

COUNCIL MEETING held at COUNCIL OFFICES LONDON ROAD SAFFRON WALDEN on 23 FEBRUARY 2017 at 7.30pm

Present: Councillor J Davey – Chairman
Councillors A Anjum, H Asker, G Barker, S Barker, R Chambers, A Dean, P Fairhurst, T Farthing, M Felton, M Foley, R Freeman, N Hargreaves, E Hicks, S Howell, D Jones, T Knight, G LeCount, P Lees, M Lemon, B Light, J Lodge, A Mills, S Morris, J Parry, V Ranger, J Redfern, H Rolfe, G Sell and L Wells

Officers in attendance: D French (Chief Executive), R Harborough (Director of Public Services), A Knight (Assistant Director Finance), S Pugh (Interim Head of Legal Services), P Snow (Democratic and Electoral Services Manager) and A Webb (Director of Finance and Corporate Services)

C58 ELECTION OF COUNCILLORS LECOUNT AND LEES

The Chairman referred to the recent election of Councillors Garry LeCount and Petrina Lees at the Eisenham and Henham by-election held on 16 February. He congratulated them on their successful election and welcomed them to their first Council meeting.

C59 FORMER COUNCILLOR DAVID GREGORY

The Chairman referred to the recent death of former councillor David Gregory who had represented the Felsted ward from 1991 to 2007 and acted as Chairman of the Council for the year 20011/02. He invited Councillor Dean to say a few words about his former colleague.

Councillor Dean said that David Gregory had died on 29 December 2016 a short time after being diagnosed with bowel cancer. His Christian faith had sustained him during his life and he had visited every church in the district during his year of office as Chairman. David had a great concern for ordinary people, especially those disadvantaged and marginalised in society, and always displayed a great deal of natural industry and determination.

Members then stood in silent tribute to the memory of David Gregory.

C60 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillors Davies, J Freeman, Goddard, Gordon, Harris, Loughlin, Oliver and Ryles.

C61 MINUTES OF THE MEETING ON 8 DECEMBER 2016

The Minutes of the meeting held on 8 December 2016 were received, approved and signed as a correct record.

C62 CHAIRMAN'S ANNOUNCEMENTS

The Chairman summarised his busy schedule of engagements in the period since the last meeting, mentioning especially the civic dinner held at Bishop's Stortford golf club on 26 January and he was pleased to report this had been well attended.

C63 REPORTS FROM THE LEADER AND MEMBERS OF THE EXECUTIVE

The Leader commenced his remarks by paying tribute to the memory of former councillor David Gregory and also welcomed newly elected councillors LeCount and Lees.

He reported the allocation of £3.5m from the Local Growth Fund for the planned technology and skills tertiary college at Stansted Airport and the £6.8m of funds allocated to this worthwhile project from other sources. Money had also been allocated for the work needed at Junction 8 of the M11 and he emphasised the importance of the planned improvements for the district.

Turning to other matters, the Leader said that devolution was effectively now dead in Essex. However, much of the work behind the devolution project was still continuing as in the three key areas of economic growth, the skills agenda and in health and social care.

Andrew Sentence was continuing to chair the Essex Economic Committee which had issued a report forecasting good prospects for the Essex economy. He outlined a number of the themes emerging from this process. The geographical location of Uttlesford within part of the M11 corridor and the continuing development of life sciences and IT technology were all factors driving the local economy forward.

Councillor Redfern in her capacity as the portfolio member for housing and economic development reported on the progress of a number of projects within the district. These included:

- Projects at Chesterford Business Park
- Progress on the availability of superfast phase 3 broadband
- Saffron Walden town team's proposal for a Business Improvement District
- Developments in the housing of refugees (only one family had been allocated to Uttlesford to date)
- Housing projects at Frambury Lane, Newport; Sheds Lane and Hatherley in Saffron Walden; phase 1 of Reynolds Court in Newport was on target with phase 2 to follow later in the year; in addition there had been an opening ceremony at Catons Lane, Saffron Walden; and the Mead Court development in Stansted had finally been completed with the provision of 29 new homes

Councillor S Barker referred to the Great British Spring Clean on 30 March and asked members to become involved in litter picking at a local level.

