

Extraordinary Council – 22 February 2022

Minutes of the meeting of **Extraordinary Council** held on **22 February 2022** when there were present:-

Chairman: Cllr Mrs J R Gooding
Vice-Chairman: Cllr M J Steptoe

Cllr Mrs L A Butcher	Cllr Mrs C A Pavelin
Cllr Mrs T L Carter	Cllr Mrs C E Roe
Cllr R P Constable	Cllr Mrs L Shaw
Cllr D S Efde	Cllr P J Shaw
Cllr A H Eves	Cllr S P Smith
Cllr I A Foster	Cllr D S Sperring
Cllr Mrs E P Gadsdon	Cllr C M Stanley
Cllr J N Gooding	Cllr I H Ward
Cllr B T Hazlewood	Cllr M J Webb
Cllr M Hoy	Cllr Mrs C A Weston
Cllr T D Knight	Cllr M G Wilkinson
Cllr D Merrick	Cllr A L Williams
Cllr G W Myers	Cllr S A Wilson
Cllr J E Newport	Cllr S E Wootton
Cllr L J Newport	

APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllrs M R Carter, R R Dray, J L Lawmon, Mrs J R Lumley, Mrs J E McPherson and R Milne.

OFFICERS PRESENT

J Stephenson	- Chief Executive
A Hutchings	- Strategic Director
M Harwood White	- Assistant Director, Assets and Commercial
M Hotten	- Assistant Director, Place and Environment
A Law	- Assistant Director, Legal and Democratic
N Lucas	- Assistant Director, Resources
L Moss	- Assistant Director, People and Communities
D Tribe	- Assistant Director, Transformation and Customer
S Worthington	- Principal Democratic and Corporate Services Officer

38 DECLARATIONS OF INTEREST

Cllr I A Foster declared a non-pecuniary interest in the agenda by virtue of being a member of the Rayleigh Bowling Club and Hockley and Hawkwell Old People's Welfare Committee which had been in receipt of Covid-19 grants.

Cllr D J Sperring declared a non-pecuniary interest in the agenda by virtue of being a member of the Rayleigh Conservative Club which had been in receipt of Covid-19 grants.

Cllr M Hoy declared a non-pecuniary interest in the agenda by virtue of his company having received Covid-19 grants.

39 MEDIUM TERM FINANCIAL STRATEGY 2022/23 – 2026/27

Council considered the report of the Assistant Director, Resources setting out the proposed Medium Term Financial Strategy (MTFS) for the period 2022/23 to 2026/27, including the 2022/23 Budget and Council Tax level.

The Leader of the Council made reference to the challenges of the past year and the need for the Council to continue to support communities during recovery after the pandemic. He emphasised his commitment to ensuring that the Council continues to delivery high quality services, which support residents, communities and businesses to thrive. He further stressed that the budget plans were an important part of making sure this ambition was achieved.

The Leader made particular reference to the Council's commitment to making the district as prosperous as possible and an attractive destination for visitors and to exploring further the opportunity to support regeneration. This would assist in accelerating housing provision to ensure that the current and future generations were able to access high quality, sustainable homes and help stimulate employment opportunities for residents.

The Leader emphasised that the Council had started the journey with its asset programme that would assist in creating community, employment, and residential space within the two main towns. If the Council could promote opportunities for regeneration where the market may not bring forward proposals independently, then the Council would be prepared to intervene. He further emphasised that the Council would look to bring forward proposals within the next financial year to deliver on this ambition, through a programme of investment, to make a place-based difference to the lives of all residents and businesses within the Rochford District.

The Leader concluded by listing the high level priorities that the Council would work towards over the medium term, as asset out ion the Council's Business Plan, and stressed that, despite the challenges faced overt the last year, the Council had nevertheless continued to deliver excellent services to its residents.

The Portfolio Holder for Financial Services thanked Councillors and officers who had worked hard to present a balanced budget for Council's approval, as well as working tirelessly to support residents and businesses through the last year. He emphasised that, through a combination of prudent financial management and additional one of support from the government, the Council was projecting to stay within the budget this financial year, which as a significant achievement in the current climate. The Council also continued to maintain an unqualified set of financial accounts and Value for Money opinion from its external auditors, which had recently been signed off for the 2020/21 financial year.

