

**MINUTES OF THE CABINET
HELD ON**

24 January 2019

7.30 - 8.15 pm

PRESENT

Committee Members

Councillor Mark Ingall, Leader of the Council
Councillor Mark Wilkinson, Deputy Leader and Portfolio Holder for Housing
Councillor Mike Danvers, Portfolio Holder for Resources
Councillor Eugenie Harvey, Portfolio Holder for Community and Wellbeing
Councillor Danny Purton, Portfolio Holder for Environment
Councillor Lanie Shears, Portfolio Holder for Governance & Equality and Diversity
Councillor John Strachan, Portfolio Holder for Regeneration
Councillor Emma Toal, Portfolio Holder for Economic Growth

Other Councillors

Councillor David Carter
Councillor Simon Carter
Councillor Tony Edwards
Councillor Tony Hall
Councillor Andrew Johnson
Councillor Stefan Mullard
Councillor Russell Perrin
Councillor Chris Vince

Officers

Brian Keane, Managing Director
Andrew Bramidge, Project Director - Enterprise Zone and Interim Head of Planning
Simon Freeman, Head of Finance and Deputy to the Managing Director
Jane Greer, Head of Community Wellbeing
Simon Hill, Head of Governance
Andrew Murray, Head of Housing
Adam Rees, Governance Support Officer

94. **APOLOGIES FOR ABSENCE**

None.

95. **DECLARATIONS OF INTEREST**

None.

96. **MINUTES**

RESOLVED that the minutes of the meeting held on 6 December 2017 are agreed as a correct record and signed by the Leader.

97. **MATTERS ARISING**

None.

98. **WRITTEN QUESTIONS FROM THE PUBLIC**

The questions, together with the answers, are appended to the minutes.

99. **WRITTEN QUESTIONS FROM COUNCILLORS**

None.

100. **PETITIONS**

None.

101. **FORWARD PLAN**

RESOLVED that the Forward Plan is noted.

102. **RECENT DECISIONS TAKEN BY THE LEADER, DEPUTY OR PORTFOLIO HOLDER(S)**

In response to questions, the Leader of the Council said that he had taken an urgent decision, in consultation with Officers and relevant Portfolio holders, to take the management of the Museum back under direct Council control in order to reopen Harlow Museum.

103. **CORPORATE PLAN 2019/20**

Cabinet received a report proposing a Corporate Plan for 2019/20 to 2021/22.

Proposed by Councillor Mark Ingall (seconded by Councillor Mike Danvers) it was:

RESOLVED that it was recommended to Full Council that:

A The Corporate Plan 2019/20 – 2021/22, attached as Appendix A to the report, is adopted.

B Authority be delegated to the Managing Director, in consultation with the Leader of the Council, to make minor and inconsequential amendments to the Corporate Plan.

104. **MEDIUM TERM FINANCIAL STRATEGY 2019/20 - 2021/22**

Cabinet received a report proposing a Medium Term Financial Strategy for the Council from 2019/20 to 2021/22.

Proposed by Councillor Mark Ingall (seconded by Councillor Mike Danvers) it was:

RESOLVED that it was recommended to Full Council that:

- A** The Medium Term Financial Strategy for 2019/20 to 2021/22 (attached as appendix B to the report) is adopted.
- B** The planned Council Tax increase of two per cent for 2019/20 as set out in the Medium Term Financial Plan be approved.
- C** The proposals in relation to reserves as set out in this report at paragraphs 23 to 29 and contained within Section 8 of the Medium Term Financial Strategy be approved.

105. **CAPITAL AND TREASURY REPORT 2019**

Cabinet received a report which set out the Capital Strategy Report, the Capital Programme Strategy Statement 2019/20, the Investment Strategy Report 2019/20, the Minimum Revenue Provision Statement 2019/20 and the Treasury Management Strategy Statement 2019/20.

Proposed by Councillor Mark Ingall (seconded by Councillor Mike Danvers) it was:

RESOLVED that it was recommended to Full Council that:

- A** The following Capital and Treasury Reports be approved:
 - i) The Capital Strategy Report (attached as Appendix A to the report)
 - ii) The Capital Programme Strategy Statement 2019/20 (attached as Appendix B to the report)
 - iii) The Investment Strategy Report 2019/20 (attached as Appendix D to the report)
 - iv) The Minimum Revenue Provision Statement 2019/20 (attached as Appendix E to the report).
- B** The proposed revised Treasury Management Strategy Statement 2019/20 (attached as Appendix C to the report) be approved for implementation with immediate effect.

106. **HOUSING REVENUE ACCOUNT BUSINESS PLAN 2018 - 2048**

Cabinet received a report proposing a formal update of the Council's Housing Revenue Account Business Plan.

