

SOUTHEND-ON-SEA BOROUGH COUNCIL

Meeting of Cabinet

Date: Tuesday, 20th June, 2017

Place: Committee Room 1 - Civic Suite

Present: Councillor J Lamb (Chair)
Councillors A Holland (Vice-Chair), T Byford, J Courtenay, M Flewitt and L Salter

In Attendance: Councillors A Jones, C Mulroney and P Wexham
J K Williams, S Leftley, A Lewis, A Atherton, J Chesterton, J Ruffle, C Gamble, F Abbott, T Row, E Cooney, N Corrigan, S Dolling, A Keating, T MacGregor, B Martin, J O'Loughlin and K Waters, A Rogers, C Burr and L Eddy.

Start/End Time: 2.00 - 4.15 pm

60 Apologies for Absence

Apologies for absence were received from Councillors Cox and Moring.

61 Declarations of Interest

(a) Councillor Mulroney – Minute 63 (Notice of Motion: Muscular Dystrophy and Mobility) – Non-pecuniary interest – close relative has muscular dystrophy;

(b) Councillor Holland – Minute 65 (In-Depth Scrutiny Report: Additional Enforcement Resources for Southend) – non-pecuniary interest – Vice-Chair of Essex Fire Authority and her son works for Essex Police; and Minute 74 (Housing Investment Company) – non-pecuniary interest – son works in the Department for People;

(c) Councillor Jones – Minute 79 (Provision of Secondary School Places) and Minute 89 (Provision of Secondary School Places in Southend: Free School Site) – non-pecuniary interest – has a child in secondary school;

(d) Councillor Wexham – Minute 80 (Tourism Strategy) – non-pecuniary interest – Chair of Community Coastal Team;

62 Minutes of the Meetings held on Tuesday 14th March and 28th March 2017

Resolved:-

That the Minutes of the Meetings held on 14th and 28th March 2017 be confirmed as a correct record and signed.

63 Notice of Motion - Muscular Dystrophy and Mobility

At the meeting of Council held on 20th April 2017, Members received a Notice of Motion proposing that the Council supports the campaign by Muscular Dystrophy UK. The motion was proposed by Councillor Mulroney and seconded by Councillor Gilbert (this had been referred to Cabinet in accordance with standing order 8.4).

Members noted that there were concerns being expressed at a national level about the impact of the assessment criteria and people losing access to the enhanced level of Personal Independence Payments (PIP) to enable them to continue to fund a lease of a mobility vehicle. The Government's response to the second independent review of the PIP assessment is expected in due course.

Resolved:-

That the Deputy Chief Executive (People) be requested to write to the Minister of State for Disabled People, Health and Work to ask that the response to the second review covers the specific issues being raised by Muscular Dystrophy UK and similar groups.

Reason for Decision

To respond to the Notice of Motion

Other Options

None

Note:- This is an Executive Function
Eligible for call in to People Scrutiny Committee
Executive Councillor:- Salter

64 In-depth Scrutiny Final Report - Alternative Provision: Offsite Education Provision for Children & Young People

The Cabinet considered a report of the Director of Legal & Democratic Services which presented the final report of the in depth scrutiny project 'Alternative provision – off site education provision for children and young people.'

In referring to the scrutiny report, the Executive Councillor for Children and Learning drew attention to the recommendations which he considered to be useful and helpful and conveyed his thanks and appreciation to Members and the relevant officers for their respective contributions towards the production of the report.

Resolved:

1. That the report and recommendations from the in depth scrutiny project attached at Appendix 1 to the submitted report, be approved.

2. That it be noted that the approval of any recommendations with budget implications will require consideration as part of future years' budget processes prior to implementation.

3. That, as a number of the recommendations require a multi-agency oversight/response, the Health and Wellbeing Board be asked to consider the report and ensure the actions are identified and monitored.

Reason for Decision

To achieve improved outcomes for children and young people.

Other Options

None.

Note:- This is an Executive function

Called in to People Scrutiny Committee

Executive Councillor : - Courtenay

65 In-depth Scrutiny Final Report - To investigate the case for additional enforcement resources for Southend

The Cabinet considered a report of the Director of Legal & Democratic Services which presented the final report of the in depth scrutiny project – 'To investigate the case for additional enforcement resources for Southend.'

