

Minutes

Cabinet

10th February 2020



These minutes principally record decisions taken and, where appropriate, the reasons for the decisions. A webcast of the meeting is available at www.braintree.gov.uk.

Present:

Portfolio	Cabinet Member	Present
Leader of the Council	Councillor G Butland	Yes
Deputy Leader of the Council Economic Development and Infrastructure	Councillor T Cunningham	Yes
Communities Culture and Tourism	Councillor F Ricci	Yes
Corporate Transformation	Councillor J McKee	Yes
Environment and Place	Councillor Mrs W Schmitt	Yes
Finance and Performance Management	Councillor D Bebb	Yes
Health and Wellbeing	Councillor P Tattersley	Yes
Homes	Councillor K Bowers	Yes
Planning	Councillor Mrs G Spray	Yes

Also present as invitees of the Leader: Councillor Abbott, Leader of the Green and Independent Group, Councillor Mann, Leader of the Labour Group and Councillor Mrs Pell, Leader of the Halstead Residents Group.

Councillors Hensman and Schwier were also present.

45 **DECLARATIONS OF INTEREST**

INFORMATION: The following interests were declared:-

- Councillor J Abbott declared a Non-Pecuniary Interest in Agenda Item 5a – ‘Council Budget and Council Tax 2020/21 and Medium Term Financial Strategy 2020/21 to 2023/24’ as a Member of Rivenhall Parish Council and as a Member of Essex County Council.
- Councillor G Butland declared a Non-Pecuniary Interest in Agenda Item 5a – ‘Council Budget and Council Tax 2020/21 and Medium Term Financial Strategy 2020/21 to 2023/24’ as a Member of Great Notley Parish Council, a Member of Essex County Council and as a Non Remunerated Director of NEGC.

- Councillor T Cunningham declared a Non-Pecuniary Interest in Agenda Item 5a – ‘Council Budget and Council Tax 2020/21 and Medium Term Financial Strategy 2020/21 to 2023/24’ as a Member of Great Notley Parish Council.
- Councillor J McKee declared a Non-Pecuniary Interest in Agenda Item 5a – ‘Council Budget and Council Tax 2020/21 and Medium Term Financial Strategy 2020/21 to 2023/24’ as a Trustee of the Braintree District Museum Trust.
- Councillor Mrs Pell declared a Non-Pecuniary Interest in Agenda Item 5a – ‘Council Budget and Council Tax 2020/21 and Medium Term Financial Strategy 2020/21 to 2023/24’ as a Member of Halstead Town Council and as Chairman of the Halstead Community Centre Charity Company.
- Councillor F Ricci declared a Non-Pecuniary Interest in Agenda Item 5a – ‘Council Budget and Council Tax 2020/21 and Medium Term Financial Strategy 2020/21 to 2023/24’ as Vice Chairman of Great Notley Parish Council and as a Trustee of the Braintree District Museum Trust.
- Councillor Mrs Schmitt declared a Non-Pecuniary Interest in Agenda Item 5a – ‘Council Budget and Council Tax 2020/21 and Medium Term Financial Strategy 2020/21 to 2023/24’ as a Member of Essex County Council.

46 **MINUTES**

DECISION: That the Minutes of the meeting of the Cabinet held on 18th December 2019 be approved as a correct record and signed by the Chairman.

47 **QUESTION TIME**

INFORMATION: There was one general statement made regarding various issues including LED street lighting and 5G Broadband. Mr Elliott Shutt expressed concerns regarding the potential roll out of 5G wireless technology and the possible impact that this may have to residents.

48 **COUNCIL BUDGET AND COUNCIL TAX 2020/21 AND MEDIUM TERM FINANCIAL STRATEGY 2020/21 TO 2023/24**

INFORMATION: It was reported that on Monday 27th January 2020, the Financial Secretary to the Treasury had made a Written Ministerial Statement announcing additional business rates measures that would apply from 1st April 2020. Supplementary guidance was also issued by the Ministry of Housing, Communities & Local Government, which clarified the position regarding the Retail Rate Relief scheme referred to under section 9.2.3 of the main report and identified two additional rate reliefs (for pubs and local newspaper offices) which the Government was asking authorities to use their discretionary powers to re-introduce for 2020/21.