Proposed by Councillor Mark Ingall (seconded by Councillor Mike Danvers) it was:

RESOLVED that it was recommended to Full Council that:

- A** The Housing Revenue Account (HRA) Business Plan, as set out in Appendix A to this report, be approved.
- B** Authority be delegated to the Managing Director, in consultation with the Portfolio Holder for Housing, to make minor amendments to the Plan, if necessary, following consultation.

107. **HOUSING REVENUE ACCOUNT BUDGET 2019/20**

Cabinet received a report which provided a forecast of the outturn budget for the Council's Housing Revenue Account for the current financial year, as well as a proposed budget for 2019/20.

Proposed by Councillor Mark Ingall (seconded by Councillor Mike Danvers) it was:

RESOLVED that it was recommended to Full Council that:

- A** The rent reductions for individual dwellings as set out in paragraph 30 of this report are approved with effect from 1 April 2019. This equates to an average weekly rent of £89.84 a statutory reduction of one per cent.
- B** Service charges for individual dwellings, as set out in paragraphs 22 to 29 of this report are approved with effect from 1 April 2019 for both tenants and leaseholders. This equates to an average weekly service charge to tenants of £2.49.
- C** Heating charges as set out in paragraphs 31 to 38 of this report are approved with effect from 1 April 2019 for both tenants and leaseholders. Average weekly general needs charges are £9.24 per week (leaseholders £16.09 per week, equivalent) and, for sheltered accommodation, £6.83 per week.
- D** Rents for garages held within the category 'Retain and Invest' as defined in the 'Garages and Hardstanding Improvement Strategy 2015' will increase by five per cent, to £10.16 per week (for a standard garage) and proportionate increases for other garages, car ports and car spaces from 1 April 2019. Rents of garages in other categories will reduce by 20 per cent in order to provide an incentive, as set out in paragraphs 39 and 40 of this report.
- E** Housing related support charges are as set out in paragraphs 17 to 21 and Table 1 are approved for service users with effect from 1 April 2019.
- F** Other charges set out in paragraphs 41 to 43 of this report are approved with effect from 1 April 2019. Note the addition of two new charges from 1 April 2019 for the provision of information to

facilitate Equity Release £30.80 and Re-mortgage work £20.50 (both inclusive of VAT at 20 per cent).

- G** The growth items outlined in paragraph 46 in respect of 2019/20 are approved.
- H** The Housing Revenue Account (HRA) budget (attached as set Appendix A to the report) is approved.
- I** A minimum HRA working balance shall be £4 million as at 31 March 2020, with £2.5 million being the minimum level and with an additional £1.5 million added as an allowance towards any additional expenditure required as a result of the Grenfell Tower Public Inquiry, (as set out in Appendix B of this report) is approved.

108. **GENERAL FUND BUDGET 2019/20**

Cabinet received a report which set out the annual General Fund Budget for the Council. The report included a proposed increase to the Council Tax charge of two per cent.

Proposed by Councillor Mark Ingall (seconded by Councillor Mike Danvers) it was:

RESOLVED that it was recommended to Full Council that:

- A** The General Fund estimates for 2019/20, as set out in Appendix A to the report, are approved.
- B** The proposed transfers between the General Fund and Earmarked Reserves, referred to in paragraphs 24 to 27 and Table 3 of this report and set out in Appendix C to the report, are approved.
- C** The proposed Fees and Charges, as set out in Appendix E to the report, are approved.
- D** The Pay Policy Statement, as set out in Appendix G to the report, is approved.
- E** The Council's Band D Council Tax for 2019/20 is set at £277.73 representing an increase in Council Tax of two per cent for the forthcoming year.

109. **CAPITAL PROGRAMMES 2018/19 - 2019/20**

The Cabinet received a report on the outturn for 2018/19 and proposed programmes for 2019/20.

Proposed by Councillor Mark Ingall (seconded by Councillor Mike Danvers) it was:

RESOLVED that it was recommended to Full Council that:

Housing Capital Programme

- A** The Housing Capital Programme 2018/19 revised outturn of £19,513,000, as set out in Table 2 of the report is noted.
- B** The Housing Capital programme 2019/20 of £24,044,000, as set out in Table 5 of the report is approved, including £2.7 million of external borrowing to support building council homes.

