

**CABINET MEETING held at COUNCIL OFFICES LONDON ROAD
SAFFRON WALDEN on 1 DECEMBER 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: Councillor J Lodge (Residents for Uttlesford Group Leader).

Officers in attendance: R Dobson (Principal Democratic Services Officer), R Harborough (Director of Public Services), A Knight (Assistant Director – Resources), S Pugh (Interim Head of Legal Services) and A Webb (Director of Finance and Corporate Services).

CA64 APOLOGIES FOR ABSENCE AND DECLARATION OF INTERESTS

Apologies for absence were received from Councillor Dean and from the Chief Executive.

Councillor Rolfe said Councillor Redfern was expected later during the meeting, and her report on the Refugee item would be taken when she arrived.

Councillor Barker declared a non-pecuniary interest as a member of Essex County Council in respect of the items regarding the Local Council Tax Support scheme and the Dunmow Neighbourhood Planning Referendum.

CA65 MINUTES

The minutes of the meetings held on 12 October and 26 October 2016 were received and signed by the Chairman as an accurate record.

CA66 MATTERS ARISING

(i) Minute CA51 – Equalities Scheme

Councillor Barker thanked officers for arranging the recent training on equalities.

CA67

REPORTS FROM PERFORMANCE AND AUDIT AND SCRUTINY COMMITTEES

Councillor Oliver as Chairman of the Performance and Audit Committee reported on matters considered at that committee's recent meeting.

The committee had recommended to Full Council the appointment of external auditors via the appointing person arrangements made by Public Sector Audit Appointments.

Councillor Oliver said he was delighted to report the council had again achieved an unqualified opinion on its financial statements, and he commended officers for maintaining this excellent record for another year. A report on procurement activity had been considered, informing the committee of ongoing work by officers to ensure all long-term contracts between the council and its suppliers were suited to the council's needs. Reports on health and safety statistics, and on performance indicators throughout the council, had also been received and were in line with what was expected.

Councillor Rolfe said the unqualified audit opinion was a first class result and congratulated the Assistant Director – Resources and her team.

In the absence of Councillor Dean, Cabinet received Councillor Dean's report as Chairman of the Scrutiny Committee, regarding the committee's recent consideration of aspects of items set out in the Forward Plan, the draft budget, the Local Council Tax Support Scheme 2017/18 and North Essex Parking Partnership. Councillor Rolfe referred members to key points raised and invited Councillor Oliver as a member of Scrutiny Committee to comment. In response to a point regarding governance of the council's special purchase vehicle, Aspire, Councillor Rolfe agreed governance arrangements and capacity within the Council would be put in place and were currently being developed. Regarding a forthcoming devolution report, there would be a written report at the Council meeting on 8 December.

CA68

2016/17 BUDGET MONITORING QUARTER 2

Councillor Howell presented a report on financial performance relating to the General Fund, Housing Revenue Account, Capital Programme and Treasury Management. He explained the report was based on actual expenditure and income from April to September and predicted a forecast for the end of the financial year.

Councillor Howell highlighted the main points of the report. He said the General Fund was forecast a net operating underspend of £194,000 and a bottom line underspend of £640,000. The Housing Revenue Account was forecast a minor overspend on the net operating expenditure of £127,000. The Capital Programme was forecast an underspend of £6,252,000, which included a £6,211,000 of slippage for 2017/18 projects, giving a net underspend of £41,000.

Councillor Howell said the current budget had been updated to reflect the capital programme slippage for 2015/16, as approved by Cabinet as part of the final outturn report in June. The current budget had been increased by £1.291m. The majority of the slippage related to the Waste Depot at Great Dunmow, which was offset by the increased drawdown on the Waste Depot Reserve of £888,000.

Councillor Howell recommended that the report be approved.

Councillor Lodge said this was a comprehensive report. He asked whether the figure of £405,000 for planning policy related to the end of the second quarter, and asked what was the total annual spend, the forecast, and whether a reference to £35,000 was to a vacancy for a team leader. He also asked for clarification of the reimbursement to Waitrose of £30,000.

Councillor Lodge referred to a significant reduction on the PFI, and asked for confirmation of whether this related to the Leisure Centre. Finally, he wished to know whether the council would lose money on the business rates retention.

Councillor Rolfe said in relation to business rates retention, that the council was waiting for an update from Government.

Councillor Lodge asked about total reserves stated in the report to be £11m, whereas he had seen in another report a figure of £17m.

Councillor Rolfe said there was a difference in the reserves the council held with the money that it invested.