As a result of this additional guidance and the release of the Written Ministerial Statement, an amendment to the report had been proposed and previously circulated to Members. Members considered the amendment report alongside the main report.

Members were advised that the timescale for setting of the budget had been

somewhat disrupted as a result of the General Election held on 12th December 2019, and consequently slightly delayed the details of the Governments provisional financial settlement, which was published by the Secretary of State for Housing, Communities and Local Government on 20th December 2019. The provisional settlement was in respect of 2020/21 only and had been subject to statutory consultation, which closed on 17th January 2020.

It was reported that The Council's taxbase for 2020/21, calculated as at 30th November 2019, was 53,373. This was agreed, under delegated authority, by the Corporate Director responsible for Finance. This compared to a taxbase of 52,521 for 2019/20; an increase of 852 or 1.62%. The Council has exercised its discretionary powers to set the discounts/premium for empty properties and second homes.

It was proposed that this Council's council tax requirement is increased by £4.95 (2.75%) to £184.68 per annum (at Band D) for 2020/21. This equates to a council tax charge, for a Band D property, for the provision of this Council's services of £3.55 per week; an increase of approximately 9p per week over the current year. Members were reminded that Braintree District Council's Council tax rates were the fourth lowest in Essex.

Members were updated on the financial profile for 2020/21 to 2023/24, it was forecast that 2020/21 would show an addition to Balances of £222,269; 2021/22, a shortfall of £394,962; 2022/23, shortfall of £173,680; and 2023/24 would have a shortfall of £334,165. It was however noted that these years were likely to be subject to significant changes once the outcomes were known of the Fair Funding and 2020 Spending Reviews and also the Government's decision regarding the proposed new 75% Business Rates Retention scheme, each of which were expected to be implemented from 1st April 2021.

In respect of the release of the Written Ministerial Statement, and additional guidance on the Retail Rate Relief scheme it was proposed that, the Retail Rate Relief scheme for 2019/20 and 2020/21 agreed by Council on 25th February 2019 be amended for 2020/21 to, increase the amount of discount from one-third to 50%; and to include cinemas and live music venues to the list of eligible businesses.

It was also proposed that the Rate Relief, of £1,500, to Local Newspapers for 2019/20, agreed by Council on 25th February 2019, be extended to apply in the years 2020/21 to 2024/25, and a discount of £1,000 for Pubs with a rateable value of less than £100,000 be agreed for 2020/21.

Members were advised of an update to the Treasury Management Strategy Statement 2020/21. At the meeting of the Corporate Governance Group on 16th January 2020, the Group considered the draft Treasury Management Strategy Statement (TMSS) for 2020/21 and agreed that further clarification should be included in the draft TMSS regarding which foreign countries direct investment counterparties may be domicile. It was proposed that the following note be added to Appendix J – Table 5. 'Investments Limits' of the TMSS 2020/21:

'When investing in Non-UK banking counterparties the Council will only make investments based on advice from Arlingclose which takes into account the creditworthiness of the sovereign in which the counterparties are principally based. The creditworthiness assessment is through sovereign credit ratings

and credit default swaps and the banking regulations and resolution regimes (bail-in) operative in those jurisdictions.'

The Strategic Investment Group meeting on 23rd January 2020 also considered the draft TMSS 2020/21 and following discussion with Arlingclose, it was agreed to recommend that the limit on investments in pooled funds be increased from £20million to £25million.