On consideration of the report, the Chairman acknowledged the hard work undertaken by Members and the relevant officers in producing the report.

Resolved:

1. That the submitted report be noted.

2. That the proposals in the report be reviewed in the light of the cost implications.

Reason for Decision

To create a safe environment across the town for residents, workers and visitors.

Other Options

None.

Note:- This is an Executive function

Called in to: Place Scrutiny Committee/Policy and Resources Scrutiny Committee

Executive Councillor :- Holland

66 Monthly Performance Report

Resolved:

That the submitted report be noted.

Note: This is an Executive Function

Referred direct and called in to all three Scrutiny Committees

Executive Councillor: As appropriate to the item

67 Corporate Plan and Annual Report

The Cabinet considered a report of the Director of Transformation which presented the Council's draft Corporate Plan and Annual Report 2017.

Recommended:

That the Council's draft Corporate Plan and Annual Report 2017, be approved. ||

Reason for Decision

To ensure the Corporate Plan and Annual Report reflects the needs of the organisation and the borough's communities.

Other Options

None.

Note:- This is a Council Function

Called in to Policy & Resources Scrutiny Committee

Executive Councillor :- Lamb

68 2016/17 Year End Performance Report

The Cabinet considered a report of the Director of Transformation which presented the end of year position of the Council's corporate performance for 2016/17.

Resolved:

That the 2016/17 end of year position and accompanying analysis, be noted.

Reason for Decision

To note the Council's corporate performance for 2016/17.

Other Options

None.

Note:- This is an Executive Function

Eligible for call in to all three Scrutiny Committees

Executive Councillor:- Lamb

69 **4th Tier/Group Manager Pay Review**

The Cabinet considered a report of the Director of Transformation which outlined proposals for a new grading structure at middle management (4th tier) level.

Resolved:

1. That a new Level 13 at a spot salary with a 90% development rate for the first 12 months in post, as set out in Appendix 2 to the submitted report, be approved.
2. That the deletion of the bottom point of Level 11 to remove the current overlap with Level 11, as set out in Appendix 2 to the report, be approved.
3. That the deletion of the bottom four points of Level 12 to remove the overlap with Level 11, as set out in Appendix 2 to the report, be approved.
4. That the implementation of the above resolutions through the relevant job evaluation processes/protocols be delegated to the Director of Transformation in consultation with the Chief Executive and the Executive Councillor for Corporate and Community Support Services.
5. That, in principle, a new developmental payment, as set out in Appendix 3 to the report, be approved.
6. That the development and implementation of this new payment be delegated to the Director of Transformation in consultation with the Chief Executive and the Executive Councillor for Corporate and Community Support Services.

Reason for Decision

The current pay structure for 4th tier (Group Manager) posts is no longer fit for purpose and impedes the Council's ability to recruit, retain and develop this critical group of managers.

Other Options

To leave the structure as it currently is. This will not address the issues outlined in the report and will impede the Council's ability to recruit, retain and develop this critical group of managers.

Note:- This is an Executive Function.

Eligible for call-in to Policy and Resources Scrutiny Committee.

Executive Councillor :- Moring

70 **Annual Treasury Management Report - 2016/17**

The Cabinet considered a report of the Director of Finance and Resources detailing the treasury activity for the period from April 2016 to March 2017 and reviewed performance against the Prudential Indicators for 2016/17.

Recommended:

1. That the Annual Treasury Management Report for 2016/17 and the outturn Prudential Indicators for the period from April 2016 to March 2017, be approved.

2. That it be noted that the financing of capital expenditure of £48.475m has been funded in accordance with the schedule set out in Table 1 of Section 4 of the submitted report, with a reduced financing requirement of £6.639m.

3. That it be noted that Capital Financing and Treasury Management were carried out in accordance with statutory requirements, good practice and in compliance with the CIPFA (The Chartered Institute of Public Finance and Accountancy) Prudential Code during 2016/17.

4. That, in respect of the return on investment and borrowing, the following be noted:

(a) The loan and investment portfolios were actively managed to minimise cost and maximise interest earned, whilst maintaining a low level of risk.