The Assistant Director – Resources said, regarding the question about the planning policy budget, the £405,000 was the predicted spend, but depended on consultations and other factors might need to be taken into account. The sum shown was what had been drawn down on the planning reserve.

The Assistant Director – Resources said the figure of £112,000 in the planning policy budget was the figure that had been predicted originally in Quarter 1, but the amount had been amended during June and September. Some of the overspend related to agency staff costs.

Regarding the reimbursement of Waitrose, this related to the compensation payment paid to the council for loss of revenue during the temporary closure of the Waitrose car park for improvement works. Some of the compensation needed to be repaid to Waitrose following its examination of the accounts.

Regarding the PFI, there had been an increase in income for the PFI agreement. At the meeting of the Performance and Audit Committee in July, it had been agreed it was necessary to account for this increase, and that the model should be examined. Accordingly there could in future be a liability in respect of the PFI, so a reserve was provided for this eventuality.

Regarding business rates retention, the Council continued to hold 100% of business rates for all preceptors and for central government as the collecting

agent, but only retained 40%. The forthcoming Finance Bill was expected to give more information on the future of 100% retention.

The Assistant Director – Resources confirmed that the figure relating to slippage should have referred to 2016/17 going into 2017/18, rather than 2017/18 projects.

In response to a question from Councillor Barker, the Director of Public Services confirmed section 106 monies were carefully monitored to ensure they were applied to the purposes intended within the time limits and did not lapse.

RESOLVED to approve the report on 2016/17 budget monitoring for quarter 2.

CA69 **UPDATE ON REFUGEES**

Councillor Redfern updated members on the arrangements for refugees in the district. She said Essex County Council were leading on the arrangements, and Uttlesford would be offering another family accommodation, although the next chartered plane was not until June 2017.

Councillor Rolfe asked that at the next meeting of Cabinet there should be some discussion of the slowness of the project.

Councillor Redfern said as a district, this council did not have the facilities, it had no hospital and was set in a rural location.

Councillor Barker said there were a large number of other vulnerable families now presenting as homeless or on the point of losing their home, because of the policy of MAG. She asked whether Councillor Redfern could report on housing homeless figures.

Councillor Redfern said the Council had applied for Government funding as there were more people needing help with housing. She would suggest a report to the meeting of Cabinet after the next one. She had attended the residents' meeting with MAG and the council was engaging with MAG to see how to manage the situation.

CA70 **2015/16 TREASURY MANAGEMENT OUTTURN**

Councillor Howell presented a report on the 2015/16 treasury management outturn. This annual report was a requirement under the council's constitution, and the objectives of treasury management were to manage risk, maintain liquidity and minimise borrowing and cost. Councillor Howell referred members to the summary, which stated that during 2015/16 no other short term or long term borrowing was needed to meet the council's commitments and no cashflow difficulties were experienced, and confirmed the Council continued to operate a cautious approach when lending money to counterparties. All deposits and investments made were in compliance with

the council's approved treasury management strategy, which had been prepared with the assistance of the council's independent treasury consultants, Arlingclose Ltd.

Councillor Lodge asked for clarification of short term investments, which had increased from £23,500 to £30,000. The Assistant Director – Resources explained these were cash investments.

Councillor Lodge asked whether the council's long-term borrowing, the HRA loan, would be affected by any increase in interest rates. The Assistant Director – Resources said the effects of any increases would be closely monitored.

Councillor Rolfe said the interest rates were factored in to the loan under the 30 year plan.

Councillor Barker said the interest rates shown were what would apply to the loan.

Councillor Redfern said the council had made the decision to take out the loan, and had decided not to repay for the first five years so as to be able to build houses.

RESOLVED to approve the 2015/16 treasury management outturn.

CA71

TREASURY MANAGEMENT MID-YEAR REVIEW 2016/17

Councillor Howell presented a report on a mid-year review of treasury management. Due to proposals for the council's wholly owned subsidiary, Aspire (UDC) Ltd, a loan to the company would be made. In order to do this, the council would borrow the money from PWLB, and according it was necessary to increase the council's operational boundary from £101.5m to £250m.

