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Cabinet

15 December 2017

**MINUTES OF THE MEETING OF THE CABINET,
HELD ON FRIDAY, 15TH DECEMBER, 2017 AT 2.30 PM
ESSEX HALL, TOWN HALL, CLACTON-ON-SEA, CO15 1SE**

Present: Councillors C Guglielmi (Chairman), Fairley, Honeywood (except item 112), McWilliams, Nicholls and Talbot

Group Leaders Present by Invitation:

Councillors Stephenson and Pemberton

Also Present: Councillors Bush and Watling MP.

In Attendance: Ian Davidson (Chief Executive), Martyn Knappett (Corporate Director (Corporate Services)), Paul Price (Corporate Director (Operational Services)), Ewan Green (Corporate Director (Planning and Regeneration)), Lisa Hastings (Head of Governance and Legal Services), Richard Barrett (Head of Finance, Revenues and Benefits Services), Karen Neath (Head of Leadership Support and Community), Ian Ford (Committee Services Manager) and Nigel Brown (Communications and Public Relations Manager)

112. APOLOGIES FOR ABSENCE

Apologies for absence were submitted on behalf of Councillors J A Broderick (Leader of the Holland Residents' Group), I J Henderson (Leader of the Labour Group), A O J Porter (Leader of the Non-Aligned Group), M J D Skeels (Portfolio Holder for Leisure and Tourism) and N R Stock OBE (Leader of the Council).

113. MINUTES OF THE LAST MEETING

It was **RESOLVED** that the minutes of the meeting of the Cabinet, held on Friday 10 November 2017, be approved as a correct record and signed by the Chairman.

114. DECLARATIONS OF INTEREST

There were none on this occasion.

115. ANNOUNCEMENTS BY THE LEADER OF THE COUNCIL

Superfast Essex Broadband

The Deputy Leader of the Council was pleased to announce that this Council would contribute £250,000 towards Phase 3 of the Superfast Essex Broadband programme to deliver superfast broadband coverage to around 98.5% of premises in the District. He was also delighted to announce that BT would be contributing over £9million in partner funding to the programme.

116. ANNOUNCEMENTS BY CABINET MEMBERS

There were none on this occasion.

117. MATTERS REFERRED TO THE CABINET BY THE COUNCIL

There were none on this occasion.

118. MATTERS REFERRED TO THE CABINET BY A COMMITTEE

There were none on this occasion.

119. LEADER OF THE COUNCIL'S ITEMS

There were none on this occasion.

120. CABINET MEMBERS' ITEMS - REPORT OF THE FINANCE AND CORPORATE SERVICES PORTFOLIO HOLDER - A.1 - UPDATED FINANCIAL FORECAST/BUDGET 2018/19

There was submitted a report by the Portfolio Holder for Finance and Corporate Services, which sought to enable Cabinet to consider the updated financial forecast for 2018/19.

Members were informed that an updated financial forecast for 2018/19 had been prepared which reflected changes since Cabinet had considered the initial forecast in September 2017.

Cabinet was aware that the approach to the forecast / setting of the budget was significantly different to previous years with estimates now being undertaken across a 10 year financial sustainability plan period. This new approach brought the opportunity to review how the budget was developed, including input from the Corporate Management Committee. The report had therefore focused on the 2018/19 budget and the changes required compared to the initial forecast along with the broad principles behind figures such as special expenses and fees and charges. Comments on each updated line of the forecast would be requested from the Corporate Management Committee, which would then form the basis of the 2018/19 budget.

Cabinet was informed that, at this stage of the budget process, there was a net surplus of £0.042m forecast in 2018/19, an overall change of £0.578m compared with the £0.536m deficit included in the initial forecast in September 2017.

It was drawn to Cabinet's attention that the increased collection fund balance for 2018/19 accounted for £0.552m of the £0.578m change mentioned above. Although this was an on-going item in the budget it was reviewed each year based on in-year collection performance and could therefore only be deemed a one-off 'saving' in 2018/19. Although the amount was available to support the 2018/19 budget, if this was excluded from the forecast, there would be a budget deficit of £0.510m for 2018/19, which was broadly in-line with the initial forecast amount of £0.536m.

Members were reminded that, as set out in the initial forecast, £1.434m has been set aside from the outturn position for 2016/17 to underwrite the risks associated with the 10 year approach to the forecast. It was proposed to set this aside in a specific reserve named the Forecast Risk Fund. Although subject to potential changes to the forecast

over the remaining budget setting period, the current forecasted surplus of £0.042m would be paid into the Forecast Risk Fund.