(b) £1.2m of interest was earned during the whole of 2016/17 at an average rate of 1.45%. This is 1.25% over the benchmark of the average 7 day LIBID (London Interbank Bid Rate) and 1.12% over the average bank base rate.

(c) An average of £50.1m of investments were managed in-house. These earned £0.27m of interest during the year at an average rate of 0.54%. This is 0.34% over the average 7 day LIBID and 0.21% over the average bank base rate.

(d) An average of £9.8m of investments were managed by our former external fund manager. These earned £0.14m of interest during the year at an average rate of 1.37%. This is 1.17% over the average 7 day LIBID and 1.04% over the average bank base rate.

(e) During September 2016 £22.7m was recalled from our former external fund manager and £15m was invested equally across two short dated bond funds and £5m was invested into an enhanced cash fund.

(f) An average of £7.9m was managed by two short dated bond fund managers. This earned £0.14m since it was invested from a combination of an increase in the value of the units and income distribution, giving a combined return of 1.78%.

(g) An average of £2.5m was managed by an enhanced cash fund manager. This earned £0.02m since it was invested at an average rate of 0.86%.

(h) An average of £14.9m was managed by two property fund managers. This earned £0.67m during the year from a combination of an increase in the value of the units and income distribution, giving a combined return of 4.49%.

(i) The level of borrowing from the Public Works Loan Board (PWLB) (excluding debt relating to services transferred from Essex County Council on 1st April

1998) remained at the same level of £227.8m (Housing Revenue Account (HRA): £77.0m, General Fund (GF): £150.8m) throughout 2016/17.

(j) The level of financing for 'invest to save' schemes increased from £3.21m to £7.90m by the end of 2016/17.

Reason for Decision

To comply with the CIPFA Code of Practice for Treasury Management in the public sector and the CIPFA Prudential Code.

Other Options

None.

Note:- This is a Council Function

Called in to: Policy & Resources Scrutiny Committee

Executive Councillor:- Moring

71 **Capital Outturn Report 2016/17**

The Cabinet considered a report of the Director of Finance and Resources outlining the capital programme outturn for 2016/17 and sought approval for the relevant budget carry forwards, accelerated delivery requests and in-year amendments to the current approved programme.

On consideration of the report and, in the light of the recent tragic incident at the Grenfell tower block, the Chairman proposed the re-profiling of £2m from the 2018/19 HRA Future Programme into the 2017/18 financial year. This would enable the on-going programme of fire installation works to the tower blocks in the Borough to be accelerated and finished earlier than planned.

Recommended:

1. That it be noted that the expenditure on the capital programme for 2016/17 totalled £48.475m against a budget of £55.114m, a delivery of 88.0%.

2. That the relevant budget carry forwards and accelerated delivery requests totalling a net £5.363m, as set out in Appendices 1 and 2 to the submitted report, be approved.

3. That the virements, reprofiles and amendments and new external funding for schemes, as detailed in Appendices 3, 4 and 5 of the report, be noted.

4. That the relevant changes to the budget identified since the approved capital programme was set at Council on 23rd February 2017, as detailed in Appendix 6 to the report, be approved.

5. That it be noted that the above changes will result in an amended Capital Programme of £226.709m for the period 2017/18 to 2020/21, as detailed in Appendix 7 to the report.

6. That the re-profile of £2m from the 2018/19 HRA Future Programme budget into the 2017/18 financial year to enable the on-going programme of fire safety installation works to be accelerated, be approved.

Reason for Decision

To inform Members of the activity in 2016/17.

Other Options

None.

Note:- This is a Council Function

Called in to: Policy & Resources Scrutiny Committee

Executive Councillor:- Lamb

72 **Revenue Outturn Report 2016/17**

The Cabinet considered a report of the Director of Finance and Resources on the revenue outturn for 2016/17.

Recommended:

1. That the revenue outturn for the General Fund and HRA for 2016/17, be noted.

2. That the appropriation of revenue funds to and from earmarked reserves, as set out in paragraph 4.6 (General Fund) and paragraph 5.4 (HRA) of the submitted report, be approved.

Reason for Decision

To advise Members of the financial position of the Council and to approve the appropriation of funds to and from earmarked reserves.