C64

MEMBERS QUESTIONS

Councillor Loughlin congratulated Councillor Redfern on her success in the building of council houses and commented that the provision of new housing was a major concern for Uttlesford. The Council's policies were effectively at odds with central Government which had taken a position of ideological opposition to council house building. She asked for further updates on progress being made to defend against the right to buy policy for social housing.

Councillor Redfern confirmed there was not much the Council could do in terms of the Government's right to buy policy and her position was that everyone had the right to own their own home. The Council had lobbied the Government that TRB provisions were wrong and she intended to examine the Housing Revenue Account to explore ways of structuring it to accommodate further council house building.

The Council had to fund a debt of £88.4m over 30 years on the basis that no repayments would be made over the first five years. A rent reduction of 1% would be applied over a four year period so that a future plan was needed to finance the loss of income.

Councillor Foley agreed with these comments and referred to a recent meeting with Thaxted residents which had highlighted some heart-wrenching stories. The present restrictions were causing great difficulties and he asked for these matters to be passed up the line to central Government.

Councillor R Freeman said that a number of properties currently available for social housing use would be lost to the Council as a result of the policy. There was a caveat on the sale that the property must be offered to the Council at market value but once sold it was unlikely a house would be replaced.

Councillor Redfern responded that there was a provision to clawback the discount offered if the house was sold within five years. Uttlesford was an expensive area and the housing market position was tough for local people.

Councillor Mills commented that there had been 15 right to buy sales in the past year providing some perspective in the light of the Council's existing stock of 2,798 houses.

C65

CORPORATE PLAN 2017-2021

The Leader presented for adoption the Corporate Plan covering the period from 2017 to 2021. The plan had been considered both by Cabinet and by the Scrutiny Committee.

The proposed new plan emphasised the theme of community leadership to describe the key value that councils can bring to their locality. The Council was at the centre of the wheel with spokes going out to parishes and voluntary bodies and finally to the greater population at the outer rim.

The vision was encapsulated as “Working together for the well being of our community and to protect and enhance the unique character of the District” as covered by the following four themes:

- Promote thriving, safe and healthy communities
- Protect and enhance heritage and character
- Support sustainable business growth
- Maintain a financially sound and effective Council

Appendix B of the report contained the detailed delivery plan for 2017/18.

Councillor Parry pointed out the report contained a duplication of paragraph numbers.

RESOLVED to approve the Corporate Plan for 2017-21 including the Council’s vision and priorities.

C66

BUDGET 2017/18

Councillor Howell presented the series of reports comprising the 2017/18 budget as the executive member for finance and administration.

First, the Chairman invited Councillor Dean to present the views of the Scrutiny Committee. Councillor Dean said that his Committee had taken the opportunity to review all of the papers. He welcomed the delivery plan for the Corporate Plan.

He went through all of the reports and commented on them in turn. On the adequacy of reserves he said the planning reserve had added funds drawn down for the Local Plan. Regarding the Medium Term Financial Strategy the planned budget surpluses had drawn a line between being prudent and over cautious and he felt that financial forecasting had improved in accuracy.

Councillor Dean commented that his Committee’s view was that the capital programme was unambitious and contained a great many routine programmes such as the acquisition of new refuse vehicles. He questioned whether the programme was sufficiently ambitious.

He asked whether zero based budgeting would be used in future years as had sometimes been the case previously.

In relation to the Housing Revenue Account he referred to the cost of support services for sheltered housing tenants. Most of the costs were in the benefits system and this was a good move from officers. He said the enforced rent reductions would impact on the Council’s ability to invest.