He further stressed the Council's legal obligation to set a balanced budget each year which contained service expenditure within available funding. The financial pressures arising from the pandemic, and the continued uncertainty around future funding levels meant that this is an ongoing challenge. The Council's medium term projections anticipated a gap of at least half a million pounds by the end of the MTFS period, and there were significant risks which could add to this gap.

In that context, the budget proposed was a responsible, sustainable budget, that would help the local economy to recover and would protect and support the district's residents while ensuring essential services continued to be delivered.

The pressures on the Council's budget in 2022/23 total nearly £900,000. The Council had worked hard to identify cost reductions, efficiency savings and additional income to offset these pressures, leaving a gap of just £236,000.

At this time of financial pressure for residents, the Council had carried out a comprehensive exercise to identify efficiencies and cost reductions across all service areas, but ensuring the necessary levels of expenditure to maintain the quality services expected for delivery by the Council.

The Portfolio Holder stated that it was proposed that, for a Band D property, Council tax would rise by less than 10 pence per week, or around £5 per annum year, which was equal to 2.06%. He emphasised that the Council had consistently run a balanced budget and had no debt to service its day to day operation.

Last week Council agreed a new Council tax Support that guaranteed that no resident would be worse off. In addition, the value of the Hardship Fund had been increased to 15k, which would provide an important safety net for residents.

12 months ago, car parking charges were increased for the first time in many years. High streets and residents were still being impacted by, for example, the pandemic, inflation and rising fuel prices. However, due to prudent management of Council finances it was possible to freeze car parking charges for the coming year.

The Town Centre Regeneration Fund of £50,000 announced last year to fund public space improvements to attract visitors back to the district's town centres had not been accessed during 2021/22 but would be rolled over into 2022/23.

The Community Safety Fund would also be topped up again to £100,000 to roll into 2022/23 to help financial investment in safety measures across the district. The responses received to the recent Budget Survey showed that Community Safety continued to be important to residents.

The Portfolio Holder also observed that the 2021 budget survey highlighted the value residents placed on their local communities, and events that bring these communities together. The proposed budget therefore included provision of a Platinum Purse, a fund that would enable residents to have the opportunity to join in celebrations for the Platinum Jubilee in some form, with the Platinum Purse.

In turning to the Council's Capital Programme, the Portfolio Holder announced that £300k would be allocated to playgrounds during 2022/23. In the Council's longer term planning an additional £50k would be allocated for each of the included budgeting years. The scale of this allocation would facilitate making further applications for matched fund grants and money from other sources. Over the next 3 years, investment could end up being as high as £750k. Additional playgrounds had also been delivered within some of the larger housing schemes like Bullwood Hall and West Rayleigh.

Provision of over £2million had also been made within the proposed capital programme, for a significant investment in vehicles to support the delivery of a new waste contract in 2022/23, to ensure these services could be delivered in a modern and efficient way, supporting the Council's wider business plan ambitions.

The 2022/23 Capital and Treasury Management Strategy had been considered by the Review Committee and was recommended to Full Council for approval, with some small updates to the figures presented to reflect the final capital programme proposals.

The experiences of the last two years highlighted the importance of holding reasonable levels of reserves to support the Council through times of unexpected cost pressures. The Council's total level of earmarked reserves remained at a level comparable to similar local authorities and were not considered to be excessive, particularly given the climate of financial uncertainty that was faced over the medium term. It was proposed that the 2022/23 New Homes Bonus grant payment, as well as other one-off grants, be transferred to the Council's Investment Reserve to fund future capital investment in the district.

The Council continued to maintain a General Fund balance of at least £1m or 10% of its net revenue budget, which was prudent to maintain as a contingency for emergencies.

The Portfolio Holder concluded by reiterating that the proposed budget supported the vision and ambition of the Council to make a difference to the lives of all residents and businesses within the district.

The Portfolio Holder for Financial Services moved a Motion, seconded by the Leader of the Council, to approve the recommendations set out in paragraph 17.1 of the report.