Other Options

None.

Note:- This is a Council Function

Called in to: Policy & Resources Scrutiny Committee

Executive Councillor:- Lamb

73 **Council Debt Position**

The Cabinet considered a report of the Director of Finance and Resources informing Members of the current outstanding debt to the Council as of 31st March 2017 and debts that had been or are recommended for write-off in the current financial year.

Resolved:

1. That the current outstanding debt position as at 31st March 2017 and the position of debts written off to 31st March 2017, as set out in Appendices A and B to the submitted report, be noted.
2. That the write off as detailed in Appendix B to the report, be approved.

Reason for Decision

All reasonable steps to recover the debt have been taken and therefore where write off is recommended it is the only course of action available.

Other Options

None.

Note:- This is an Executive Function

Eligible for call in to: Policy & Resources Scrutiny Committee

Executive Councillor:- Moring

74 Housing Investment Company

The Cabinet considered a report of the Director of Finance and Resources setting out the key considerations, high level business case and the implementation plan for establishing a Housing Investment Company (HIC) for the Council.

Resolved:

1. That the establishment of a Council controlled, asset holding Housing Investment Company, be approved.
2. That the key actions within the Implementation Plan, be approved.
3. That External financial and legal advice be sought to support the key actions within the Implementation plan to ensure its timely delivery and that this one off cost is funded from the Council's contingency budget.

Reason for Decision

To address a number of local housing needs in the borough.

Other Options

None

Note:- This is an Executive Function.

Called in to: Policy & Resources Scrutiny Committee

Executive Councillor :- Lamb/Flewitt

75 RIPA Annual Report

The Cabinet considered a report of the Director of Legal and Democratic Services on the Council's use of the surveillance powers available to it under the Regulation of Investigatory Powers Act 2000 ("RIPA") during the financial year 2016/17 and provided an update on staff training on RIPA and the Council procedures relating to the use of social networking sites.

Resolved:

1. That it be noted that the Council has not used the surveillance powers available to it under RIPA between 1 April 2016 and the 31st March 2017 and neither has it used any covert human intelligence sources during this period.
2. That it be noted that training on RIPA for relevant staff was carried out on 5th April 2017.
3. That the guidance issued by the Office of Surveillance Commissioners (OSC) on the use of social networking sites and how this is addressed at the Council, be noted.

Reason for Decision

To comply with the Home Office Codes of Practice re RIPA.

Other Options

None

Note:- This is an Executive Function

Eligible for call in to: Policy & Resources Scrutiny Committee

Executive Councillor:- Moring

76 CYPP 2016/17 Annual Report/Children's Integration Plan

The Cabinet considered a report of the Deputy Chief Executive (People) which provided an update on the successes and achievements delivered through the Success for All Partnership Board (Success for All) and sought agreement for the Integrated Children's Strategy.

Recommended:

1. That the high level mobilisation plan and the successes and achievements as delivered by Success for All, be noted.
2. That the Integrated Children's Strategy, be approved.

Reason for Decision

With the development of an integrated children's strategy it is important that the Council formally approves the strategy to ensure senior support and sponsorship.

Other options

None

Note: This is a Council Function.

Eligible for call in to: People Scrutiny Committee

Executive Councillor: Courtenay

77 School Admission Arrangements for Community Schools and Coordinated Admission Scheme for Academic Year 2018/19

The Cabinet considered a report of the Deputy Chief Executive (People) which sought views on the proposed pre-consultation and engagement of the relevant people in respect of the admission arrangements (including catchment areas) for community schools for the academic year 2019/20.

Resolved:

1. That a two level consultation with relevant people on the proposals for Admission Arrangements for community schools for the academic year 2019/20, be approved.

2. That the pre-consultation and engagement phase, from July 2017 through to September 2017, be approved.

3. That formal consultation in line with the Admissions Code 2014, from October to January 2018, be approved.

4. That consultation takes place with governing bodies of community schools on the published admission numbers for community infant, junior and primary schools for September 2018 (this might be earlier than usual in order to support the full consultation process - October to 31st January 2018), be approved.

Reasons for Decision:

To undertake consultation on the catchment areas and arrangements.