Finally, turning to the General Fund and Council Tax he commented on the planned budget surplus of £564k. He supported the proposed pay increases to staff. However, he had questions about whether this would lead to uncontrolled cost increases but noted the increases would be performance related. He wanted more action in supporting the Police and for the provision of PCSOs.

Councillor Ranger commented that the Scrutiny Committee had implied the Local Plan cost increases were caused by the pause in the process but this was not the case as they were due to work required to develop the Local Plan for adoption.

Councillor Howell then offered a brief summary before turning to the detail of the budget reports. He thanked Mr Webb, Ms Knight and their team for the hard work they had put in to prepare the 2017/18 budget. The progress made had been slow because of the need to seek the views of the Scrutiny Committee and Cabinet during February. Mr Webb and Ms Knight had attended meetings of all three political groups and been available to answer questions at every stage. As a result he assumed that all members had read the papers and then proceeded to deal with each separate budget paper in turn.

C67

ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES 2017/18

In presenting this report, Councillor Howell said the Section 151 officer had offered his formal advice in the Section 25 report and this was summarised in the report before members. The minimum safe contingency level for the working balance was assessed as £1.266m. It was being recommended that the Council approve the risk assessment relating to the robustness of estimates. Officers had looked at the risks and opportunities and it was clear there were significant uncertainties involved. The risks were outlined in the report.

The reserves strategy was set out in pages 53 to 68 of the report. In spite of the uncertainties, the Council was in a far stronger position than most of its peer group. The ring-fenced reserves were set out in the report. The Council could not spend these reserves outside of the stated purpose. There were a number of earmarked reserves set aside for predicted future events. There were real challenges around New Homes Bonus and the expected loss of Revenue Support Grant, and these must be taken into account when setting the reserves strategy.

A sum of £3.5m had been allocated towards the cost of a new waste depot site. This was necessary because of the long term need to move the depot location. A total of £1m had been allocated as the MTFs reserve and £1.8m for the transformation reserve.

He proposed the recommendation in the report and this was seconded by Councillor Rolfe.

Councillor Hargreaves commented on the planning reserve which had been reduced over a period of three years. This reserve was needed to pay for work on the Local Plan and to cover the cost of defending planning appeals. An application in Newport had been refused on a majority committee vote and would be taken to appeal. He questioned whether the reduced reserve would be sufficient to fight all future planning appeals and whether the Council would commit funding to fight all such appeals.

The Leader gave an assurance that the reserve would be sufficient to defend planning appeals but the second question was more complicated. Appeals would not always be defended if the Planning Committee went against the officer recommendation.

Councillor Hargreaves asked whether this meant the Council would not defend the democratic decisions of the Planning Committee.

The Leader said this would depend on each individual case. In some cases the decision would have to be defended by members.

Councillor R Freeman commented that this highlighted a weakness in the planning process set against the democratic will of elected members. If officers were to recommend one way and members the other way, and the Council did not then support those decisions there might as well not be a planning committee at all.

The Chief Executive commented that this was not directly a budget matter and she would clarify soon by way of a protocol the position regarding the defending of planning appeals.

Councillor R Freeman said this did not help as developers had access to substantial funds not available to the Council.

The Chief Executive then clarified that the protocol would set out clearly how proper support could be offered to members engaged in the defence of planning decisions.

Councillor Howell then summed up the debate and clarified that the safe contingency reserve should be set at £1.266m.

A vote was taken and the recommendation was adopted by a substantial majority.

RESOLVED to adopt the following policies:

1. The Council would take account of the advice in the report when determining the 2017/18 General Fund budget and Council Tax.
2. Approve the risk assessment relating to the robustness of estimates as detailed in the report.
3. To set the minimum safe contingency level for 2017/18 at £1.266m
4. Adopt the Reserves Strategy in the report.
5. Agree that no transfers to or from the Working Balance should be built into the 2017/18 budget.

