

Minutes

Cabinet



28th September 2015

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 (Chairman)	Yes
Deputy Leader of the Council	Councillor Mrs W Schmitt	Yes
Environment and Place	Councillor R Mitchell	Yes
Planning and Housing	Councillor Lady Newton	Yes
	Councillor Mrs L Bowers-Flint	Apologies
Economic Development	Councillor T Cunningham	Yes
Health and Communities	Councillor Mrs J Beavis	Yes
	Councillor P Tattersley	Yes
Finance and Performance	Councillor D Bebb	Yes
Corporate Services and Asset Management	Councillor J McKee	Apologies

Also present as invitees of the Leader:

Councillor Mann, Leader of the Labour Group
 Councillor Mrs Pell, Leader of Halstead Residents Association
 Councillor Siddall, Chairman of the Overview and Scrutiny Committee

Councillors Ramage and Schwier were also in attendance.

An apology for absence was received from Councillor Abbott, Green Party.

26 **DECLARATIONS OF INTEREST**

INFORMATION: The following interests were declared:

- Councillor T Cunningham declared a non-pecuniary interest in Agenda Item 6c - 'First Quarter Performance Management Report 2015/16' as a Director of Ignite Business Enterprise.
- Councillor Mrs J Pell declared a non-pecuniary interest in Agenda Item 8b – 'Cabinet Member Decisions Made Under Delegated Powers' as an elected Member of Halstead Town Council.

- Councillor C Siddall declared a non-pecuniary interest in Agenda Item 6c - 'First Quarter Performance Management Report 2015/16' as a Director of Ignite Business Enterprise.

In accordance with the Code of Conduct, Members remained in the meeting for each Item, unless stated otherwise, and took part in the debate and decision thereon.

27 **QUESTION TIME**

INFORMATION: There were no statements made, or questions asked.

28 **MINUTES**

DECISION: That the Minutes of the meeting of the Cabinet held on 20th July 2015 be approved as a correct record and signed by the Chairman.

29 **LEADER'S UPDATE**

The Leader of the Council reported on the following matter:-

Haven Gateway Partnership

Councillor Butland reported that on 28th September 2015 he and Councillor T Cunningham had attended the Annual General Meeting of the Haven Gateway Partnership. Reference had been made at the meeting to new developments regarding the study into improvements to the A120 between Braintree and Marks Tey, and to the submission of a bid for the creation of an A120 Enterprise Corridor Enterprise Zone. Members were encouraged to indicate their support for the Enterprise Zone via the Partnership's website.

30 **GREATER ESSEX DEVOLUTION**

INFORMATION: Consideration was given to a progress report on a proposal to transfer powers and funding from central Government to local authorities in Greater Essex.

Work had commenced on the devolution programme in December 2014 and an initial expression of interest had been submitted to the Government in March 2015 by the Greater Essex Partnership. A further high-level submission had been made to the Government on 4th September 2015 to confirm the Partnership's continued interest in a devolution deal. This submission had received positive feedback and an indication that the Government was interested in working with the Partnership to develop the proposals further.

The next phase of work and negotiation with the Government would commence in September 2015 and it was envisaged that most of the elements of a devolution deal would be in place by the end of the calendar year, subject to political agreement locally and nationally. It was proposed that a further submission would be made to the Government in December 2015 and it was anticipated that a devolution deal could be finalised in early 2016.

During the consideration of this item Councillor Butland, the Leader of the Council, invited Councillor Schwier to speak. Councillor Schwier acknowledged the devolution briefing which had been held for Braintree District Councillors on 17th September 2015 and he referred also to the provision of improved Broadband coverage which was currently being rolled-out across the Braintree District. Councillor Schwier highlighted Broadband problems experienced by people living in rural parts of the District and he referred to possible alternative means of provision. It was suggested that this should be discussed at the forthcoming briefing about Broadband to be held for Councillors on 6th October 2015.

