

# Minutes

---

## **Policy, Finance and Resources Committee Tuesday, 30th June, 2015**

### **Attendance**

Cllr Mrs McKinlay (Chair)  
Cllr Hirst (Vice-Chair)  
Cllr Barrett  
Cllr Clark  
Cllr Faragher

Cllr Hossack  
Cllr Parker  
Cllr Russell  
Cllr Mynott

### **Apologies**

Cllr Aspinell

### **Substitute Present**

Cllr Mynott (substituting for Cllr Aspinell)

### **Also Present**

Cllr Barrell  
Cllr Mrs Hubbard  
Cllr Kendall  
Cllr Morrissey  
Cllr Ms Rowlands  
Cllr Ms Sanders  
Cllr Tee  
Cllr Wiles

### **Officers Present**

Chris Leslie  
Greg Campbell  
Steve Summers  
Claire Hayden  
Chris Gill  
Chris Potter

Finance Director  
Project Manager - Customer Transformation  
Head of Customer Services  
Governance and Member Support Officer  
Interim Asset Manager  
Monitoring Officer and Head of Support Services

**70. Apologies for Absence**

Apologies were received from Cllr Aspinell with Cllr Mynott substituting.

**71. Minutes of the Previous Meetings**

The minutes of the Finance and Resources Committee meeting held on 11<sup>th</sup> February 2015 and the Assets and Enterprise Committee meeting held on 27<sup>th</sup> March 2015 were approved and signed by the Chair as a correct record.

**72. Variation on the Order of the Agenda**

**RESOLVED**, following a request from the Chair, to move item 7 (Old House Refurbishment) forward for consideration.

**73. Old House Refurbishment**

The report considered the progress to date for the proposed refurbishment project for the Old House.

A motion was **MOVED** by Cllr Mrs McKinlay and **SECONDED** by Cllr Hirst to receive the recommendation in the report.

An amendment to the recommendation was **MOVED** by Cllr Barrett and **SECONDED** by Cllr Mynott to state:

*"That the matter of the disposal of the Old House be referred to the Head of Paid Service, with delegated authority being granted to that officer, to consider, undertake, and report back to this Committee on, a full options appraisal, including disposal at less than best consideration to a community led group for the purpose of creating and running a community hub to secure the social benefit of improved social cohesion".*

A vote was taken by a show of hands and it was **LOST**.

Returning to the **SUBSTANTIVE MOTION**, following a further discussion it **RESOLVED** that:

- 1. The Head of Paid Service be granted delegated authority to dispose of the Old House at best value (on the basis that planning approval being obtained and listed building consent had been granted).**

**REASON FOR RECOMMENDATION**

To enable the creation of a capital receipt for the Council.

**74. Approval for Restructures in Three Service Areas**

The report requested the approval of the Committee to allow the Head of Paid Service to conduct and implement restructures in three service areas of the

Council. The Council's Organisational Change Policy makes it clear that approval is sought from Members prior to any restructuring being carried out.

The areas that were under consideration for restructure were:

- Senior Management Team, also known as Corporate Leadership Board (CLB).
- Street Scene Management
- Car Parking

With agreement, the proposed restructures would be in place by 31<sup>st</sup> August 2015.

A motion was **MOVED** by Cllr Mrs McKinlay and **SECONDED** by Cllr Hirst to agree the recommendations in the report.

A vote was taken by a show of hands and it was **RESOLVED** that:

- 1. The restructures in the service areas as defined in 1.2 in the report proceed in accordance with the Council's adopted policies and procedures.**
- 2. The Head of Paid Service be granted Delegated Authority to undertake, manage and implement the said restructures provided that consultation took place with the Leaders of all Political groups (or in their absence, their appointed deputies). Such consultation would include meetings with the said Leaders and would include advice as to progress.**

#### **REASON FOR RECOMMENDATION**

To enable the Council to align its available resources with its service delivery model.

#### **75. Annual Treasury Management 2014/15**

The Council were required by regulations under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2014/15. The report met the requirements of both the CIPFA Code of Practice on Treasury Management(the code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

On 5<sup>th</sup> March 2014, Council approved the annual treasury strategy for 2014/15. The report compared the treasury activity for 2014/15 against the annual strategy.