C68

MEDIUM TERM FINANCIAL STRATEGY

In presenting the Medium Term Financial Strategy (MTFS) Councillor Howell said there were a number of unknown factors including the future position relating to New Homes Bonus as outlined in the report. There would be a new round of consultation following the original consultation in 2016.

The introduction of 100% business rates retention was still expected to be implemented in 2019/20. It was thought this would have a fiscally neutral impact but it was unclear what assets would become the Council's responsibility and be returned by the Government. A full summary was included in the report.

Efficiencies and income opportunities in the region of £690k were expected in 2018/19 and £1m by 2021/22. The position was that if these efficiencies did not materialise there would be a rising deficit.

A balanced budget was being set next year but there would be a growing deficit thereafter. This was a challenge that must be met in future years. A plan had been developed to meet this challenge and there was a period of 12 months to implement it.

Councillor Howell then proposed adoption of the recommendation in the report and the motion was seconded by Councillor Chambers.

Councillor Dean asked whether there were matters that should be brought to members' attention in terms of the Council's ability to continue normal service delivery.

Councillor Howell gave an assurance that front line services would continue to be protected. There was a well understood process of monitoring through Cabinet, Scrutiny and Performance and Audit Committees.

Councillor S Barker asked about the impact of proposed changes to the rateable value of businesses many of which would pay no business rates after April 2017.

Councillor Howell said he would give Councillor Barker a written answer.

RESOLVED to approve the Medium Term Financial Strategy.

C69 **TREASURY MANAGEMENT STRATEGY 2017/18**

Councillor Howell proposed the recommendation in the report to approve the Treasury Management Strategy including the approved counterparty list.

RESOLVED that the following items be approved:

- Treasury Management Strategy 2017/18
- Prudential Indicators set out in Appendix A
- Minimum Revenue Provision (MRP) Statement set out in Appendix B
- Economic Forecast set out in Appendix C

C70 **CAPITAL PROGRAMME 2017/18**

Councillor Howell said that the capital programme was the real meat of the meeting. It was essential that the Council's finances were run effectively and with proper investment decisions being taken. Earlier in the meeting Councillor

Dean had referred to the capital programme as being unambitious. He took issue with that comment as a sum of £56.5m was being invested in capital projects in the five year period including the outturn from 2016/17, of which £14.2m was being invested in the Revenue Fund. A sum of £1.37m was being invested in the vehicle replacement programme in 2017/18 and £4.77m over the five year period.

The capital programme underpinned the successful waste and recycling strategy which had proved very effective. There was also planned significant investment in superfast broadband with match funding initiatives.

He proposed the adoption of the capital programme and this was seconded by Councillor Rolfe.

Councillor Knight said that reserves had supported the proposed sports complex at Carver Barracks with a £500k allocation and this had been bolstered by match funding secured by the Army. She was dismayed to discover that this sum had been taken out of the reserves based on an assumption that the base may close in 10-15 years' time. The planned investment was good value for the area and was a relatively small sum compared to the entire budget.

She had received a communication from the commanding officer at the barracks as he had heard there was a possibility of the money being stopped. The Army had donated money from their own coffers and there were further pledges of money to come. Councillor Artus had explored whether the land could be purchased with the help of a grant but this seemed unlikely if the Council's support was withdrawn.

For these reasons, Councillor Knight asked for the £500k to be reinstated to the capital reserve, if necessary transferred from other areas to accommodate this vital project.

The Leader confirmed the Council was supportive of the project but it was considered imprudent to make a financial commitment if it was not certain to proceed. The key difference was the Army's announcement that the base may close. Councillors Artus and Knight had both been involved in these developments every step of the way but the project must be provided for the benefit of local residents on the basis of a shared facility over a 20/30 year period. This was now in question because of the recent announcement. The Council would need to retain some interest in the land and the matter had to be tied up in a secure fashion.

Councillor Knight responded that the barracks would not have closed by 2020 and for ten years' of use the level of investment concerned was not a great deal of money. Funds had been raised on the basis of match funding and this certainty must be restored.

