

Minutes

Cabinet

7th February 2022



These minutes principally record decisions taken and, where appropriate, the reasons for the decisions. A recording of the meeting is available at <http://www.braintree.gov.uk/youtube>

Present:

Portfolio	Cabinet Member	Present
Overall Strategy	Councillor G Butland (Leader of the Council)	Yes
Innovative Environment		
Finance and Corporate Transformation	Councillor J McKee	Yes
Climate Change and the Environment	Councillor Mrs W Schmitt	Yes
Operations and Commercialisation	Councillor R van Dulken	Yes
Connecting People, Places and Prosperity		
Economic Growth	Councillor T Cunningham (Deputy Leader)	Yes
Housing, Assets and Skills	Councillor K Bowers	Yes
Planning and Infrastructure	Councillor Mrs G Spray	Yes
Supporting Our Communities		
Health and Wellbeing	Councillor P Tattersley	Yes
Communities	Councillor F Ricci	Apologies

Present as Invitees of the Leader: Councillor J Abbott (Leader of the Green and Independent Group), Councillor D Mann (Leader of the Labour Group) and Councillor Mrs J Pell (Leader of Halstead Residents Association).

36 **DECLARATIONS OF INTEREST**

INFORMATION: There were no interests declared.

37 **MINUTES**

DECISION: The Minutes of the meeting of the Cabinet held on 29th November 2021 were approved as a correct record and signed by the Chairman.

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38 **QUESTION TIME**

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

39 **COUNCIL BUDGET AND COUNCIL TAX 2022/23 AND MEDIUM-TERM FINANCIAL STRATEGY 2022/23 TO 2025/26**

INFORMATION: Prior to the report, Councillor Butland explained that the Budget in its initial stages had already been presented before the Performance Management Scrutiny Committee on two separate occasions, with all Members of the Council invited to participate at those meetings. Therefore, the purpose of the report for this evening was to agree any recommendations to Full Council, along with any aspects of the Budget for Cabinet to take forward. Councillor J McKee, Cabinet Member for Finance and Corporate Transformation, was then invited to present the Budget report.

The key priorities of the Budget included the following: a substantial increase in resources for the planning enforcement function in order to create a robust and proactive service; funding for resources in order to support the Council's Climate Change and Cycling Strategies through the employment of two new programme officers, as well as extending air quality monitoring and continuing with recycling collections of food and drink cartons; extension of the Councillor Community Grants Scheme with an allocation of £1,250 to each Member, and; ensuring that the Council's core financial and other business critical systems were secure and protected.

In respect of capital investment, additional investment of £1.5million was proposed for 2022/23, which included upgrading ICT infrastructure and systems, keeping properties in good state for repair and maintenance, and to make improvements to the Council's operational workshop space. An allocation of £150k would be used towards refurbishing play areas, along with a further £150k to modernise the customer relationship management and In-Cab technology to support the operational workforce.

With regard to closing the budget gap, new savings and opportunities for additional income of over £523k had been identified for 2022/23, with a further £66k in future years. Returns from financial investments, which included pooled funds, and were impacted by the Covid-19 pandemic and the subsequent market reaction, were expected to recover over the period of the Medium-Term Financial Strategy (MTFS) with an initial £100k extra income projected for next year, and further increases in the ensuing years. By ensuring that the Homelessness Prevention Grant was being used to maximum effect, this had allowed for £141k of extra income into the general fund. In addition, a further £220k in business rate income had been secured for the upcoming year through the creation of new business premises across the District, as well as further growth over the MTFS.

The Council had collected £1.6million of extra Council Tax as a result of increased properties and better than assumed collection, with an increase in income of over £130k. Improvements in the collection performance in the current year had also resulted in a share of the collection fund balance of £198k. Against, an allowance had been made for day-to-day increases in costs as well as new, unavoidable cost pressures, of which totalled £294k for 2022/23, with an annual increase of £25 per annum in subsequent years of the MTFS.

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Inflationary assumptions had been built into the budget, with inflation forecast to increase alongside the cost of living (assumed 2% per annum) and fuel and energy increases. Despite the increases, the Council had sufficient levels of balances in place to help offset any short-term budgetary impact.

Some of the Council's financial income streams continued to be impacted by the Covid-19 pandemic, particularly in areas such as car parking. To date, much of the initial costs and loss of income have been able to be contained with the additional funding provided by Government. In 2021/22, a sum of £1million was set aside from the unallocated general fund balances which, to date, had not been utilised. It was proposed that this provision be carried over into 2022/23 whilst uncertainties remained across a number of service areas where income might continue below that of pre-pandemic levels, or where costs remained higher than allowed for in the base-budget.

The provisional Local Government Finance Settlement which was announced on 16th December 2021 set out a single-year funding proposal for Local Government, with notice given of the Government's intentions to review the needs and resources of all Councils over the upcoming months. A new one-off, non-ring fenced services grant of £240k was to be paid in 2022/23, in addition to a lower-tier services grant which was to be paid for the second year in a row, with £156k allocated to the Council. The two respective grants represented extra funding above that which had been anticipated and served to help reduce the budget gap; however, the Authority would treat this as an isolated gain until further clarity could be provided in respect of the changes in future funding. It was anticipated that the final Local Government Finance Settlement would be announced on 9th February 2022; any changes in the provision settlements would be announced at the meeting of Full Council on 21st February 2022.