A motion was **MOVED** by Cllr Hirst and **SECONDED** by Cllr Mrs McKinlay to agree the recommendation in the report.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY** that:

- 1. The treasury management activity and information for 2014/15 be noted.**

#### **REASON FOR RECOMMENDATION**

The Council was required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2014/15.

#### **76. Provisional Outturn 2014/15**

As part of the year end process, the Council must report the outturn position for 2014/15 and produce a Statement of Accounts which must be signed off by the External Auditors (Ernst & Young) and published by 30 September 2015.

The report dealt with the 2014/15 financial outturn for the following:

- General Fund – projected breakeven position for the year.
- Housing Revenue Account – projected under spent of £94K for the year.
- Capital Programme – projected under spend of £3.4M for the year.

The report also considered the reserves and working balance levels.

A motion was **MOVED** by Cllr Hirst and **SECONDED** by Cllr Mrs McKinlay to agree the recommendations in the report.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY** that:

- 1. The provisional outturn information within this report was approved.**
- 2. The capital programme would carry forwards requested at paragraph 4.11 of the report were approved.**

#### **REASON FOR RECOMMENDATION**

The Council were required to ensure effective arrangements for financial management were in place.

#### **77. Draft Corporate Plan**

The purpose of the report was to commence the process of updating the Council's Corporate Plan for 2016-19 and for approval for a six week period of consultation. It was important for the Council to have in place a Corporate Plan so it was clear in the strategic direction and planned approach to deliver progress against its vision for the Council.

The draft Corporate Plan 2016-19 covered a 3 year period. The aim of the consultation was to ensure resident target groups, statutory partners, voluntary partners and interested parties, had an opportunity to put forward their priorities for the Council so as the revised Corporate Plan would reflect the needs of the Borough.

A motion was MOVED by Cllr Mrs McKinlay and SECONDED by Cllr Hirst to agree the recommendation in the report.

Cllr Mynott suggested an amended to the recommendation to state:-

*“Members approved the consultation approach to the Corporate Plan 2016-19, as outlined in 4.1.”*

The amendment was accepted by the Chair.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY** that:

- 1. The consultation approach to the Corporate Plan 2016-19, as outlined in 4.1, be approved.**

#### **REASON FOR RECOMMENDATION**

The Corporate Plan set the strategic direction and planned approach to delivering progress against the vision for the Borough. The consultation started the process of delivering the new plan.

#### **78. Warley Training Centre - Sale and Acquisition**

At the Asset & Enterprise Committee held on 15 July 2014 it was resolved *“That conditional contracts for the sale of the property are exchanged with the highest and most compliant bidder (Bid B), with the Council then negotiating to retain 5 units for revenue purposes.”*

A further report was presented to the Asset & Enterprise Committee on 17 September 2014 confirming that the Council’s solicitors have been instructed regarding the sale and negotiations have been undertaken to retain 5 units at a discount to current values.

A report was presented to Ordinary Council on 22 October 2014 relating to the acquisition of the 5 units.

Council resolved:

*“1. That delegated authority be given to the Acting Chief Executive to approve and enter into conditional contract on behalf of the Council relating to the acquisition of the 5 x 2 bedroom apartment units as set out in exempt Appendix 1(Confidential) but such delegated authority shall be conditional upon best consideration relating to such acquisition and the connected disposal being reaffirmed to the satisfaction of the Section 151 Officer at the*

*date of exchange of contracts by an independent RICS) Royal Institution of Chartered Surveyors) qualified surveyor.*

*2. Members approve a virement from the Parking and Improvement Scheme to address the reduction in the original capital receipt anticipated for this sale”.*

Following agreement of terms and approval of the Asset & Enterprise Committee and Ordinary Council to the proposed transactions the original compliant bidder has sought to reduce their offer for the site. The Asset & Enterprise Committee of the 27 March 2015 resolved to give delegated authority to the Chief Executive to approve and enter into conditional contracts with the party that submitted the highest compliant and deliverable bid and to enter into an option agreement to acquire up to 5 residential apartments.