DECISION:

- (1) That Braintree District Council's continued participation in the devolution programme be supported.
- (2) That a further contribution of £10,000 to support the devolution programme be approved.

REASON FOR DECISION: To provide an update on work to develop a devolution deal for Greater Essex.

31 **STATEMENT OF ACCOUNTS 2014/15**

Consideration was given to the Statement of Accounts 2014/15. The statutory deadline for publication of the audited accounts was 30th September 2015.

It was reported that the Council's Governance Committee had received and noted the accounts at its meeting on 16th September 2015. In addition, the Governance Committee had received and noted that the External Auditor, BDO LLP (BDO), had carried out an audit of the accounts and had issued an unqualified true and fair opinion of the financial statements for the year ended 31st March 2015; and an unqualified value for money conclusion.

Members were informed about proposed changes to local authority financial reporting. These included a requirement, with effect from the 2017/18 reporting year, for accounts to be prepared by 31st May and published with an audit opinion by 31st July. It was proposed that the Council's accounts for the 2015/16 and 2016/17 reporting years should be prepared in accordance with these earlier timescales. It was also proposed that Highways Network Assets should be recorded in accounts on a depreciated replacement cost basis with effect from the 2016/17 financial year. Finally, it was proposed that local authorities should be able to prepare accounts based on their organisational arrangements, rather than in compliance with the current standardised approach. This would provide a clearer link to budget information. It was anticipated that this proposal could be introduced from the 2016/17 financial year, or possibly earlier.

DECISION: That the Council's Statement of Accounts for 2014/15 be received and noted.

REASON FOR DECISION: To formally receive the Council's Statement of Accounts for 2014/15 following the external audit and consideration by the Governance Committee.

INFORMATION: Consideration was given to an update report on the Medium-Term Financial Strategy 2015/16 to 2018/19 which had been agreed by Council on 16th February 2015. At that time the budget projection for 2016/17 indicated a shortfall of £128,616 with projected shortfalls of £698,702 in 2017/18 and £612,773 in 2018/19.

However, subsequent announcements by the Government in its budget of July 2015 and notice of the 2015 Spending Review; a paper published by the Local Government Association; and an initial high level assessment of the Council's income and expenditure budgets had highlighted issues which would have an impact on the Council's finances over the next four year period. In particular, it was anticipated that the reductions in Government grant funding to local government from 2016/17 to 2018/19 would be greater. Based on the anticipated changes, it was predicted that the shortfalls in funding against the base budgets over the next three years would now be £680,000 for 2016/17, £1,170,000 for 2017/18 and £390,000 for 2018/19.

It was proposed that all services should be reviewed to identify opportunities to make savings, or increase income and there would be an annual review of discretionary fees and charges. It was also proposed that the Council should enter into a Business Rates pooling arrangement with other Essex Authorities for 2016/17.

It was reported that the Council's Local Council Tax Support (LCTS) scheme had been introduced on 1st April 2013 and had remained the same over the three years since implementation. However, as a result of continued reductions in Revenue Support Grant the amount paid to claimants under the LCTS was greater than the grant received by the Council. In an attempt to reduce the gap, it was proposed to consult on changes to the scheme.

Details of the budget process and timetable were set out in the report. (Note:- The date of the Council meeting referred to as 22nd February 2015 should state 22nd February 2016). Reference was made to the Overview and Scrutiny Committee meeting scheduled for 25th November 2015 when initial budget proposals and requests by Councillors for the funding of new capital projects would be discussed. All Members would be invited to attend this meeting. The Government's 2015 Spending Review announcement would also be made on 25th November 2015.

DECISION:

- (1) That the 2016/17 budget process timetable, as detailed in the report, be noted.

Business Rates Pooling

- (2) That in principle agreement be given to joining an Essex pool for non-domestic rates for 2016/17.
- (3) That authority be delegated to the Cabinet Member for Finance and Performance and the Corporate Director (Finance) to give final agreement to the Council's participation in an Essex pooling arrangement.