The Council's balances remained in a healthy position and as such, a portion of unallocated general fund balances had been allocated towards one-off investment needs, as well as reducing the residual budget gap for the upcoming year of £93k, thereby allowing for a balanced budget and for the Council to set a Council Tax rate. The estimated amount of general fund balances expected as at the end of March 2023 was currently £6.2million. In terms of the MTFS budget gap, a gap of £1.6million over the four-year period. This has now been reduced to £1.2million over the current MTFS ending in 2026. The current projected base budget challenge was profiled over three years after 2022/23 with a shortfall expected in 2023/24 of £925k, £119k in 2024/25 and £198k in 2025/26.

In respect of Council Tax, the aim was to be a low Council Tax Authority; the Band D Council Tax rate for 2021/22 was £184.68 was the fourth lowest of the 12 District and Borough Councils in Essex. An increase was proposed for 2022/23 of £4.95 for the year, which gave a total Band D Tax rate for the year of £189.63. With regard to Business Rate pooling, it was reported that the Secretary of State for Levelling Up Housing and Communities had confirmed that the Essex pool would continue for 2022/23. Furthermore, New Homes Bonus (NHB) would continue to be allocated by Government for 2022/23, with the Council having been allocated £1.4million. Outstanding legacy payments of £225k were also to be paid.

In response to a query raised about the end of the Service Level Agreement (SLE) with Essex County Council (ECC) in respect of libraries, Councillor McKee agreed to provide a written update to all Members on what the library service would look like going forward.

A series of questions were then raised by Councillor Mann whereby written responses were to be provided, as follows:-

Councillor K Bowers, Cabinet Member for Housing, Assets and Skills, agreed to provide a written response to a question raised in respect of the Homelessness Prevention Grant and the Government's plans for reviewing the method of allocation, and what the subsequent impact would be on the Authority.

Mr P Myers, Head of Finance, agreed to set out the background of increased costs in respect of Housing Benefit Net Costs.

Councillor Mrs G Spray, Cabinet Member for Planning and Infrastructure, agreed to provide a written response to a question which regarded the current reserve held by the Council for defence against Planning appeals.

DECISION:

That it be **Recommended to Council** that the following be approved:

1. The budget variations to the current base budget and the additional income and cost reductions as detailed in Section 7 of the main report;
2. The unavoidable revenue budget demands and new priority growth added to the Base Budget for 2022/23 of £559,490 as detailed in Section 7.7 of the main report (and shown in Appendix C);
3. The unavoidable revenue budget demands and new priority growth required to meet one-off or time-limited expenditure in 2022/23 of £325k as detailed in Section 7.7 of the main report (and shown in Appendix C) and these to be funded from reserves as detailed;
4. The Braintree District Council's Local Council Tax Support Scheme for 2022/23 as detailed on the Council's website at [Local Council Tax Support Scheme](#);
5. The package of support to claimants experiencing difficulties as a result of the Local Council Tax Support scheme as detailed in Section 11 of the main report;
6. The Council's discretionary fees and charges and housing rents for 2022/23 as detailed in Appendix O;
7. Delegated authority is given to the appropriate Cabinet Members to determine the level of charges for Trade Waste collection, Environmental permits, core leisure, and planning pre-application advice service and street naming and numbering for 2022/23;

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8. That delegated authority is given to the appropriate Cabinet Members to agree any in-year variations to Trade Waste, Town Hall Centre, Building Control and Car Parking fees and charges for commercial purposes during 2022/23;
9. The sum of £2,737,178 be transferred from the Business Rate Equalisation Reserve to offset the estimated deficit on the Business Rates Collection Fund as at 31 March 2022, which is required to be taken into account for the 2022/23 Budget;
10. To continue the Council's policy for Discretionary Business Rate Relief Schemes (under section 47 of the Local Government Act 1988, as amended), as detailed in Section 9.2 of the main report, for 2022/23;
11. To extend the Council's policy for Discretionary Business Rate Relief (under section 47 of the Local Government Act 1988) to introduce a Retail, Hospitality and Leisure Business Rate Relief Scheme and Extension of Transitional Relief and Supporting Small Business Relief for small and medium properties for 2022/23 as recommended and funded by the Government, as detailed in Section 9.2 of the main report and Appendices L and M;
12. Discretionary council tax discounts and exemptions for 2022/23 are:
 - Discount applicable to empty dwellings undergoing major repairs is set at Nil % for the twelve month period;
 - Discount applicable to vacant dwellings is set at Nil % for the six month period;
 - Discount applicable to second homes is set at Nil %;
 - Discretionary Council Tax Empty Homes Premiums charged on dwellings vacant for over two-years but less than five-years continue at 100%; on dwellings vacant over five-years but less than ten-years continue at 200%; and on dwellings vacant for over ten-years continue at 300%, and that that this is duly published in a local newspaper within 21 days from this decision. In addition, the refund arrangement, as detailed in Section 13 of the main report;
13. The Council's Pay Policy for 2022/23 as detailed in Appendix B to the main, report, subject to the amounts of pay included being updated in line with the final agreed settlement for the cost of living award to be implemented with effect from 1st April 2021;
14. A transfer to the Revenue Account of £92,597 from the General Fund unallocated General Fund balance to meet the budget shortfall in 2022/23;
15. Establish the following new earmarked reserves: Planning Enforcement reserve; a single consolidated Climate Change Reserve; and a Recycling Income reserve;

