

**CABINET MEETING held at COUNCIL OFFICES LONDON ROAD
SAFFRON WALDEN on 18 FEBRUARY 2014 at 7.00pm**

Present: Councillor J Ketteridge – Leader (Chairman).
Councillor S Barker – Portfolio Holder for Environment.
Councillor R Chambers – Portfolio Holder for Finance
Councillor J Cheetham – Deputy Leader.
Councillor H Rolfe – Portfolio Holder for Community,
Partnerships and Engagement.
Councillor A Walters – Portfolio Holder for Community Safety.

Also present: Councillors E Godwin, I Evans, S Howell, M Lemon, V Ranger
and L Wells.

Officers in attendance: J Mitchell (Chief Executive), C Canbolat (Specialist
Accountant), M Cox (Democratic Services Officer), E Fellows
(Accountant), R Harborough (Director of Public Services), S
Joyce (Assistant Chief Executive – Finance), R Millership
(Assistant Director Housing and Environmental Services) M
Perry (Assistant Chief Executive – Legal), B Tice (Scripting
Officer) and A Webb (Director of Corporate Services).

CA75 PUBLIC STATEMENTS

Mr Paul Gadd attended the meeting and addressed the Cabinet about the
provision of open space in new housing developments. A copy of the
questions and the council's reply are attached as an appendix to these
minutes.

CA76 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors Redfern, Parr and
Salmon.

*Councillor Barker declared a non-pecuniary interest as a member of Essex
County Council and as the District Councillor for High Roding.*

CA77 MINUTES

The Minutes of the meeting held on 5 December 2013 were approved and
signed as a correct record.

**CA78 REPORTS FROM PERFORMANCE AND AUDIT AND SCRUTINY
COMMITTEE**

Councillor Godwin said that the recent Scrutiny meeting had considered the budget reports in detail and had endorsed the recommendations.

The Scrutiny Committee had also considered the issue of dog fouling, and whilst there had been no formal proposal, it had been suggested that parish councils should liaise further with council officers regarding the provision of dog bins in their areas.

CA79 WELFARE GARDEN AND REDECORATION SCHEME

Councillor Ranger presented a report on proposed changes to the council's welfare garden and redecoration policy. The current policy allowed tenants over state retirement age and on housing benefit to have the council cut the grass/hedge and to have one room decorated a year, free of charge. It had become clear that the service was not sustainable in its current form due to the costs of the work and the numbers of residents using the service.

The scheme had been reviewed in consultation with the Tenant's Forum and service users and a number of amendments had been proposed. The included changing the eligibility criteria to be health rather than age related, introducing a small charge for gardening services, and a lengthening of the time scales for carrying out the work.

The changes would not affect vulnerable tenants and those in sheltered housing. The cabinet supported the revised scheme as a way to continue to provide this valued service but to target those households in the greatest need.

RESOLVED to approve the revised Welfare Garden and Redecoration Policy attached to the report.

CA80 BUDGET 2014/15

Councillor Chambers presented the reports for the budget 2014/15. He said the budget preparation had been a transparent process, with the reports being presented to all political groups and the Scrutiny Committee. He thanked all Members and the Assistant Chief Executive – Finance and his team for their assistance in the preparation of the budget.

CA81 HOUSING REVENUE ACCOUNT 2014/15 BUDGET AND 5 YEAR BUDGET STRATEGY

Councillor Chambers presented the proposed Housing Revenue Account (HRA) budget for 2014/15 and the proposed 5 year forecast for the period 2014/15 – 2018/19. The HRA account reflected the service arrangements and investment in relation to the council's housing services for the third year under self-financing.

He explained that the budget had been based upon an average rent increase of 5.05% in line with Government convergence and the council's rent policy.

The council was still paying interest only on the capital sum and as a result a substantial investment of £6.4m had been made in the council's housing stock, with repairs and improvements to existing stock as well as new build schemes.

Councillor Barker was pleased that the council was successfully spending the capital money and delivering projects. She asked that members be made aware of any proposals in their wards at an early stage.