Local Council Tax Support Scheme

(4) To consult on:

1. Increasing the minimum liability that working aged claimants have to pay by up to 4%.
2. Increasing the deduction for non-dependants in the household by up to £10 per week.
3. Reducing the amount of time a claim can be backdated from three months to four weeks.
4. To introduce a minimum level of income for claimants who are self-employed. (The level proposed is the National Living Wage).

REASON FOR DECISION: Good governance arrangements through the proactive management of the Council's finances over the short and medium term.

33 FIRST QUARTER PERFORMANCE MANAGEMENT REPORT 2015/16

DECISION: That the First Quarter Performance Management report 2015/16 be noted and endorsed.

REASON FOR DECISION: To inform the Cabinet of the performance of the Council.

34 TREASURY MANAGEMENT REVIEW - ANNUAL REPORT 2014/15 and MID-YEAR REVIEW 2015/16

INFORMATION: Consideration was given to the Treasury Management Review - Annual Report 2014/15 and Mid-Year Review 2015/16. It was reported that the Annual Report and Mid-Year Review had been received and noted by the Council's Governance Committee at its meeting on 16th September 2015 and referred to Cabinet and Full Council for approval. The Committee had also requested the Cabinet Member for Finance and Performance to highlight the Council's successful and prudent approach to investment and treasury management over recent years when presenting the report to Cabinet and Full Council.

In presenting this item, Councillor Bebb, Cabinet Member for Finance and Performance, proposed an amendment to the Motion that certain investment limits contained in the Council's Treasury Management Strategy should be increased. This proposal was supported by Cabinet and is detailed in the decision below.

DECISION:

- (1) That the Treasury Management Review – Annual Report 2014/15 and Mid-Year Review 2015/16, be received and noted.
- (2) That the Treasury Management Review - Annual Report 2014/15 and Mid-Year Review 2015/16 be submitted to Full Council.
- (3) That the Governance Committee's comment regarding the Council's successful and prudent approach to investment and treasury management over recent years be noted.

(4) That it be **Recommended to Council:-**

- (1) That the Treasury Management Strategy is amended by increasing the limit on Non-Specified Investments by £5million to £25million and that within this increased limit the amount allocated for Long-Term Investments is set at £15 million.
- (2) That the counterparty limit on individual Money Market Funds and Pooled Funds is increased by £1million to £5million.

REASON FOR DECISION: The Council has adopted the CIPFA Code of Practice for Treasury Management in Public Services which requires that Full Council receives an annual report and mid-year review of its treasury management function in order to exercise its ultimate responsibility for treasury management activities. Under the Council's Constitution the Governance Committee should initially review the report and recommend to Cabinet before Full Council receives the report.

35 **STRATEGIC RISK MANAGEMENT**

INFORMATION: Consideration was given to a report on the Council's Strategic Risk Register which had been updated following a review by Members at the Member Development evening held on 28th July 2015.

The Register detailed risks which had potential to impact on the delivery of the Corporate Strategy over the medium-term. The number of strategic risks identified had increased from seven to nine, due solely to those identified with the Local Plan being divided into three elements.

The number of risks above the Risk Tolerance Line and therefore requiring active management had increased to seven, with one of the three risks relating to the Local Plan being assessed as B2 and having a high likelihood and critical impact. Management Action Plans for each of the seven risks above the risk tolerance line had been compiled and these were attached at Appendix B to the report.

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

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

36 **MINUTES FROM CABINET SUB-GROUPS** **LOCAL PLAN SUB-COMMITTEE - 7TH SEPTEMBER 2015**

DECISION: That the Minutes of the meeting of the Local Plan Sub-Committee held on 7th September 2015 be noted.

37 **CABINET MEMBER DECISIONS MADE UNDER DELEGATED POWERS**

DECISION: That the delegated decisions set out in the report be noted.

REASON FOR DECISION: The reasons for each decision can be found in the individual delegated decisions.

The meeting commenced at 7.15pm and closed at 8.27pm.

G BUTLAND
(Leader)