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16. The estimated movements on earmarked reserves as detailed in Appendix E to the main report, including the transfer of balances no longer required to the General Fund unallocated balance and unallocated New Homes Bonus;

Capital

17. The Capital bids for 2022/23 listed in Appendix H to the main report;
18. Disabled Facilities Grants programme to match the resources allocated to the Council from the Better Care Fund;

Capital and Investment Strategy and Treasury Management Strategy

19. The Capital and Investment 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;
20. The Treasury Management Strategy including the schedule of counterparties and limits and prudential indicators as detailed in Appendix J to the main report;

Council Tax

21. The proposed estimates (producing a Council Tax Requirement for the Council of £10,421,496) as detailed in Appendix C and the Council Tax rate for 2022/23 of £189.63 for a Band D property, having taken 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 (Corporate Director – Finance) on the robustness of the estimates and adequacy of balances (Appendix G to the main report).

That Cabinet agreed to:

22. Delegate authority to the Cabinet Member for Finance and Corporate Transformation to agree requests for unspent budgets, at the 2021/22 year-end, to be carried forward to the following year;
23. Delegate authority to the Cabinet Member for Finance and Corporate Transformation to agree the amount to be transferred to a new earmarked reserve for managing future risk relating to the fluctuations in recycling income against the approved budget;
24. Approve all spend undertaken against those schemes which have in place an annual programme of works, and for which the Council have approved the annual budget allocation associated with that programme of works.

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REASON FOR DECISION

1. To determine the Budget (capital and revenue) and Council Tax level proposals for 2022/23 to be submitted to Full Council, in accordance with the Budget and Policy Framework Procedure Rules contained in the Constitution;
2. To agree the proposed Local Council Tax Support Scheme (LCTS), the discretionary Council Tax discounts and exemptions, and discretionary Business Rate relief schemes that will be applied in 2022/23 and recommend these to Full Council for approval;
3. To agree and recommend to Full Council the Capital and Investment Strategy for 2022/23 to 2025/26; the Treasury Management Strategy 2022/23; and the Pay Policy for 2022/23;
4. To receive and note the details of the updated General Fund Financial Profile and Medium-Term Financial Strategy for the period 2022/23 to 2025/26, and;
5. To agree arrangements for approving budget carry forwards and other related matters for the 2021/22 year-end process.

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AWARD OF TENDER FOR IN-CAB TECHNOLOGY

Minutes Published: 14 th February 2022
Call-in Expires: 21 st February 2022

INFORMATION: Members gave consideration to a report which regarded the award of a contract to Bartec Municipal Technologies (BMT) for the Council's Customer Relationship Management (CRM) and In-Cab technology system. Councillor R van Dulken, Cabinet Member for Operations and Commercialisation, was invited to introduce the report.

The Council's existing contract with Selected Interventions was awarded for a 7-year period up to and including 31st July 2021. As a result of the Covid-19 pandemic, the contract was extended for a further 11 months in order to give the market and suppliers the opportunity to recover and provide a better platform on which the Council could successfully re-tender the contract.

The Council commenced with a procurement process in September 2021, during which five IT service providers tendered for the contract. Of all the suppliers, BMT had the highest score and was accordingly selected as the Council's preferred bidder. The new proposed contract would also be for a 7-year period with a total value of £343k, which included a capital bid of £150k for software and hardware such as tablets and cameras. As such, there was now a choice between two options that the Council could take:

1. The Council could determine not to award the contract to BMT at this time. However, as the current contract was due to expire in July 2022, this would either mean that the Council would need to retender for the contract, which might not be

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possible in the timescales, or it would allow the contract to expire which would mean that the Council would no longer have the use of the CRM and In-Cab Technology system. This was not the recommended option.

2. The recommended option was to award the contract to BMT. The new contract would result in a saving of £37k in year one, and a total saving of £282k across years two to seven against the Council's base budget.

Members were reminded that the decision was subject to the approval of the Council's Budget on 21st February 2022. If the budget was approved by full Council, the Council would then be able to proceed with the award of the contract to BMT and finalise the relevant contract.

DECISION: That Cabinet approved, subject to the approval of the Council's Budget on 21st February 2022, the award of a 7-year Contract to BMT for the total value of £343,670, commencing in February 2022.

REASON FOR DECISION: To approve the award of a Contract to Bartec Municipal Technologies (BMT) for Braintree District Council's (the Council) Customer Relationship Management (CRM) and In-Cab Technology system.

The meeting commenced at 7.15pm and closed at 7.50pm

COUNCILLOR G BUTLAND
(Leader of the Council)