RESOLVED

1. The 2016/17 Treasury Management Strategy counterparty list for UK Local Authorities, including Fire and Police be revised;
 - a. The investment limit of £5m to be increased to unlimited
 - b. The % of the portfolio investments to be increased from 70% to 100%
 - c. The maximum number of days from 365 days to 730 days
2. The Operational Boundary be increased from £101.5m to £250.0m

LOCAL COUNCIL TAX SUPPORT (LCTS) CONSULTATION 2017/18

Councillor Howell presented a report on changes to the Local Council Tax Support scheme for the following financial year. He said an amendment would be suggested. First he explained the council was required to review the LCTS scheme each year. This council had the lowest percentage contribution amount in Essex, and he was proposing to hold this level at 12.5%, which was very generous. The Scrutiny Committee had considered the report, and had welcomed keeping the contribution at that level. The council used its resources to support the most vulnerable, which he hoped could continue, so there was full protection to protected claimants. There were small amendments suggested to the reduction to parish councils. The Scrutiny Committee had supported the parish and town council subsidy reduction, and in broad terms had been content with the housing benefit reforms.

Extensive consultation had taken place on the proposals, the responses to which were included in the papers. In the light of responses received to the consultation it was now proposed not to align LCTS in relation to removal of the severe disability premium where another person was paid universal credit (carers element), to look after them. The other changes to the LCTS scheme as suggested in the report were therefore recommended to Cabinet.

Councillor Howell summarised the areas of the LCTS scheme which had been the subject of consultation responses, and which had also been examined by Scrutiny Committee. The reduction to the grant to parish and town councils was a measure which Councillor Howell considered was appropriate, as this grant was made from the council's own funds. In his view, the council should use its money where it was most effective, and should not be directed to bodies that could raise funds via their precept. The Government subsidy for transition was no longer available, and the council had provided a subsidy out of its own finances. The proposal to reduce this by 50% this year was being made in time for parish and town councils to prepare. This money represented approximately 3% of the budget of those councils.

Councillor Barker asked a question regarding empty homes discount. Councillor Howell said a reduced discount would be offered for the first six months.

RESOLVED to approve to recommend to Council the Local Council Tax Support scheme as follows:

- (a) The 2017/18 LCTS scheme is set on the same contribution rate as the 2016/17 scheme and therefore the contribution rate is frozen at 12.5% for the third consecutive year.
- (b) Discretionary subsidy for town & parish councils for 2017/18 in accordance with the principles set out below.
 1. UDC should continue to provide discretionary funding to town and parish councils at a reduced level of 50% to assist in mitigating the

effect of LCTS discount taxbase reductions on the Band D Council Tax calculation.

2. The total UDC parish subsidy pot to be distributed using the formula of [2012/13 Parish Band D x 2016/17 Parish LCTS taxbase reduction] – thus avoiding UDC subsidising any precept increases made since 2013/14. The payment to then be adjusted by 50%.

(c) Of the six key reforms to the way benefits are assessed the following four have already been implemented and it is recommended that these are incorporated into the LCTS scheme for 2017/18.

- I. Removal of the family premium for all new working age claimants
- II. Reduction of backdating of a claim from 6 months to 1 month
- III. Removal of the element of the work related work activity component in the calculation of the current scheme for new employment and support allowance applicants
- IV. Period of absence from Great Britain from 13 weeks to 4 weeks whilst still being able to claim benefits

(d) to incorporate the following proposal into the 2017/18 scheme as it becomes applicable: limiting the number of children within the calculation to a maximum of two.

CA73

AUTUMN STATEMENT AND BUDGET CONSULTATION OUTCOMES

Councillor Howell presented a report summarising the Autumn Statement and the two consultations which the council had carried out for residents and for local businesses. The Autumn Statement had contained no mention of local government or the future funding available to local authorities. The two consultations showed both sets of consultees had a similar order of priorities for service delivery. The overall opinion was that council tax should remain the same, but compared to the previous year's survey there was a higher level of support for an increase. The report detailed the highest ranking areas which those responding to the consultation would like the council to focus spending on.

Cabinet NOTED the report.

CA74

GREAT DUNMOW NEIGHBOURHOOD PLAN

Councillor Barker presented a report on the successful examination and referendum relating to the Great Dunmow Neighbourhood Plan, which the Cabinet was now invited to recommend to Council to be formally "made".

Councillor Rolfe congratulated Great Dunmow residents.

RESOLVED to recommend to Council that the Great Dunmow Neighbourhood Plan is formally “made” as part of the statutory development plan for the District.

CA75 CORPORATE PLAN 2017-2021

Councillor Rolfe presented a report on the council’s draft corporate plan for 2017 – 2021. He said the review of the plan had resulted in a slight change of vision, to focus on the wellbeing of the district’s communities and to protect and enhance the unique character of the district.