A Member raised a concern with regard to the proposed budget, stating that there was no correlation between the proposed budget with services received by the residents.

A Member commended the work of the Assistant Director, Resources, the Finance team, and the Portfolio Holder for Financial Services for their continued hard work.

A Member raised a question with regard to Appendix 1 and the estimated costs for each department that mentioned 'attendance bonus' and queried why this was paid to staff. The Portfolio Holder for Financial Services clarified that these were non-contractual benefits in line with the Staff Award Scheme that the Council had in place. The additional funding was required to reflect lower sickness levels due to an increase in staff working from home as a result of the Covid-19 pandemic. The Scheme recognised that if staff attendance was 100% for a period of 6 months, a £50.00 award was offered or a half day's paid leave.

A question was raised with regard to Rayleigh Civic Suite repairs and maintenance costs which had risen to £19,540 and a Member sought clarity on the increase in cost. The Portfolio Holder for Financial Services advised that the budgets had been updated across the Council and the Council did struggle to meet the cost of repairs and maintenance which resulted in a minor draw on the reserves to fund these works. The Council would avoid these expenditures via the Asset Delivery Programme; however, currently, the Council was obliged to keep Council buildings safe and secure regardless of if they were open or closed to the public.

A Member raised a concern with regard to the proposed c£3k fee for the Macmillan Breast Screening Unit to park on Council owned car parks and proposed to the Leader that the Breast Screening Unit be exempt from paying the fee. The Leader advised that this particular concern would be covered by a separate Fees and Charges report; however, this charge would be reviewed and urgently considered.

Cllr M Hoy moved an amendment to the Motion, seconded by Cllr Mrs C M Mason, that the budget gap of £162k be funded by transfer of general reserves.

A Member spoke against the amendment stating that this would only serve to delay the problem, rather than addressing it. Council was presented with a balanced and sustainable budget that considered the Council's needs in terms of service delivery and the ability to deliver those services. The proposed amendment would pose a challenge in administering the Council's finances by spending reserves.

Another Member spoke against the amendment, observing that, whilst he agreed with the sentiment of not raising Council Tax, money from reserves were required each year to cover other factors.

Another Member spoke in favour of the amendment, pointing out that the Council's reserves were at 14% compared to a recommended minimum of

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10%. The proposed amendment would aid residents whilst also ensuring that reserves would still be at 12.5% which was 2.5% above the recommended minimum level.

The amendment was lost on a show of hands.

(9 Members voted in favour, 22 against and 1 Member abstained).

Resolved

- (1) That the net revenue budget requirement for 2022/23 is set a £9.71m as per paragraph 7.20

(23 Members voted in favour, 7 Members voted against, and 2 Members abstained.)

- (2) That the Capital Programme for 2022/23 set out at Appendix 2 be approved, and the forecasts for the year 2023/24 to 2026/27 be noted.

(23 Members voted in favour, 7 Members voted against, and 2 Members abstained.)

- (3) That the Section 151 Officer be authorised to adjust capital project budgets in 2022/23 after the 2021/22 accounts are closed and the amounts of slippage and budget carry forward required are confirmed.

(This was unanimously agreed.)

- (4) That it be noted that the proposed Council Tax requirement for the Council's own purposes (excluding Parish and Town Councils and Precepts) for 2022/23 is £8.019m as per paragraph 7.20.

- (5) That the 2022/23 Band D equivalent tax base for the purpose of determining the council tax charge is agreed as 32,707.6 properties.

(This was unanimously agreed.)

- (6) That the increase in Rochford District Council Tax of £4.95 (2.06%) for 2022/23 is approved by recorded vote.

