

**CABINET MEETING held at COUNCIL OFFICES LONDON ROAD
SAFFRON WALDEN on 16 FEBRUARY 2016 at 7.00pm**

Present: Councillor H Rolfe (Leader)
Councillor S Barker (Deputy Leader and Cabinet Member for Environmental Services)
Councillor S Howell (Cabinet Member for Finance and Administration)
Councillor J Redfern (Cabinet Member for Housing and Economic Development)
Councillor L Wells (Cabinet Member for Communities and Partnerships)

Also present: Councillors A Dean (Liberal Democrat Group Leader and Chairman of Scrutiny Committee) and J Lodge (Residents for Uttlesford Group Leader).

Officers in attendance: R Harborough (Director of Public Services and Interim Head of Paid Service), A Knight (Assistant Director – Finance), M Perry (Assistant Chief Executive – Legal), M Cox (Democratic Services Officer) and A Webb (Director of Finance and Corporate Services).

CA81 APOLOGIES FOR ABSENCE AND DECLARATION OF INTERESTS

An apology for absence was received from Councillor Oliver.

Councillor S Barker declared a non-pecuniary interest in agenda item 25 as a member of Essex County Council.

CA82 MINUTES

The minutes of the meeting held on 12 January 2016 were received and signed by the Chairman as a correct record.

CA83 MATTERS ARISING

Minute CA78 – Homelessness Strategy

Councillor Redfern apologised that she had overlooked providing the information requested by Councillor Light. She confirmed that the cost of providing bed and breakfast accommodation for homeless people was £55 per night. Further information could be obtained from the housing department.

CA84 REPORTS FROM PERFORMANCE AND AUDIT AND SCRUTINY COMMITTEE

Councillor Howell gave a brief summary of the issues that had been considered at the Performance and Audit Committee.

Councillor Dean reported on the recent meeting of the Scrutiny Committee. Members had made a number of comments on the budget items, which he

would raise under the appropriate agenda item. A speaker from Saffron Walden Town Council had raised issues in relation to the Kier appeal, which the committee would need to look at in the future. He had also requested that the committee pre-scrutinise the report on the proposed Building Control Partnership before the Cabinet considered it on 7 April 2016.

CA85 **REFUGEE WORKING GROUP**

Councillor Redfern reported that the properties identified for refugee families had not proved to be suitable and had now been re-let. The council was now looking for specific available properties to allocate to the refugee families, who were expected to arrive in greater numbers from March onwards. Councillor Redfern would be attending a conference for all partner organisations on 3rd March 2016 and any relevant information would be reported back to Cabinet.

CA86 **ASSETS OF COMMUNITY VALUE**

Councillor Barker presented a report on two buildings to be included as assets of community value. They were both public houses and had been nominated by the North West Essex campaign for real ale. It was explained that an asset was of community value if the local authority considered that it met either of the following criteria.

- The current use furthers the social wellbeing or interests of the local community; and
- It is realistic to think that at some time in the next five years the Asset will further the social wellbeing or social interests of the community or
- There was a time in the recent past when a use of building or land had furthered the social wellbeing or interests of the community; and
- It is realistic to think that in the next five years the building/land could further the social wellbeing or interests of the community.

Since the report had been published, the Green Man PH, Takeley had applied for a premises license and it was now recommended that it be registered as an asset of community value.

Jane Attwood, the owner of the Elmdon Dial PH spoke to the meeting. A full copy of her statement was circulated to members at the meeting. Her main concern was with Camra's assessment of the asset. She said she wanted to sell the property as a public house but no one from the community had come forward since it had been put on the market. Negotiations with a potential buyer had failed due to concerns about the possible listing. She considered the listing to be unnecessary, as there was other legislation to protect the future use of the pub. The ACV listing would just delay the sale and leave the village with an empty property.

The Leader said it was usual for the only public house in a village to be included on the Assets of Community Value list but this would not change the status of the asset or prevent it from being sold. The Cabinet was advised that it was required to list the asset if it was satisfied that it met the relevant criteria.

RESOLVED to include the following properties on the Assets of Community Value list:

- The Elmdon Dial, Elmdon
- The Green Man, Takeley

CA87

AFFORDABLE HOUSING CONTRIBUTIONS

The Cabinet was asked to approve the allocation of funding for the delivery of affordable housing, by utilising funds secured from planning obligations. This would enable two schemes in Chrishall and Saffron Walden to progress towards delivery.

RESOLVED

- 1 To approve the allocation of £112,000 towards the delivery of a rural exception scheme in Chrishall.
- 2 To confirm that the council remains open to granting £100,000 towards a learning disability scheme for Saffron Walden, but a firm allocation would be premature until funding by East Thames Housing Association and Essex County Council is clarified.

CA88

CORPORATE PLAN 2016 – 21

The Leader presented the annual update of the 5-year Corporate Plan. As in previous years, it was a one-page document setting out four key themes. This year the plan included a change in focus with an enhanced emphasis on health and wellbeing and the overall goal as a 'high quality and low tax council'.