The Director of Finance and Corporate Services commented that there had never been a separate reserve for this project and the matter had never been discussed by either the Cabinet or Council. The funds were held in the Strategic

Initiatives Reserve and could be allocated but there was not presently a sufficient demonstration that the project would go ahead.

Councillor Dean pointed out that the Liberal Democrat group had proposed three amendments including a proposal to establish a £500k capital fund for a large community infrastructure initiative in an attempt to make the capital programme more ambitious. This sum would come from the Strategic Initiative Fund Reserve. He proposed this item as an amendment to the capital budget proposal in the papers before the meeting.

Councillor Sell said this allocation of funds would benefit a number of projects and there could be later discussion about the precise allocation.

Councillor Ranger commented that his ward could spend £500k but it was unclear for what purpose the money was being allocated. Councillor S Barker said that there were a number of funds for various purposes including CCTV provision and there were plenty of ways to bid for funds to benefit the community. It was not a good idea to allocate money for an unknown purpose.

Councillor Rolfe said he would support what Councillor Dean was proposing if the business case was robust but the budget had to be managed on the basis of clear fiscal funds.

Councillor Chambers supported these comments. The last few years had seen difficult financial times and the Council at one time had not been financially sound. Over a nine year period the Council had recovered to a position of financial stability and he would not support any proposal that would put that position at risk. Reserves should be allocated only where a strong case could be put forward.

In summing up the debate, Councillor Howell said that he was reluctant to identify specific money for an unknown project. Councillors should come back with a specific purpose in mind.

The following amendment was then put to the vote:

“Approve the Capital Programme and associated financing of the programme as set out in the report, subject to the establishment of a £500,000 capital fund for a large community infrastructure initiative(s) in the district. This would be funded from the Strategic Initiatives Fund Reserve.”

The amendment was declared lost by 19 votes against to three in favour.

The substantive motion was then put to the vote and carried.

RESOLVED to approve the Capital Programme and associated financing of the programme as set out in the report.

C71

HOUSING REVENUE ACCOUNT 2017/18

Councillor Howell proposed the recommendation in the report and the motion was seconded by Councillor Redfern. The HRA budget assumed a rent reduction of 1%. The average rent would be reduced from £99.81 to £98.80, a reduction of £1.01 per week. The capital investment in the HRA was £42.35m over a five year period. This included £3.25m in major repairs and £6.6m to be invested in major redevelopments.

The motion was carried with no votes against.

RESOLVED to approve the HRA Revenue Budget and Five Year Financial Strategy

C72

GENERAL FUND COUNCIL TAX 2017/18

Councillor Howell said that the General Fund and Council Tax report brought the whole budget for 2017/18 together. He drew attention to the priorities identified in the consultation of local residents and businesses which had helped to frame the budget. The proposal was for a 1.9999% increase on the average band D equivalent. He said that Uttlesford was the lowest cost council in Essex.

He highlighted a number of matters included in the budget proposals. These included the Local Council Tax Support at a rate of 12.5%; a continuation of support for the Local Plan and financing for two PCSOs.

Turning to fees and charges he said that most of these were unchanged but some change was being proposed to charges at the Lower Street car park in Stansted.

Overall, the budget was prudent and sensible with the overriding objective of running services efficiently.

He proposed adoption of the budget and this was seconded by Councillor Chambers. Members were reminded that a recorded vote was required in accordance with legislation and Procedure Rule 14.7.

Councillor Hargreaves referred to constant central government tinkering with local government finances. A 2% increase was not a great deal and in line with the movement in general earnings and his group would support the proposal.

He thanked the finance team for their efforts. They had produced a work of art and completed a difficult job well.

Councillor Hargreaves referred to the survey of 500 local people and the priorities identified. In relation to the priority to empty litter and dog bins, he drew attention to a recent case in Liverpool where a reward had been offered for each successful conviction. He suggested keeping an eye on this development with a view to introducing a similar scheme in Uttlesford.