RESOLVED to approve, for recommendation to Full Council the HRA Revenue Budget and 5 year financial strategy and changes to the rents and services as set out in the report.

CA82 **TREASURY MANAGEMENT STRATEGY 2014-15**

Councillor Chambers presented the treasury management report which gave details of the management of the council's investments, borrowing, cash flow, banking and market transactions. It set out the risks associated with these activities and the optimal performance consistent with the risks.

It was confirmed that no external borrowing was planned for the next 5 years. From 2018 the council would be starting to repay the HRA loan and would be looking at the most advantageous way to do this.

He said the council would continue to take a prudent approach to investments and increase diversity in order to reduce risk. The counterparty list would be expanded to include other local authorities and building societies and including, locally, the Saffron Building Society.

RESOLVED to recommend to Full Council

- the Treasury Management Strategy 2014/15 as set out at Appendix A
- The prudential indicators as set out in Appendix A
- Minimum Reserve Provision (MRP) statement in Appendix 2
- The Council's counterparty lists and limits in appendix 3.

CA83 **CAPITAL PROGRAMME 2014/15 – 2018/19**

The Cabinet received the capital programme which detailed planned expenditure on the council's buildings, vehicles and ICT assets. The programme committed £9.6m - £1.3m on General Fund and £8.3m on HRA schemes, in line with the HRA Business Plan. General Fund projects included the Saffron Walden Castle, a contribution to the Museum storage facility, CCTV in Thaxted and an increase in the amount for community projects.

RESOLVED to approve for recommendation to Full Council, the Capital Programme and associated financing as set out in the report.

CA84 **MEDIUM TERM FINANCIAL STRATEGY**

Councillor Chambers presented the Medium Term Financial Strategy (MTFS). The strategy, which covered a five year period, complemented the Corporate Plan and set out the anticipated resources available to meet corporate priorities.

He explained that there was an expected budget surplus for the next 3 years, achieved through a combination of prudent financial management and funding from the New Homes Bonus (NHB). It was not clear whether the NHB would continue but in any event some sort of reform was likely, so the key point of the strategy was to use the next 3 years to reduce the amount of revenue spend that was funded from the NHB. The council would make meaningful investment in services but avoid ongoing pressure on the council's bottom line. The council would maintain financial discipline and look at ways of providing services more efficiency and look at new income streams.

Councillor Godwin said this report had generated the most debate at the Scrutiny Committee. Members had felt that given the uncertain future of the NHB it should if possible be used for special projects.

Councillor Ketteridge thanked the Assistant Chief Executive – Finance for an excellent and informative report.

RESOLVED to approve for recommendation to Full Council the Medium Term Financial Strategy, as set out in the report.

CA85 **ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES**

Councillor Chambers presented the Section 25 report, which gave the council formal advice on the robustness of estimates and the adequacy of reserves. This was to ensure that when setting the budget members were aware of the risks and uncertainties and ensure that there were adequate contingency reserves.

He highlighted that there were no significant new risks. Existing risks in the highest category included the volatility of cost and income in the council's waste and recycling service. Also, under the localisation of business rates, the income would be difficult to forecast, due to a lack of clear accounting regulations and a backlog of appeals. This situation would continue to be monitored and the cabinet would receive regular updates.

In relation to the council's working balance, this was £1.2m and it was recommended that it should be maintained at this level and other risks managed through earmarked reserves.

RESOLVED to approve for recommendation to Full Council:

1. That the Council takes account of the advice in the report when determining the 2014/15 General Fund budget and Council Tax
2. That the council approves the risk assessment relating to the robustness of estimates as detailed in the report
3. That the council sets the minimum safe contingency level for 2014/15 at £1.2m
4. That the council agrees that no transfers to or from the Working Balance should be built into the 2014/15 budget.

CA86

GENERAL FUND AND COUNCIL TAX 2014/15

The Cabinet received the General Fund budget for consideration ahead of final determination by Full Council. It was consistent with the Section 25 report and the MTFs and the estimates were based on the recommendations in respect of the Capital Programme, Treasury Management Strategy and HRA budget. The report also included the recommended fees and charges for the council's services in 2014/15.