Councillor Howell said he supported the draft corporate plan, which was one all could aspire to achieve. It would be important to protect the district’s heritage, but he would very much encourage positive planning that looked after heritage and promoted growth.

RESOLVED to recommend the draft Corporate Plan 2017-2021 for approval.

CA76 KERBSIDE GARDEN WASTE SUBSCRIPTION CHARGES FOR 2017/18

Councillor Barker presented a report on measure to achieve efficiencies in the kerbside garden waste collection scheme; to incentive residents to subscribe to the scheme, and to simplify it.

Councillor Oliver suggested the recommendation in relation to the subscription fee of £40 should include the words “per bin”, to ensure the charge matched the number of bins a resident had.

RESOLVED

1. The kerbside garden waste collection subscription remains at £40 per bin for the year 1 April 2017 to 31 March 2018
2. A £5 discount will be made for customers switching to payment by direct debit mandate. A deadline will be set to benefit from this discount.
3. There will be no reduction in subscription charges other than the direct debit discount for customers joining part way through the year.
4. The free bin for new subscribers will be withdrawn.

CA77 EPPING FOREST DISTRICT DRAFT LOCAL PLAN CONSULTATION

Councillor Barker presented a report on the Epping Forest draft local plan consultation. It was important that the council to respond to the consultation, under the duty to co-operate, as Epping Forest were one of the council’s

Strategic Housing Market Area (SHMA) partner authorities. Suggested commentary was set out in the report, for the approval of Cabinet.

Councillor Barker referred to the key issues to consider, regarding the amount of housing proposed and specific proposals close to the administrative boundary. The report set out details regarding the level of housing which on 2012 household projections the SHMA had concluded was necessary, and the newer data available for 2014. At the recent Planning Inspectorate Advisory visit to Uttlesford in November 2016, the council had been informally advised that the SHMA and respective districts should be working to the 2014 sub national housing population projections as a starting point for determining Objectively Assessed Housing Need (OAN).

Councillor Barker said if one authority was not going to meet the full SHMA numbers then there would be an impact on numbers for the whole area.

Councillor Rolfe said the comments reflected reality, and should be supported. He asked members to support the recommendation. Councillor Redfern abstained.

RESOLVED to note the content of the Epping Forest draft local plan (Regulation 18) and suggested commentary, including clarity that the figure of 14,100 has not been identified yet as the council's Objectively Assessed Housing Need, and forward observations to Epping Forest District.

CA78

EAST HERTFORDSHIRE DISTRICT COUNCIL PRE-SUBMISSION DISTRICT PLAN CONSULTATION

Councillor Barker presented a report on the key proposals in the East Hertfordshire pre-submission district plan and their implications for this district. Representations in response to the consultation needed to be submitted by 15 December 2016, so the suggested responses were set out in the report for approval.

Councillor Barker said the advice of the Planning Inspector was that 2014 household projections should be used. It was necessary to be realistic about up to date information. Ongoing duty to co-operate meetings would consider issues regarding education and highways.

Councillor Lodge said his comments were intended to refer to both this report and to the report on Epping Forest. He questioned the approach, if accepting the target figure for households was 14,100, of indicating this council would accept that figure, in the consultation responses.

Councillor Rolfe said this council was accepting that the Planning Inspector had given very clear advice that the 2014 figures should be used. It would be irresponsible of the council in responding to the consultations not to say we have had a clear steer from the inspector.

Councillor Lodge said he agreed with the approach, but the wording in the recommendation was not clear.

The Director of Public Services said, having had that advice, the council was working to assess the sustainability of the scale of growth arising from the 2014 projections, so it would suggest that all the SHMA authorities take the same approach.

Councillor Lodge said he would like to make it clear that this council was not stating it was accepting the figures.

Councillor Rolfe agreed. He said Uttlesford had not made up its mind, but was doing further work and was taking the Planning Inspector's advice very seriously.

Councillor Redfern said she did not feel entirely comfortable with what was suggested. If all the authorities were in the same group they should be taking the same approach. She questioned why they were not.

The Director of Public Services said East Herts had had the same advice.

Councillor Rolfe said each council would have to assess whether it was in a position to have its plan approved.

Councillor Redfern said she had abstained on the recommendation for the Epping Forest response because that council had a large amount of green belt.

RESOLVED to note the content of the East Herts pre-submission and suggested commentary, including clarity that the figure of 14,100 has not been identified yet as the council's Objectively Assessed Housing Need, and forward observations to East Herts District Council.

The meeting ended at 8.20pm.