On a requisition to Council Procedure Rule 17.4 a recorded vote was taken, as follows:-

For (23) Cllrs Mrs L A Butcher; R P Constable; D S Efde; I A Foster; Mrs E P Gadsdon; J N Gooding; Mrs J R Gooding; B T Hazlewood; D Merrick; G W Myers; Mrs C A Pavelin; Mrs C E Roe; Mrs L Shaw; P J Shaw; S P Smith; D J Sperring; M J Steptoe; I H Ward; M J Webb; Mrs C A Weston; M G Wilkinson; A L Williams; S E Wootton

Against (9) Cllrs Mrs T L Carter; A H Eves; M Hoy; T D Knight; Mrs C M Mason; J E Newport; Mrs L J Newport; C M Stanley; S A Wilson

- (7) That the schedule of fees and charges for 2022/23 set out in Appendix 3 is approved.

(24 Members voted in favour, 1 Member voted against, and 4 Members abstained.)

- (8) That the target minimum General Balance as at 1 April 2023 is set at £1.0m.

(This was unanimously agreed.)

- (9) That the expected Earmarked reserves position set out in Section 14 is noted.

- (10) That the statement on the robustness of the estimates and reserved at Section 14 is noted.

- (11) That the Equality Impact Assessment as set out in section 12 of this report is noted.

- (12) That the Capital and Treasury Management Strategy for 2022/23, as set out in Appendix 4, including the 2022/23 Prudential Indicators, is approved.

(22 Members voted in favour and 8 Members abstained.)

- (13) That the Budget Consultation Report at Appendix 5 be noted. (ADR)

40 SETTING THE COUNCIL TAX 2022/23

Council considered the report of the Assistant Director, Resources seeking Council's authorisation to set the Council Tax for the year 2022/23.

The Portfolio Holder for Financial Services emphasised that the pressures under which local government operates remained significant and the Council continued to look closely at opportunities to make efficiency savings and

generate new sources of revenue. This was not only in response to the removal of government grants but also to deal with significant cost increases arising from inflationary and demographic pressures, as well as the impact of COVID-19.

The Council would continue to look at areas where costs can be reduced, or income generated. However, in 2022/23 there was a need to increase Council Tax by just under 2.1% to help fund the financial pressures that the District was facing. This equates to an increase of less than 10p per household per week on a Band D property. The proposal was to set Rochford District Council's Council Tax, for a Band D property, at £245.16 per year. The total average Council Tax for a Band D property for 2022/23 would be £1,993.97 - an increase of £78.18 (that equates to 4.1%).

Rochford District Council only keeps a small proportion of the Council Tax it collects across the district, with the majority going to Essex County Council, as well as Fire, Police and Parish Councils.

Although these remained difficult financial times, Rochford District Council remained committed to providing excellent services to its residents and partners. It would be doing all it could to deliver innovative and high quality services.

The Portfolio Holder for Financial Services moved a Motion, seconded by the Leader of the Council, to approve the recommendation set out at paragraph 5.1 of the report.

Resolved

- (a) £29,892,864 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act taking into account all the precepts issued to it by Parish/Town Councils.
- (b) £20,113,368 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act.
- (c) £9,779,496 being the amount by which the aggregate at (a) above exceeds the aggregate at (B) above calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax requirement for the year. (Item **R** in the formula in Section 31B of the Act.)
- (d) £299.00 being the amount at (c) above (Item **R**), divided by Item **T** (paragraph 3.1 above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) £1,760,901 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act, as detailed above.

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- (f) £245.16 being the amount (d) above, less the result given by dividing the amount at (e) above by Item T (paragraph 2.2 above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precepts relates.
- (g) The amounts set out at **Appendix B** being the amounts given by adding to the amount at (f) above to the amounts of the special item or items relating to dwellings in those parts of the Council's area, as set out in Appendix B, divided in each case by Item T (paragraph 3.1 above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.
- (h) The amounts set out at **Appendix C** being the amounts given by multiplying the amounts at (g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in the proportion is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.
- (i) That it be noted that for the year 2022/23 Essex County Council, Essex Police, Fire and Crime Commissioner and Essex County fire and Rescue have stated the amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings as set out at **Appendix D**.
- (j) That the Council, in accordance with sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in **Appendix E** as the amount of Council Tax for 2022/23 for each part of its area and for each of the categories of dwellings. (ADR)

(23 Members voted in favour, 0 against and 9 Members abstained.)

The meeting closed at 9.09 pm.

Chairman

Date

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