The report provided detailed revenue estimates which showed a council tax requirement of £4,695,046 which balanced to a level of council tax income, assuming a 2% cut in council tax.

Councillor Chambers highlighted the key budget items. Of particular benefit to the district were: the Strategic Initiatives Fund (one off investment in projects), support for infrastructure projects, investigating car park capacity and funding for the homelessness service.

In relation to the fees and charges, Councillor Barker said that some charges had increased whilst other had not and she questioned the rationale behind this approach. She was assured that all charges were reviewed annually to ensure good value for money.

The budget had been endorsed by the Scrutiny Committee at its meeting on 7 February. During its discussions it had highlighted the need for the Strategic Initiatives Fund to deliver tangible lasting outcomes. There had also been discussion around the Local Council Tax Support Scheme. The proposed change to the liability cap this year had meant that the contribution had increased from 8.5% – 12.5%. Councillor Chambers said that this was still by far the lowest in the county and was part of the council's commitment to a phased introduction of the legislative changes and support for more vulnerable residents through assistance from council staff and the council's support scheme.

The precept figures from the other authorities would be confirmed at the Full Council meeting. Councillor Ketteridge said that Uttlesford's council tax was the lowest in Essex and the 2% cut benefited all residents.

RESOLVED to recommend that Full Council

- 1 approves the General Fund Budget and Council tax Requirement of £4,695,046, as summarised in paragraph 23 and detailed in Appendices A to C, which balances to the available Council tax income assuming a cut of 2% in District Council Band D.
- 2 approves the schedule of fees and charges at Appendix E.

CA87

BUDGET MONITORING REPORT 2013/14

The Cabinet received details of the council's financial performance relating to the General Fund, HRA, Capital Programme and Treasury Management. It was based on actual expenditure from April to December 2013 and gave forecasts for the end of the 2013/14 financial year. It was noted that a net favourable variance of £553,000 was forecast for this financial year, the report gave details of each of the variances.

In relation to the HRA budget, members were advised that the contract for the development at Mead Court, Stansted had now been finalised and work had started on the site.

RESOLVED to note and approve the report.

CA88

DEVELOPER CONTRIBUTION GUIDE

The Cabinet was asked to agree two amendments to the Developer Contribution Guide which had been approved at the meeting in June 2013, as follows.

- Introduce a monitoring clause that would apply to each phase of a large development.
- Simplify the affordable housing financial contributions on sites of 1 – 4 units so that in 2013/14 and 2014/15 build cost of an affordable unit should be set at £125,000 and the financial contributions for between 1-4 dwellings should be as follows.
 - 4 unit development 80% of build cost
 - 3unit development 60% of build cost
 - 2 unit development 40% of build cost

It had also been proposed that financial contributions should not be collected from developments of one dwelling, as this could be a disadvantage to individuals who were building their own house, not for profit.

Councillor Cheetham said the Local Plan Working Group had discussed the report and had agreed with the amendments proposed. However, members were strongly of the opinion that the policy should not differentiate between the numbers of properties, and there should also be a financial contribution for single dwelling developments.

RESOLVED that the revised Developer Contributions Guidance be adopted as a material planning consideration with the amendment to para 2.7 to read

- § 1 unit development – would provide 20% of the build cost of an affordable unit.

CA89

HIGH RODING CONSERVATION AREA APPRAISAL

The Cabinet received the High Roding Conservation Area Appraisal that had been amended following the decision to defer the report at the previous meeting. The report set out the key issues in the appraisal, the results of the consultation and the changes proposed. The points raised at the cabinet meeting on 5 December 2013 had been incorporated into the document.

RESOLVED that

- 1 The Conservation Area Appraisal be approved and used to assist in the process of determining planning applications for implementing management proposals.
- 2 The High Roding Conservation Area boundary be formally amended.

CA90

LOWER STREET CAR PARK STANSTED – HEADS OF TERMS OF AN AGREEMENT

The Chairman agreed to the consideration of this item on the grounds of urgency as a decision was required before the next Cabinet meeting.