DECISION: That Cabinet agreed the amended proposals as follows:

A) That it be Recommended To Council that the following be approved:

1. The budget variations to the current base budget as detailed in Section 4 of the main report;
2. The additional income and cost reductions as detailed in Section 6 of the main report;
3. The allocations of Flexible Homelessness Support and Homelessness Reduction grants, totalling £319,953, for 2020/21 be earmarked for housing purposes;
4. The unavoidable revenue budget demands and new investments added to the Base Budget of £514,000 as detailed in Section 5.2 of the main report;
5. The unavoidable revenue budget demands and new investments required to meet one-off or time-limited expenditure of £870,180 as detailed in Section 5.3 of the main report and to funded as detailed in section 5.4 of the main report;
6. The Pension Fund Deficit payments for the period 2020/21 to 2022/23 due to the Essex Pension Fund be made in a single payment on 1st April 2020, as detailed in section 4.5.7 to the main report;
7. The Braintree District Council's Local Council Tax Support scheme for 2020/21 as detailed on the Council's website: [Proposed Local Council Tax Support Scheme 2020/21](#);
8. The package of support to claimants experiencing difficulties as a result of the Local Council Tax Support scheme as detailed in Section 11.9 of the main report;
9. The Council's discretionary fees and charges for 2020/21 as detailed in the schedule on the Council's website: [Proposed Fees & Charges 2020/21](#);
10. Delegated authority is given to the appropriate Cabinet Member to determine the level of charges for Trade Waste collection, Environmental permits and core leisure charges for 2020/21;
11. The Council's housing rents are increased by CPI plus 1% for 2020/21, as detailed in the schedule on the Council's website: [Proposed Fees & Charges 2020/21](#);
12. That delegated authority is given to the appropriate Cabinet Member to agree variations to Trade Waste, Town Hall Centre, Building Control and Car Parking fees and charges for commercial purposes;

13. The surplus of £188,955 on the Business Rates Collection Fund be transferred to the Business Rates Retention Reserve;
14. To continue the Council's Discretionary Business Rate Relief schemes, as detailed in section 9 to the main report, for 2020/21;
15. The Council's existing Retail Relief scheme be amended for 2020/21 and the two rate reliefs to Local Newspapers and Pubs, for 2020/21 to 2024/25 and 2020/21 respectively, as detailed in section 3 of the Amendment Report to Cabinet;
16. Discretionary council tax discounts and exemptions for 2020/21 are:
 - a. Discount applicable to empty dwellings undergoing major repairs is set at 0% for the twelve month period;
 - b. Discount applicable to vacant dwellings is set at 0% for the six month period;
 - c. Discount applicable to second homes is set at 0%;
17. Discretionary Council Tax Empty Homes Premiums charged on dwellings vacant for over two-years but less than five-years continue at 100% and on dwellings vacant for over five-years be increased to 200% with effect from 1st April 2020 and that this is duly published in a local newspaper within 21 days of this decision. In addition the refund arrangement, as detailed in section 13.8 of the main report;
18. The Council's Pay Policy for 2020/21 as detailed in Appendix B to the main report;
19. A transfer of £222,269 to the General Fund unallocated balance in 2020/21;
20. The estimated movements on the earmarked reserves as detailed in Appendix E to the main report;

Capital

21. The General Fund Capital bids for 2020/21 listed in Appendix H to the main report;

Capital, Investment and Treasury Management Strategies

22. The Capital Strategy including the authorised borrowing limit, operational borrowing boundary, the policy on Minimum Revenue Provision and prudential indicators as detailed in Appendix I to the main report;
23. The Treasury Management Strategy Statement including the schedule of investment counterparties and limits and prudential indicators as detailed in Appendix J to the main report and including the two amendments detailed in sections 5 and 7 of the Amendment Report to Cabinet;
24. Investment Strategy, for 2020/21 as detailed in Appendix K to the main report;

Council Tax

25. The proposed estimates (producing a budget requirement for council tax purposes of £15,225,694) as detailed in Appendix C and the Council Tax for 2020/21 of £184.68 for a Band D property, having taking into consideration:

- The consultation feedback, if any, received and reported verbally at the meeting;
- The assessment of risks in the budget assumptions;
- The Equalities Impact Assessments and
- The Section 151 Officer's report on the robustness of the estimates and the adequacy of balances (Appendix G to the main report).