Other Options

None.

Note:- This is an Executive Function

Called in to: People Scrutiny Committee

Executive Councillor: Courtenay

78 Grammar School (Strategy)

The Cabinet considered a report of the Deputy Chief Executive (People) detailing the proposals for a strategy to fulfil an ambition to enable more Southend residents to attend one of the four Grammar Schools in the borough.

Resolved:

1. That the outline proposals for the Strategy, be noted.
2. That the types of actions set out in Appendix 1 to the submitted report which will form the basis of the Strategy, be approved.

Reasons for Decision:

To improve the representation of Southend residents so that they can benefit from a selective education, if it is suitable for their particular abilities.

Other options

None.

Note:- This is an Executive Function.

Called in to: People Scrutiny Committee

Executive Councillor: Courtenay

79 Provision of Secondary School Places

The Cabinet considered a report of the Deputy Chief Executive (People) detailing progress on the strategy for the provision of secondary places, as overseen by the School Places Working Party and sought consideration of the proposal for a Free School.

Resolved:

1. That current progress be noted and that the progression of expansion projects to procurement stage at good and outstanding secondary schools for September 2018, namely Shoeburyness High School and St Thomas More High School, be approved.
2. That the continuation of expansion discussions with remaining Good and Outstanding Schools, namely Belfairs Academy, The Eastwood Academy and St Bernard's High School to secure the remaining 60 places still required for September 2018, be approved.
3. That it be agreed that a free school is required for September 2019 for the required additional 180 places (this requires the identification of council owned land to support any application to the Department of Education).

Reasons for Decision:

The Council has a statutory duty to ensure sufficient places for all statutory school aged children.

Other options:

None.

Note: This is an Executive Function

Called in to: People Scrutiny Committee

Executive Councillor: Courtenay

80 Tourism Strategy

The Cabinet considered a report of the Deputy Chief Executive (Place) detailing progress with the development of Southend-on-Sea's Tourism.

Recommended:

That the Destination Southend – 2017 Tourism Strategy, be adopted. ||

Reasons for Decision:

To adopt the Strategy.

Other options:

None.

Note:- This is a Council Function

Called in to: Place Scrutiny Committee

Executive Councillor: Holland

81 Digital Strategy

The Cabinet considered a report of the Deputy Chief Executive (Place) detailing the Council's strategic digital intentions for the next three years set out in the 'Digital Strategy 2017/20.'

Recommended:

1. That the strategic direction contained within the 'Digital Strategy 2017/20', be approved. ||

2. That SMART proof of concept pilots be progressed across 2017/18.

3. That the £500,000 identified in the Council's Capital Programme 2018/19 be brought forward for use in 2017/18 for the creation of the Intelligence Hub. ||

Reasons for Decision:

To adopt the Strategy.

Other options:

None.

Note:- This is a Council Function

Called in to: Place Scrutiny Committee

Executive Councillor: Byford.

82 **Growth Strategy**

The Cabinet considered a report of the Deputy Chief Executive (Place) on the development of an Economic Growth Strategy 2017-22.

Resolved:

That, subject to the inclusion of Shoebury High Street and Ness Road in the list of retail/commercial areas (page 22 of the Strategy), the Economic Growth Strategy, be approved.

Reasons for Decision:

To provide a clear method to steer Council activity and decision making in order to maximise the economic benefits realised by Southend residents.

Other Options

To develop an alternative strategy.

Note: This is an Executive Function

Called in to: Place Scrutiny Committee

Executive Councillor: Holland

83 **The Official Feed & Food Service Plan**

The Cabinet considered a report of the Deputy Chief Executive (Place) which sought agreement to the Official Feed and Food Control Service Plan 2017-18 required by the Food Standards Agency.

Recommended:

That the official Feed and Food Control Service Plan 2017-18, as set out in Appendix 1 to the submitted report, be approved. ||

Reasons for Decision:

To comply with the Food Standards Agency Framework Agreement.

Note: This is a Council Function

Eligible for call in to: Place Scrutiny Committee

Executive Councillor: Cox

84 **Community Infrastructure Levy**

The Cabinet considered a report of the Deputy Chief Executive (Place) providing the CIL Annual Financial Report for the financial year 2016/17 together with an update in respect of the allocation and expenditure of CIL funding.

