But it did in 1952 and we know that it will again some time... we just don't know when. When that event happens we all hope and pray that the emergency procedures that were put into operation last month will again ensure that everyone is moved safely to a place of refuge but if the sea does come in it will destroy homes leaving many of our residents homeless; maybe dozens, hundreds or more and it will be our legal duty to house them. I mention that because we all know that it is a very real risk and it is just one of the reasons that we do need to keep decent reserves.

Chairman, this is a confident, constructive and optimistic budget despite the national backdrop of unprecedented cuts to local government. This Council strives to be creative, innovative and positive no matter what and we will continue to deliver for our residents and improve and enhance this amazing district for the good of all.

Chairman I commend this budget to the Council.”

It was moved by Councillor Stock: :

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 2017/18 be set at £13.696m and revised net budget for 2016/17 of £14.048m (a council tax requirement of £7.229m and £6.855m respectively excluding parish precepts);
- ii) that the General Fund capital programme be approved totalling £2.730m in 2017/18;
- iii) that the detailed General Fund budgets be as per the Cabinet’s budget proposals of 20 January 2017, as set out in Appendix B to 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 D to the Report of the Cabinet;
- v) the Council Tax for District and Parish/Town Councils’ services, as set out at Appendix G to 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 subject to the above, if budget adjustments are required following the late notification of external / grant funding then, in consultation with the Finance, Revenues and Benefits Portfolio Holder, budgets are adjusted accordingly with no net impact on the overall budget, or capital programme set out above.

Councillor Broderick moved and Councillor Bray seconded that Councillor Stock’s motion be amended by the addition of the following:

- “vii) that the uncommitted amount of the Big Society funding be allocated in equal amounts to each Councillor (all 60) for them to identify and sanction support to deserving causes in their Wards, in neighbouring Wards even joining with other Councillors to fund a general community project. The key aim being to empower all 60 Councillors to make the decision for their wards rather than just a committee of 10.”

Councillors Scott, Winfield, G V Guglielmi, Honeywood, Calver, Miles, J Henderson, Steady, Watling and Stock all spoke to Councillor Broderick’s amendment.

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 all amendments thereto.

In respect of Councillor Broderick's amendment the vote resulted as follows:

<u>Councillors For</u>	<u>Councillors Against</u>	<u>Councillors Abstaining</u>	<u>Councillors Not Present</u>
Bray	Amos	None	J A Brown
Broderick	Baker		Callender
Bucke	Bennison		Stephenson
Cawthron	B E Brown		Talbot
Davis	M Brown		
Everett	Calver		
Gray	Chapman		
Khan	Chittock		
King	Coley		
Newton	Cossens		
Pemberton	Fairley		
Porter	Ferguson		
Raby	Fowler		
Watson	Griffiths		
Winfield	G V Guglielmi		
	V E Guglielmi		
	Heaney		
	I J Henderson		
	J Henderson		
	Hones		
	Honeywood		
	Land		
	Massey		
	McWilliams		
	Miles		
	Nicholls		
	Parsons		
	Platt		
	Poonian		
	Scott		
	M J Skeels		
	M J D Skeels		
	Steady		
	Stock		
	Turner		
	Watling		
	White		
	Whitmore		
	Yallop		

Councillor Broderick's amendment was declared **LOST**.

Councillors I J Henderson, Bray, Parsons, Broderick, Scott, Steady, G V Guglielmi, Calver, Porter, Newton and Everett all spoke to Councillor Stock's motion.

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

<u>Councillors For</u>	<u>Councillors Against</u>	<u>Councillors Abstaining</u>	<u>Councillors Not Present</u>
Amos	Bray	Bucke	J A Brown
Baker	Broderick		Callender
Bennison	Cawthron		Stephenson
B E Brown	Everett		Talbot
M Brown	Gray		
Calver	King		
Chapman	Newton		
Chittock	Porter		
Coley			
Cossens			
Davis			
Fairley			
Ferguson			
Fowler			
Griffiths			
G V Gugliemi			
V E Gugliemi			
Heaney			
I J Henderson			
J Henderson			
Hones			
Honeywood			
Khan			
Land			
Massey			
McWilliams			
Miles			
Nicholls			
Parsons			
Pemberton			
Platt			
Poonian			
Raby			
Scott			
M J Skeels			
M J D Skeels			
Steady			
Stock			
Turner			
Watling			
Watson			
White			
Whitmore			
Winfield			
Yallop			

Councillor Stock's motion was declared **CARRIED**.

141. REFERENCE FROM THE AUDIT COMMITTEE – A.2 – APPOINTMENT OF EXTERNAL AUDITOR FROM 2018/19

Council was informed that, on 26 January 2017, the Audit Committee had considered a report of the Corporate Director (Corporate Services) which set out the proposal to opt into the appointing person arrangements made by Public Sector Audit Appointments for the appointment of External Auditors from 2018/19.

The Audit Committee had resolved that it recommended to Council that this Council opts in to the appointing person arrangements made by Public Sector Audit Appointments for the appointment of external auditors from 2018/19.

The Audit Committee report referred to above was attached as Appendix A to the Reference from the Audit Committee for the Council's consideration.

It was moved by Councillor Coley and:

RESOLVED that

- (a) Tendring District Council opts in to the appointing person arrangements made by Public Sector Audit Appointments (PSAA) for the appointment of external auditors from 2018/19; and
- (b) PSAA be informed of the Council's decision by PSAA's deadline for responses of 9 March 2017.

142. REPORT OF THE CHIEF EXECUTIVE – A.3 – APPROVAL OF NON-ATTENDANCE AT MEETINGS

The Chief Executive formally reported that the last meeting which Councillor Callender had attended was that of the full Council on 6 September 2016. Since then, Members were aware that Councillor Callender, following a period of time in which he had nursed his sick wife in a hospice and who had then sadly passed away, had not been able to attend meetings due to his bereavement.

Council was informed that, if a Councillor did not attend any meeting of the Council (or any of its Committees or Sub-Committees) for a consecutive period of six months, they would be disqualified from office under Section 85 of Part V of the Local Government Act 1972 unless the Full Council had approved their reason for non-attendance before the end of that period.

Members were advised that this was the last scheduled meeting of the Full Council before the six-month period expired in the case of Councillor Callender.

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

RESOLVED that Councillor Callender's reason (namely bereavement) for non-attendance at meetings of the Council be approved in the event of him not attending a meeting before 6 March 2017.

143. URGENT MATTERS FOR DEBATE

There were none on this occasion.

The meeting was declared closed at 9.10 pm.

Chairman