

Extraordinary Council – 16 February 2021

Minutes of the meeting of **Council** held on **16 February 2021** when there were present:-

Chairman: Cllr R R Dray
Vice-Chairman: Cllr Mrs C A Weston

Cllr Mrs D L Belton	Cllr D Merrick
Cllr J C Burton	Cllr R Milne
Cllr Mrs L A Butcher	Cllr J E Newport
Cllr C C Cannell	Cllr Mrs C A Pavelin
Cllr M R Carter	Cllr Mrs C E Roe
Cllr Mrs T L Carter	Cllr Mrs L Shaw
Cllr D S Efde	Cllr P J Shaw
Cllr A H Eves	Cllr S P Smith
Cllr Mrs J R Gooding	Cllr D J Sperring
Cllr B T Hazlewood	Cllr C M Stanley
Cllr N J Hookway	Cllr M J Steptoe
Cllr M Hoy	Cllr I H Ward
Cllr K H Hudson	Cllr M J Webb
Cllr G J Ioannou	Cllr M G Wilkinson
Cllr M J Lucas-Gill	Cllr A L Williams
Cllr Mrs J R Lumley	Cllr S A Wilson
Cllr Mrs C M Mason	Cllr S E Wootton
Cllr Mrs J E McPherson	

OFFICERS PRESENT

A Hutchings	- Acting Managing Director
M Harwood-White	- Assistant Director, Assets & Commercial
M Hotten	- Assistant Director, Place & Environment
A Law	- Assistant Director, Legal & Democratic
N Lucas	- Assistant Director, Resources
L Moss	- Assistant Director, People & Communities
S Worthington	- Principal Democratic and Corporate Services Officer
L Morris	- Democratic Services Officer
K Smith	- Democratic Services Officer

19 MINUTES

The Minutes of the meeting held on 15 December 2020 were approved as a correct record and would be signed by the Chairman in due course.

20 MEDIUM TERM FINANCIAL STRATEGY 2021/22-2025/26

Council considered the report of the Assistant Director, Resources setting out the proposed Medium Term Financial Strategy (MTFS) for the period 2021/22 to 2025/26, including the 2021/22 Budget and Council Tax level.

The Leader of the Council commended the hard work of the officers over the past year, especially during such unprecedented times. He drew attention to

the roll out of business grants to around 2,000 businesses, which had provided a vital lifeline to support the local economy over the past year and advised Members that a further announcement would be made during the meeting regarding funding for infrastructure. The Leader advised Members that the Asset Delivery Programme had been brought forward as a result of the pandemic, including a purpose-built community centre that would aid in revitalising the local economy, and informed Members that the Asset Delivery Programme would deliver cost benefits of at least £250,000 per annum.

In moving the recommendations set out on pages 4.27 and 4.28, the Portfolio Holder for Financial Services also thanked officers for their hard work on the MTFS and emphasised that this was a balanced budget that would help the local community to recover while ensuring that essential services continued to be delivered. He advised that the Medium-Term strategy predicted an expected budget gap of around £2 million by 2025/26 due to an increase in demand for services and a decrease in funding. He assured Members that the Council had worked hard to identify cost reductions and savings to bring this gap to around £400,000 in 2021/22. It was proposed that a modest increase of 2.1% in Council Tax equating to just £5 per annum for a Band D property would help to bridge this gap, along with a small increase in car parking charges for the first time in five years.

He further emphasised that the budget provides for a Community Safety initiative of £100,000 to help finance safety measures across the district as a result of feedback from residents and advised that proceeds from surplus Council assets would be invested back into the district, including into a new Town Centre Regeneration fund of £50,000 and resurfacing of car parks. It was proposed that the 2021/22 new homes payment grant payment was transferred to the investment reserves, which were essential given the circumstances over the past year.

The Leader of the Council seconded the Motion to propose the recommendations within the report.

In response to Member concern that minority groups had not been included in the budget away days, the Leader advised that invitations had been sent out to all Members and had been attended by other Members who were not part of the administration. Concern was also raised regarding the increase to Council Tax and car parking charges, to which the Leader advised that this was in line with what other authorities were doing and therefore an adjustment was to be expected.

A Member queried if there had been any cuts in services to achieve the budget and was advised by the Portfolio Holder for Financial Services that there had been no cuts made to services.

An independent Member advised that they had attended the financial briefings and had found them extremely helpful. The Member stated that they had struggled with the decision to raise Council Tax in times of financial hardship, but recognised that this was not an attempt to increase Council funds, but

rather to channel money back into public services, and highlighted that by calculating the capital investment versus the revenue generated by Council Tax, this was the equivalent of Rochford District Council investing £2 into the community for every £1 in Council Tax raised, and encouraged all Members to consider the repercussions of voting against the MTFs.

The Portfolio Holder for Commercial, Business, Local Economy & Leisure highlighted to Members that the administration of business grants was carried out by Council officers, which had been improved over time by listening to the feedback of local residents to ensure a diverse and versatile scheme to support the maximum number of businesses throughout the pandemic.