Councillor Dean said that the document was too vague and lacked clarity on the outcomes and timescales for what the council was actually going to do. In reply the Leader said this was a strategic document that set out the overall direction of travel. The detail would feed through the four pathways into individual service plans.

Councillor Lodge said the council was already failing in the area of 'continuing to listen and respond to our communities' in its recent decisions in relation to the consultation on the Local Plan.

RESOLVED to approve the draft Corporate Plan for 2016 -21 for submission to Full Council.

CA89

2016/17 BUDGET

Councillor Howell presented a series of reports for the budget 2016/17, which would be considered by Full Council on 25 February. The reports had been prepared in the light of future expected budget cuts. There was an unprecedented level of uncertainty and some reports were still work in progress. He thanked officers for their efforts in preparing these reports and the Scrutiny Committee for its debate and questions.

ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES

Councillor Howell presented the report setting out the Section 151 Officer's formal advice on the robustness of estimates and adequacy of reserves, to enable the council to set a budget with full awareness of the risks and uncertainties. The Reserves Strategy looked at the purpose and lifespan of each reserve. It was proposed that the working balance should remain at £1.234m and other risks would be managed through special reserves.

The Scrutiny Committee had questioned why the proposed SPV was not listed as a risk, as this would be a significant departure for the council. Members were informed that this project was still at an early stage but there would be a future Cabinet report that would set out all the risks. There had also been questions around the budget underspend, as the report did not clarify which of the items were within the council's control.

RESOLVED to recommend to Full Council

- 1 That the Council takes account of the advice in the report when determining the 2016/17 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 2016/17 at £1.234 million.
- 4 That the attached Reserves Strategy is adopted.
- 5 That the Council agrees that no transfers to or from the Working Balance should be built into the 2016/17 budget

MEDIUM TERM FINANCIAL STRATEGY

Councillor Howell presented the Medium Term Financial Strategy. The strategy looked ahead to anticipate issues around the council's finances and put in measures to ensure the ongoing financial health and stability of the council.

The council was in a strong position for 2016/17 due to a combination of prudent financial management and the New Homes Bonus (NHB). However, the Government was proposing changes to the funding of this scheme and it was anticipated that the council would have a funding deficit from 2018/19. It was proposing to address this by a combination of cost savings and income generation. An updated MTFs would be brought to the Cabinet in the autumn when the outcome of the NHB consultation was known.

Councillor Dean said the Scrutiny Committee was aware that this was an interim strategy but had raised the following points.

- In relation to the transformation reserve, could there be more clarity on the actual savings made.
- What percentage of savings had been made by the devolution of services to other local councils?

- More detail would be welcomed on the outcomes from the council's economic strategy and how this is monitored.

The Leader replied that the transformation reserve was to help the evolution of the organisation, particularly following the loss of the NHB. The council would be required to look at income generation and the effectiveness of any future initiatives.

Councillor Lodge said this was a very prudent budget, and questioned whether it was too conservative e.g. in terms of business rate retention. Officers said that the position for 2017/18 was unclear but the strategy had been based on the best information available.

It was noted that an extra £278,000 had been allocated to the rural services development grant scheme. The cumulative effect on the budget would not be significant but this would be mentioned in the budget report to Council.

RESOLVED to approve the Medium Term Financial Strategy for recommendation to Full Council.

CA89 **TREASURY MANAGEMENT 2016/17**

The Cabinet received the report on the Treasury Management Strategy for 2016/17, which set out the council's cash-flow management, use of banks, investments and borrowing. It included recent updates including the use of money market funds to include non UK– domiciled funds and increased cash and time limits, but the strategy remained prudent and transparent.

RESOLVED to approve the following items for recommendation to Full Council

- Treasury Management Strategy 2016/17
- Prudential Indicators
- Minimum Revenue Provision (MRP) statement
- Economic Forecast

CA90 **CAPITAL PROGRAMME**

Members considered the capital programme, which included planned capital expenditure on the council's buildings, vehicles and IT assets, for both the General Fund and the HRA. It was noted that external borrowing had not been required to finance these schemes. Members made comment on the detailed schemes and felt there was a good spread of investment.

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

CA91 **HOUSING REVENUE ACCOUNT**

The Cabinet received the HRA budget for 2016/17, which reflected the service arrangements and investment in relation to the council's housing service for the fifth year under self-financing. The HRA business plan set the financial strategy for 2016/17 and reflected the budget proposals in the report. There was a net operating surplus of circa £3m which had been allocated to key projects in the business plan. The budget also took account of the effect of the

national approach for rent setting and the reduction in grant funding from ECC for housing related support.

Members noted the appendix, which detailed many achievements to date arising from the HRA in terms of build schemes, stock and service improvements and the introduction of new policies and strategies.

RESOLVED to approve, for recommendation to Full Council the HRA Revenue Budget and 5 Year Financial Strategy.

CA92

GENERAL FUND AND COUNCIL TAX 2016/17

Councillor Howell presented the 2016/17 General Fund budget. It was consistent with the MTFs and had been reviewed by the Scrutiny Committee. He highlighted key areas in the report. He said that the council wished to protect local residents as much as possible, but having taken account of all circumstances, an increase of 1% in council tax had been proposed. To deal with the financial constraints from 2017/18 and beyond, the council would need to increase income and work smarter to achieve this. He proposed the recommendation and said this was a steady as she goes budget, which put in place the foundation for long-term stable finances.