The Leader agreed with these comments. He said that £300k was being spent on litter picking. He felt that dog mess was less of a problem than it used to be and this had resulted from peer pressure and the position was the same with litter.

In introducing the Liberal Democrat budget amendments, Councillor Sell informed members of successful schemes in East Hertfordshire to keep more PCSOs on the streets and said this was an integral part of safe neighbour policies and enhanced enforcement activities. The amendment was carefully worded and was subject to match funding. Stansted Parish Council already part funded a PCSO in the parish and he would like to see this initiative extended. Policing priorities in Essex were different to those in Hertfordshire. Nick Alston saw PCSOs as a vital part of local policing but priorities had changed. The visibility of policing was a big local issue and the voice of local communities should be heard.

Councillor Sell proposed the first Liberal Democrat amendment and it was seconded by Councillor Dean.

The Leader said he was warm to the proposed amendment and there were clear differences between policing in Essex and Hertfordshire. He would nevertheless be grateful if members would not change the budget. A planned parish forum on 15 March would consider planning and enforcement. He felt a better dialogue with town and parish councils would help in co-operative working with local police to identify what extra capacity might be available in this area to provide for a robust recruitment programme.

He said he would support the second amendment as well relating to Neighbourhood Plan support.

Councillors Morris and Fairhurst asked for guidance as to whether they could vote for this proposal as members of Saffron Walden Town Council and were advised that there was no conflict in doing so.

Councillor Ranger spoke to reinforce the intention to take these proposals forward for consideration at the parish forum.

Councillors Howell and Redfern both said they were supportive in principle on the basis that any proposals would come back to the Council for consideration.

Councillor Sell asked for an assurance that if he withdrew the amendments the proposals would not be kicked into the long grass and would be listened to.

Councillor Rolfe said he felt it would be a good idea to put two extra PCSO posts in the budget if town and parish councils were to demonstrate interest in providing local funding in support. He said in principle he would want to get behind such a proposal.

Councillor Sell then withdrew his amendment.

Councillor Foley asked about the second Liberal Democrat amendment to extend officer support for neighbourhood planning to two days a week. The Leader said he was warm to the idea and would look sympathetically at the principle involved. He would prefer not to take this matter to the vote at this meeting as there was a need to work through the detail.

Councillor Sell said he was prepared on that basis to withdraw the second amendment as well.

The original proposal to approve the General Fund Council Tax requirement for an increase of 1.9999% was then put to a recorded vote and the outcome was as follows:

For the motion: Councillors Anjum, Asker, G Barker, S Barker, Chambers, Davey, Dean, Fairhurst, Farthing, Felton, Foley, R Freeman, Hargreaves, Hicks, Howell, Jones, LeCount, Lees, Lemon, Lodge, Mills, Morris, Parry, Ranger, Redfern, Rolfe, Sell, Wells

Against the motion: no votes were recorded against the motion

Abstained: Councillor Light

The motion was passed by 28 votes to none against with one abstention.

RESOLVED to approve:

- a) The General Fund Council Tax requirement of £5,034,621 summarised in paragraphs 16-22 of the report, an increase of 1.9999% on the average band D equivalent.
- b) The schedule of fees and charges as per appendix F.
- c) The Council Tax Resolution as set out in Appendix A of the report.

C73

PAY POLICY 2017/18

Councillor Howell proposed adoption of the Pay Policy as set out in Appendix A of the report. He said that people were the Council's most important asset and there should be a consistently applied pay policy as was being proposed. The proposed pay scales would be the subject of consultation with staff.

Councillor Rolfe seconded the motion.

RESOLVED to approve the Pay Policy as set out in Appendix A of the report.

C74

TIMETABLE OF MEETINGS 2017/18

RESOLVED to approve the timetable of meetings for 2017/18

The meeting ended at 9.45pm.