A Member raised a query in regard to Green Gateway Training and asked if the Council was satisfied with the current performance of the company, and if any opportunities to increase revenue had been identified, and was advised by officers that this would be communicated outside of the meeting.

A Member raised concern that the Council's ambition to invest money while interest rates were low was lacking, and instead focused on distributing Government money to local residents. He asked that the Council would be more forward thinking in future. Criticism was also directed towards the lack of support given to businesses without premises during the first roll out of business grants. The Portfolio Holder for Commercial, Business, Local Economy & Leisure advised that the initial budget was small and therefore the Council had to be cautious with the businesses that were supported as they were unaware at that point that further funding would be provided. She further advised that the second tranche of funding had provided more freedom for support to be given to taxi drivers, people working from home, and others that had missed out on the first distribution of business grants.

A Member raised a query regarding the salary saving of £250,000 with £50,000 attributed to the Acting Managing Director's role and queried if these posts could be made redundant as there had been a saving of £200,000 for the past few years. Officers advised that the salary savings were not attributed to any specific vacant posts, but rather referred to the fact that, at any point in time, some posts are likely to be vacant and £200,000 is the Council's best estimate of a quantifiable saving.

A further query was raised regarding the budget and why this had not been adjusted to reflect the impact of COVID-19. Officers advised that it was very difficult to predict the exact extent of those pressures and therefore the decision was taken to put the additional Government funding into reserves which would be drawn upon to balance the budget over the next financial year.

A Member raised concern that the Town Regeneration Fund of £50,000 was not enough to make a significant impact upon the town centres across the district and argued that while the Council was undertaking the Asset Delivery Programme which they deemed to be costly, they could not support asking residents to increase their Council Tax Payments.

The Portfolio Holder for Financial Services made reference to a point made by a Member on the exchanging of car park tickets between residents and emphasised that the terms and conditions clearly state that car parking tickets are not transferable and that the action of exchanging tickets is effectively defrauding the Council of a proper income.

A Member queried if the Council services would remain at the quality that they are currently delivered at with the budget proposed and was assured by the Portfolio Holder for Financial Services that they would.

In response to a Member query regarding how car parks would either save money or increase income, it was advised that money was lost through aged and damaged car parking machines, therefore by replacing them income from the machines would be increased. It was emphasised that it was essential to invest into infrastructure to ensure useable and modern facilities for residents.

Resolved

- (1) That the net revenue budget requirement be set at £7.72m for 2021/22 as per paragraph 7.20
(30 Members voted for the Motion, 7 voted against and 0 abstained)
- (2) That the Capital Programme for 2021/22 set out at Section 9 and the proposed methods of financing the capital expenditure be approved.
(27 Members voted for the Motion, 5 voted against and 1 abstained)
- (3) That the Assistant Director, Resources be authorised to adjust capital project budgets in 2021/22 after the 2020/21 accounts are closed and the amounts of slippage and budget carry forward required are confirmed.
(27 Members voted for the Motion, 5 voted against and 1 abstained)
- (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 2021/22 is £7.699m as per paragraph 7.20.
- (5) That the 2021/22 Band D equivalent tax base for the purpose of determining the council tax charge be agreed as 32,051.9 properties.
(30 Members voted for the Motion, 2 voted against and 1 abstained)

On a requisition pursuant to Council Procedure Rule 17.4 a recorded vote was taken on the Motion that an increase in Rochford District Council Tax of 2.15% for 2020/21 be approved, as follows:-

For (29) Cllrs Mrs D L Belton; J C Burton; Mrs L A Butcher; C C Cannell; M R Carter; R R Dray; D S Efde; Mrs J R Gooding; B T Hazlewood; K H Hudson; G J Ioannou; M J Lucas-Gill; Mrs J R Lumley; Mrs J E McPherson; D Merrick; R Milne; 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

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Against (7) Cllrs Mrs T L Carter; N J Hookway; M Hoy; Mrs C M Mason; J E Newport; C M Stanley; S A Wilson

Abstain (1) Cllr A H Eves

The motion was declared carried and it was:

Resolved

(6) That the increase in Rochford District Council Tax of 2.10% for 2021/22 be approved.

It was further:-

Resolved

(7) That the schedule of fees and charges for 2021/22 set out in Appendix 2 be approved.

(27 Members voted for the Motion, 6 voted against and 1 abstained)

(8) That the target General Balance as at 1 April 2021 be set at £1.0m.

(28 Members voted for the Motion, 0 voted against and 4 abstained)

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

(10) That the statement on the robustness of the estimates and reserves at Section 14 be noted.

(Cllr Mrs C M Mason wished it to be recorded that she did not agree with the use of the word 'robustness')

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

(12) That the Capital and Treasury Management Strategy for 2021/22, as set out in Appendix 13 including the 2021/22 Prudential Indicators, be agreed.

(30 Members voted for the Motion, 0 voted against and 1 abstained)

(13) That the Budget Consultation Report at Appendix 4 be noted. (ADR)

The meeting closed at 10.15 pm.

Chairman

Date

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