It was reported that any necessary changes emerging from the detailed Local Government Finance Settlement would be included in the figures that would be presented to Cabinet in January 2018 when it considered the final budget proposals after consultation with the Corporate Management Committee. In addition, once the final position for 2018/19 was determined, the remaining years of the 10 year forecast would be revised, set against the revised 2018/19 position and would be reported to Members later in the budget setting process.

Cabinet was made aware that the revised budget for 2017/18 was not included within this report but remained under review for reporting to Cabinet in January 2018 as part of the more detailed / technical budget setting processes.

Cabinet was informed that, given the on-going favourable position against parking income, there was now the opportunity to build the cost of this scheme into the base budget on an ongoing basis and therefore remove the need to fund it on a temporary basis from the associated reserve.

The Finance and Corporate Services Portfolio Holder made the following statement on the revised financial forecast –

“Although I appreciate things can still change, the revised forecast sets out a surplus of £42,000 compared with an expected deficit of £536,000 when the initial forecast was calculated earlier in the year. It is acknowledged that this is primarily due to the one-off favourable position relating to the collection fund which may not be the case in future years so delivering against the ten year forecast remains as challenging as previously set out.

As highlighted in the initial forecast, the budget is based on a £5 increase in Council Tax. The Government have allowed such increases within their ‘capping’ criteria as they recognise the importance of locally raised income in providing a self-financing future once the revenue support grant has been completely removed, which for us will be by 2019/20.

However, I am really pleased to say that given the favourable position against the parking income budgets over recent years, it is now possible to take the opportunity to build our successful residents parking into the base budget on an on-going basis rather than it being subject to decisions on a more short term basis as has previously been the case. This also frees up the associated reserve – we can now start to consider how to reallocate the £221,000 in this reserve.

The report also sets out the fact that given the new approach to the forecast, there is the opportunity to revise how we develop the budget each year. The importance of delivering against the forecast, especially in the early years, requires a focus on the 2018/19 budget at this stage of the process. Therefore no revised budget figures for 2017/18 have been included but these will form part of the information that is presented to Full Council in February.

Although still subject to further consideration, revised budget changes may form part of the corporate budget monitoring process in future, with changes made during the year

to enable the most up-to-date budget to be available to Members rather than it being an annual process.

There may be further changes to the forecast as it develops which will be reflected in the report to Cabinet in January. However, the forecast set out in the report provides the most up-to-date position and I welcome the comments from the Corporate Management Committee.”

Having considered the revised financial forecast and in order to allow the Corporate Management Committee to be consulted in accordance with the requirements of the Constitution:

It was moved by Councillor G V Guglielmi, seconded by Councillor McWilliams and **RESOLVED** that Cabinet -

- (a) agrees the updated Financial Forecast 2018/19, as set out in the report and the appendix thereto;
- (b) agrees that the residents' free parking scheme be included within the base revenue budget on an on-going basis each year; and
- (c) requests the Corporate Management Committee's comments on the Updated Financial Forecast 2018/19.

121. MANAGEMENT TEAM ITEMS - REPORT OF THE MONITORING OFFICER - A.2 - LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN

The Cabinet was aware that the Council's 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.

It was reported that the Local Government and Social Care Ombudsman had recently considered a case in relation to a complaint about noise and fumes nuisance. The Ombudsman had concluded that the complaint regarding noise nuisance had been properly investigated. However, the conclusion regarding the fumes complaint had been that the Council had not been able to demonstrate sufficient evidence to show that the fumes complaint had been properly investigated. The final decision of the Ombudsman was that the Council should:-

- (a) apologise to the complainant for its failure to properly investigate complaints and pay her £100;
- (b) visit the site if further problems were reported; and
- (c) consider how it recorded investigations of possible statutory nuisances and inform the Ombudsman of the action it proposed to take in the next two months.

Cabinet was informed that those actions had been undertaken.

Cabinet noted the foregoing.

122. EXCLUSION OF PRESS AND PUBLIC

It was moved by Councillor G V Guglielmi, seconded by Councillor Fairley 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 13 on the grounds that it involved the likely disclosure of exempt information as defined in the relevant paragraph(s) of Part 1 of Schedule 12A, as amended, of the Act.

123. EXEMPT MINUTE OF THE MEETING HELD ON FRIDAY 10 NOVEMBER 2017

It was **RESOLVED** that the exempt minute of the meeting of the Cabinet, held on Friday 10 November 2017, be approved as a correct record and signed by the Chairman.

The Meeting was declared closed at 2.42 pm

Chairman

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