In answer to a question, Members were informed that ECC had reduced the funding of the council's Locally Determined Highways budget by 50%. It was offering 50/50 matched funding which was currently being considered. Members hoped that there would be no reduction in the Highway Rangers budget.

RESOLVED

- 1 To recommend that the Full Council approves the General Fund Council Tax requirement of £4,827,584 summarised in paragraphs 15 -19.
- 2 To approve the schedule of fees and charges in Appendix F.

CA93

BUDGET MONITORING 2015-16 PERIOD 9

The Cabinet received details of the performance of the General Fund, HRA and Capital Programme from April to December 2015. These budgets were currently forecasting an underspend and it was proposed to transfer the general fund surplus to the Strategic Initiatives Fund. The treasury management activity had been in accordance with policy. The report also detailed areas that could have the potential to effect the year end position.

Councillor Howell said he was aware of comments made in relation to the forecast underspends but said this was preferable to the alternative of an overspend position. Many of the reported slippages were outside the control of the council.

RESOLVED

- 1 To note and approve the report

- 2 Approve the transfer of the General Fund Surplus of £1.661m to the Strategic Initiatives Fund.

CA94

NEW HOMES BONUS CONSULTATION RESPONSE

The Cabinet received the amended response to the New Homes Bonus consultation. Members were satisfied with the suggested changes, which put forward a more robust response.

RESOLVED that the response be submitted to the government to inform its decisions when it finalises the revised NHB scheme.

CA95

PAY POLICY

The Council was required to review its Pay Policy on an annual basis. This set out the remuneration schemes in place and set the criteria for the forthcoming year.

RESOLVED to approve, for recommendation to Full Council, the Pay Policy as set out in the appendix to the report.

CA95

LOCAL DEVELOPMENT SCHEME

The Cabinet considered a revision to the Local Development Scheme (LDS), which was the project plan for the production of the new Local Plan. It was necessary to update the timetable in line with Government expectations for the adoption of the Plan by the end of 2017.

Councillor Dean said that this matter had been discussed at the PPWG but the reason for the omission of the issues and options stage consultation and the slippage in the programme had not been explicitly explained. He was concerned at the absence of a more detailed project plan and was surprised that a Cabinet meeting had been called for March 17 to consider what he felt was an inadequate paper on the new settlement option. He was uncomfortable with this change in approach.

The Leader said that all Members had been advised of date of the Extraordinary Council meeting on 21 March 2016. The PPWG would discuss the report at its meeting in February, the recommendation would then go to Cabinet before all Members had the opportunity to discuss the issue in detail at Full Council. There would be no commitment at this stage, and work on the evidence would continue over the summer. The options would be considered in the autumn prior to the pre-submission consultation at the end of the year.

Members were advised that there were statutory stages to complete the timetable and the council had to bear in mind that a failure to submit the Plan by March 2017 could result in Government intervention.

Councillor Lodge felt that the PPWG was not working as intended, as it had been an officer decision to remove a consultation stage and to put forward the new settlement report. The Chairman said it was usual for officers to prepare the papers for the meeting but it was Members who made the decisions. The working group would have the opportunity to provide guidance to officers

about the shape of the future housing strategy and make recommendations to Cabinet prior to the Full Council meeting.

RESOLVED to adopt the revised Local Development Scheme.

CA96 STATEMENT OF COMMUNITY INVOLVEMENT

The Planning Policy Working Group had considered a review of the Statement of Community Involvement, which set out the council's approach to public consultation and involvement in the preparation of the Local Plan. The Cabinet considered the amended document.

RESOLVED to approve the Statement of Community Involvement for formal public consultation.

CA97 DEVELOPER CONTRIBUTION GUIDANCE

Councillor Barker presented the revised Developer Contribution Guidance, which had been updated to reflect the approval of the Housing Strategy and the recently published Strategic Housing Market Assessment. She mentioned that she would be discussing with officers whether the stated cost of £125k was too high for building an affordable home, and whether this should be reviewed or if some kind of indexation was required. Any proposed changes would be brought back to Cabinet.

RESOLVED to adopt a revised Developer Contributions Guidance, which is in accordance with the updated National Planning Practice Guidance, as a material planning consideration.

CA99 APPOINTMENT OF OUTSIDE BODY

RESOLVED to appoint Councillor A Mills to the Uttlesford Transport Forum.

CA100 SPORTS STRATEGY

The Council had commissioned a Sports Strategy, which built on the open space, sports facility and playing fields strategy that had been published in 2012. The document provided an inventory of existing facilities and identified where there was a shortfall. The strategy would be used to identify ways in which the shortfall could be met and to provide evidence for future funding. The next stage would be to prepare an action plan for prioritising and delivering the projects. The individual clubs and association would be involved in this process.

RESOLVED to adopt the Sports Strategy into the Local Plan evidence base as a material planning consideration and as a Sports Strategy for the District.

The meeting ended at 9.30pm.