B) That Cabinet agreed to:

26. Delegate authority to the Cabinet Member for Finance and Performance Management to agree requests for unspent budgets, at the year-end, to be carried forward to the following year.

REASON FOR DECISION: To determine the budget and council tax level proposals for 2020/21 to be submitted to Full Council for consideration, in accordance with the Budget and Policy Framework Procedure Rules contained in the Constitution.

49

NEIGHBOURHOOD PLANS – SCHEME OF DELEGATION

INFORMATION: It was reported that when exercising its responsibilities in relation to relevant parts of the Neighbourhood Planning process, the Council should make every effort to conclude each stage promptly. Timely decision making was important, particularly at the start and at the end of the process. Certain decisions must be taken within prescribed time periods.

In order to speed up the delivery of Neighbourhood Planning it was proposed to streamline the Council's process for the approval of amendments to Neighbourhood Plans and sending them to referendum. This decision would normally take place 5 weeks after the receipt of a successful examination report.

Currently Neighbourhood Plans were referred to Cabinet for approval for amendment and referendum. Although there were regular meetings, the time between meetings meant that occasionally a decision could be significantly delayed.

It was therefore proposed to delegate the decision to take a Neighbourhood Plan to referendum to the relevant Corporate Director, in consultation with the Cabinet Member for Planning.

It was also proposed to delegate the relevant Corporate Director, in consultation with the Cabinet Member for Planning, the decision to agree a Neighbourhood Area, when a Parish Council applied for one which covers the same extent as the Parish, as this decision had to be agreed and was purely an administrative step.

It was agreed by Members that in addition to this, the Local Ward Members would also be included in consultation.

DECISION: That Cabinet agreed:

1) That Cabinet delegates authority to the Corporate Director with the responsibility for Neighbourhood Planning, in consultation with relevant Cabinet Member for Planning and the Local Ward Members to:

- a) Designate a Neighbourhood Plan Area,
- b) Agree modifications to a Neighbourhood Plan contained within an Independent Examiner's report,
- c) To send Neighbourhood Plan to referendum.

2) That the Head of Governance reflect the changes in the Constitution.

REASON FOR DECISION: To enable effective decision making processes for Neighbourhood Planning.

50 **STRATEGIC RISK MANAGEMENT**

INFORMATION: The report provided Members with an updated Strategic Risk Register for the Council. The Strategic Risk Register was agreed by the Cabinet on 26th November 2018 was reviewed by Members at the Member Development evening on 21st November 2019; the outcome was an updated draft register for approval by Cabinet.

The register detailed the risks which had potential to impact on the delivery of the Corporate Strategy over the medium-term. In addition to undertaking the review of the register, Management Board ensured that the register continued to be current by regularly reviewing and updating the Strategic Risks, as necessary.

Members at the Development Evening proposed that the number of Strategic Risks identified be increased to eleven; with the inclusion of a 'Climate Change' risk which was assessed as having a risk rating of C2 (Significant likelihood/Critical impact). Whilst previously included on the Strategic Risk Register until 2014, this risk had most recently been included within the Operational Risks of service areas, as appropriate.

The existing ten Strategic Risks were reviewed with amendments to the narrative of some recommended and following consideration of the risk rating for each, the consensus was that these should remain at the previous levels.

Management Action Plans for managing each of the ten risks above the risk tolerance line were owned and maintained by the Corporate Director. Details of the risks, together with the Management Action Plans, were provided at Appendix B of the report.

DECISION: Members agreed the updated Strategic Risk Register and the Action Plans for managing the high rated risks, as detailed in Appendix B to the report.

REASON FOR DECISION: To demonstrate that the Council regularly identifies the Strategic Risks which may affect the achievement of its objectives and that it actively manages them, as appropriate.

The meeting commenced at 7.15pm and closed at 7:51pm.

COUNCILLOR G BUTLAND
(Leader of the Council)