The Cabinet was advised of an issue that had arisen in relation to the planning permission for the Castle Lotus site in Stansted to provide retail, a health centre and residential flats. The associated car parking was to be provided in the adjoining Lower Street Car Park and the developer would pay for remodelling the car park to provide additional spaces, and dedicated car parking for the health centre and residential flats.

The cost of the dedicated parking for the health centre has become an issue because the £420 per space a year (the standard season ticket rate) exceeded the relevant NHS value for money benchmark.

This had been discussed between the council's officers and NHS England, and a potential way forward has been identified.

It is now proposed that there would be separate agreements between the developer and the council and between the relevant NHS partner and the council. The latter would relate solely to the leasing of spaces for staff, and public use of those spaces when not required by the health centre.

The CCG Board was likely to agree a rate of £360 a space including VAT for 25 spaces a year. There would also be an income sharing arrangement to reflect the availability of health centre staff spaces for the public when the health centre was closed. The reduced number of allocated spaces for the health centre would provide more flexibility in meeting demand for public parking.

Members were keen not to compromise progress with the provision of the health centre and agreed to the solution proposed.

Councillor Godwin asked if the last hurdle to the construction of the health centre had now been overcome. She was informed that this could not yet be guaranteed as the CCG had to be satisfied that all issues had been resolved before the project was approved.

RESOLVED

- 1 To approve that the dedicated parking for the health centre staff attracts a revised charge of £360 including VAT per space, to be index linked
- 2 The charges to apply from a point two years from first occupation and be subject to a five yearly review.

The meeting ended at 8.20 pm.

PUBLIC STATEMENT

Questions put by Mr Paul Gadd

- the current UDC planning policy / practice not to request contributions from developers for open spaces, playing fields, allotments etc, and ask when and why such a policy was adopted, and how it was deemed to be in the best interests of Uttlesford residents?

- the UDC Open Spaces, Playing Fields etc Strategy document and ask why the proposed contributions set out in the Developer Contributions Policy that the Cabinet are proposing to adopt on Tuesday fall so far short of the recommendations set out in that Strategy document?

- the bench-marking carried out by UDC against other councils' policies in compiling the Open Spaces etc Strategy document, and how the Cabinet believe that it is in the best interests of residents to ask for much lower contributions than other councils appear to be requiring?

Answer for Councillor Susan Barker

UDC have always demonstrated a clear commitment to the need to provide, improve and maintain our public open spaces and outdoor sports recreation provision. This has been demonstrated over recent years with the securing of financial contributions, contributions of land and facilities on site and in some cases off site facility provision.

The Council has always approached each situation on its individual merits.

For example as part of the Forest Hall Park development in Stansted financial contributions were sought towards community facility provision and part of this funding has been allocated/spent on outdoor sports recreation, a similar situation has occurred in Takeley for example. In Saffron Walden an off-site contribution of £300,000 was secured as part of the Bell College redevelopment. This money was been passed to Saffron Walden Town Council and used to improve facilities at Herberts Farm as well as additional facilities at the Anglo American playing fields.

As part of the preparation for the new Local Plan a study was commissioned from external consultants to provide a Sport and Recreation Study. This study has been received and is published on the website. As a result of this study a new Draft Infrastructure policy was developed and forms part of the Draft Local Plan. In addition a range of on-site facilities were included within Draft Allocations and some of these have come forward, and been secured, as part of planning applications. As an example the recently approved application at West of Woodside Way has secured open space provision, changing facilities, community centre as well as maintenance contributions for a 20-year provision.

The Developers Contribution Guide does not specifically cover the recreation contribution as these are dealt with on a site by site basis. However the guide clearly sets out the principles the Council employs in terms of maintenance contributions and final ownership of the areas. It is therefore not correct to say that the Council is not seeking contributions or that the contributions the Council is seeking are much lower contributions that other local authorities seek.

The Council will continue to seek, and secure, open space recreation facilities together with maintenance contributions across the district