Non Housing Capital Programme

- C** The revised Non Housing Capital Programme 2018/19 of £11,105,000, as set out in Table 6 of the report is noted.
- D** The Non Housing Capital Programme for 2019/20 £11,156,000 including the Enterprise Zone (EZ) (£5,319,000) and Prentice Place (£2,347,000) as set out in Table 7 of the report is approved.
- E** Internal borrowing is approved to support:
 - i) the Non Housing Capital Core Programme of £9,866,000 up to 31 March 2019, and a further £2,372,000 in 2019/20.
 - ii) in respect of Prentice Place in 2019/20 of £1,755,000.
 - iii) in respect of the EZ in 2018/19 of £5,790,000 and in 2019/20, £5,319,000. This will bring total borrowing over the 3 years from 2017/18 to £13,707,000.

110. **DISCRETIONARY RATE RELIEF POLICY - RETAIL RELIEF**

Cabinet received a report which set out a proposed retail relief policy.

Proposed by Councillor Mike Danvers (seconded by Councillor Mark Ingall) it was:

RESOLVED that it was recommended to Full Council that:

- A** The proposed Retail Relief Policy (attached as Appendix A to the report) be adopted.

111. **DISPOSAL OF LAND ALONG GILDEN WAY TO THE HIGHWAYS AUTHORITY**

Cabinet received a report which sought approval for plans to dispose of land parcels along Gilden Way owned by the Council to the Highways Authority.

Proposed by Councillor John Strachan (seconded by Councillor Danny Purton) it was:

RESOLVED that Cabinet:

- A** Approved plans to dispose of the Council's freehold interest in the various land parcels (attached as Appendix A to the report).
- B** Delegated to the Head of Finance and Deputy to the Managing Director, in consultation with the Portfolio Holder for Regeneration, the authority to negotiate and finalise the terms of the disposal and (subject to being satisfied that it would be for the best consideration reasonably obtainable) thereafter procure the legal completion of the sale documentation and all ancillary documents.

112. **COMMUNICATIONS FROM COMMITTEES/WORKING GROUPS/PARTIES AND PANELS**

None.

113. **MINUTES OF PANELS/WORKING GROUPS**

RESOLVED that the minutes of the following meetings are noted.

- a) Minutes of meeting Thursday, 27 September 2018 of Safety Committee
- b) Minutes of meeting Thursday, 29 November 2018 of Cabinet Overview Working Group

114. **MATTERS OF URGENT BUSINESS**

None.

LEADER OF THE COUNCIL

**CABINET – 24 JANUARY 2019
QUESTIONS FROM THE PUBLIC**

Agenda item 5 refers

1. **Mr David Forman to Councillor Mike Danvers, Portfolio Holder for Resources**

The Council's Medium Term Financial strategy 2019/20 - 2021/22 supplied to tonight's Cabinet meeting, in agenda item 11, includes consideration of the General Fund Budget Parameters as set out in Appendix A.

Contained within these parameters is an item titled 'staff vacancy savings target'. The assumption stated is 2 per cent per annum for the coming years up to April 2022, this assumption being no change from that in February 2018.

Consequently, please state:

- a) How many staff vacancies were not replaced in the previous financial year, the current financial year and the number of full-time equivalent posts this equates to over both of these financial years.
- b) The number of staff vacancies that it is assumed will not be replaced over the next three financial years and the number of full-time equivalent posts this will equate to over each of those financial years.

Reply from Councillor Mike Danvers, Portfolio Holder for Resources

The staff vacancy target" recognises that in any organisation there will be periods when, as a result of factors including resignation and retirement there will be savings generated as a result of posts becoming vacant. The Council recognises this and sets the 2 per cent target to reflect what it considers to be a reasonable level of savings that may be achieved as a result of such occurrences.

The target does not set a figure for the deletion of posts, it is merely a level of realistic savings against the payment of salaries when staff recruitment is undertaken following a vacancy occurring in a service or team. Under normal practice there will be a period for the recruitment itself and in most cases where a successful appointment is made the new member of staff will be required to work out a period of notice with the previous employer all of which results in periods of vacancy (and associated salary savings) against which this target is set. There are no staff vacancies that it is assumed will not be replaced over the next three financial years.

Agenda item 5 refers

The target for 2017/18 and 2018/19 was 2 per cent and the actual saving achieved was 1.5 per cent in 2017/18 and is forecast to be 1.4 per cent in 2018/19

2. **Mr David Forman to Councillor Mike Danvers, Portfolio Holder for Resources**

Further to my previous question, as stated in Appendix A to the Medium Term Financial Strategy, these staff vacancy savings are a 'target'. Therefore, will council management take such measures as are necessary to achieve these targets?

Reply from Councillor Mike Danvers, Portfolio Holder for Resources

As stated in the answer to the previous question, the target is set to reflect what is considered to be a reasonable level of savings caused by transition periods between new and old staff. As a result of this, the Council's management is not taking steps to ensure that the staff vacancy target is met.