Resolved:

1. That the content of the CIL Annual Financial Report 2016/17 (including Appendix 1 to the submitted report) be noted and that the CIL Main Fund receipts to date be carried forward to the next financial year (2018/19), when spending will be reviewed.

2. That the authority to agree how the Ward Neighbourhood Allocation (excluding allocation to Leigh Town Council area) is to be spent be delegated to the Deputy Chief Executive (Place), in consultation with Ward Members and the Executive Councillor for Housing, Planning and Sustainability.

Reasons for Decision:

As more significant CIL receipts are anticipated over the next year it is considered more beneficial to wait until these receipts are received before deciding how to apply them to infrastructure projects.

Other options:

As set out in the submitted report.

Note: This is an Executive Function
Eligible for call in to: Place Scrutiny Committee
Executive Councillor: Flewitt

85 Minutes of the Senior Managers Pay Panel held on Tuesday 6th June 2017

The Cabinet considered the recommendations of the Senior Managers Pay Panel held on 6th June 2017.

Resolved:-

1. That a pay award of 1% be applied to the Council's senior management grades with effect from 1st April 2017.

2. That, with effect from 1st April 2017, the statutory allowances paid to the Director of Finance & Resources (S.151), Director of Legal & Democratic Services (Monitoring Officer) and the Deputy Chief Executive – People (DCS & DAS) be increased from £7,685 p.a. to £7,850 p.a.

3. That the annual allowance paid to the Director of Integrated Commissioning be increased from £5,000 p.a. to £7,500 p.a. This allowance is to be paid quarterly subject to the successful delivery of key targets as agreed by the Council and the Clinical Commissioning Group (CCG).

Note:- This is an Executive Function
Eligible for call in to: Policy and Resources Scrutiny Committee
Executive Councillor:- Lamb

86 Standing Order 46

Resolved:-

That the submitted report be noted.

Note:- This is an Executive Function
Called in to all three Scrutiny Committees as appropriate to the item
Executive Councillor:- As appropriate to the item

87 Exclusion of the Public

Resolved:-

That, under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the items of business set out below, on the grounds that they would involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

88 Gasworks Site

The Cabinet considered a joint report of the Deputy Chief Executive (Place) and Director of Finance and Resources on the above.

Resolved:-

1. That the acquisition of the former Gasworks site, noting the strategic opportunities, the risks and the associated financial implications, be pursued.
2. That the use of the land, subject to planning, for parking in the short-medium term with a view to developing a scheme for part or all of the land in the medium-long term based on the strategic and development opportunities outlined in the submitted report, be approved.
3. That the authority to settle the terms and complete the transaction within the financial parameters as set out in sections 5 and 10.2 of the submitted report be delegated to the Deputy Chief Executive (Place) in consultation with the Leader of the Council and the Director of Finance and Resources.
4. That the impacts on other sites be noted and the reasons for the recommendations set out at sections 6 and 9 of the report, be approved.
5. That the financial implications and amendments required to the Capital Programme and use of reserves as set out in the report, be approved.
6. That any necessary procurement and planning activities to enable the remediation and development of the site to proceed in both the short-medium and medium-long term, be approved.

Reason for Decision

As set out in the submitted report

Other Options

As set out in the submitted report

Note:- This is an Executive Function

Called in to: Place Scrutiny Committee

Executive Councillor:- Holland

**89 Provision of Secondary School Places in Southend September 2019:
Proposed Free School Site**

The Cabinet considered a report of the Deputy Chief Executive (People) on the above.

Resolved:-

1. That the preferred site for a free school to support and strengthen an application made by a proven academy trust to the Department for Education (DfE), be approved.

2. That further legal advice be sought on the Council's rights to terminate any tenancy agreement, to better understand the potential costs involved, and to assess the likelihood of entering into negotiations with the tenant and obtaining planning permission regarding change of use of the land.

Reason for Decision

As set out in the submitted report

Other Options

As set out in the submitted report

Note:- This is an Executive Function

Called in to: People Scrutiny Committee

Executive Councillor:- Courtenay

Chairman: _____