Heads of terms have been agreed with the party indicated in Appendix A (Exempt). This party has undertaken discussions with the Local Planning Authority and the provision of the small community hall (60 sq m) has met with some resistance and developer has put forward an alternative proposal that is a capital payment is provided in lieu of the facility, Appendix A (Exempt) to be expended to support existing sport/ community/leisure facilities within Warley.

The proposal to acquire up to 5 residential apartments has been reviewed and as it would be necessary for the Council to borrow money to fund the proposal and therefore, increase its debt liability, it is considered that the option arrangement should not be pursued. The capital requirement could be better utilised to reduce the Councils debt or fund other capital schemes to avoid the necessity to borrow.

A motion was MOVED by Cllr McKinlay and SECONDED by Cllr Hirst to agree the recommendations in the report.

An amendment to recommendation 2.2 was MOVED by Cllr Clark and SECONDED by Cllr Mynott that:-

*“The requirement for the developer to provide a community facility of 60 sq m was omitted and that the Head of Paid Service was given delegated authority to negotiate and agree, after consultation with the Chair of the Committee, a capital sum in lieu. The sum to be set aside for community facilities within Warley”*

Cllr Clark request a recorded vote in accordance with Part 4.1 of the Constitution, Rule 9.5, five Members requested a recorded vote be taken and Members voted as followed:

FOR: Cllrs Barrett, Clark, Faragher and Mynott (4)

AGAINST: Cllrs Hirst, Hossack, Mrs McKinlay, Parker and Russell (5)

ABSTAIN: (0)

The amendment to the motion was **LOST**.

After a full discussion, an amendment to the SUBSTANTIVE MOTION was MOVED by Cllr McKinlay and SECONDED by Cllr Russell to recommendation 2.2.

*“The requirement for the developer to provide a community facility of 60 sq m was omitted and that the Head of Paid Service was given delegated authority to negotiate and agree, after consultation with the Chair of the Committee, a capital sum in lieu. The sum to be set aside for community facilities within the Borough”.*

Cllr Barrett suggested an amendment to this recommendation, which was agreed by the Chair.

The requirement for the developer to provide a community facility of 60 sq m was omitted and that the Head of Paid Service was given delegated authority to negotiate and agree, after consultation with the Chair of the Committee, a capital sum in lieu. *The sum to be set aside for community facilities within the Borough, with preference to the Warley Ward.*

A vote was taken by a show of hands and it was **RESOLVED** that:

1. **Delegated authority be given to the Head of Paid Service to approve and enter into conditional contracts with the party that submitted the highest compliant bid as set out in Appendix A of the report (exempt appendix).**
2. **The requirement for the developer to provide a community facility of 60 sq m was omitted and that the Head of Paid Service was given delegated authority to negotiate and agree, after consultation with the Chair of the Committee, a capital sum in lieu. The sum to be set aside for community facilities within the Borough, with preference to the Warley Ward.**
3. **The requirement that the Council entered into an option agreement to purchase up to 5 residential units be withdrawn.**

#### **REASON FOR RECOMMENDATION**

To provide the Council with a capital receipt.

#### **TERMINATION OF MEETING**

During the preceding item, in accordance with Rule 28 of Part 4.1 – Council Procedure Rules, the businesses of the meeting not having concluded by two hours after its start, Members voted and agreed to continue with the meeting for a further 30 minutes.

## 79. Hutton Community Centre

The decision of the 18<sup>th</sup> February 2015 Asset and Enterprise Committee was to grant delegated authority in the following terms:

*“That delegated authority be granted to the Strategic Asset Manager after consultation with the Chair of Asset and Enterprise Committee to negotiate and enter into a lease of the Hutton Community Centre to Essex Boys and Girls Club”.*

Negotiations subsequently failed to result in the grant of a lease and so the matter was brought back to Members.

A motion was moved by Cllr Mrs McKinlay and **SECONDED** by Cllr Hossack to agree the recommendations in the report.

A vote was taken by a show of hands and it was **RESOLVED UNANIMOUSLY** that:

1. **An external valuation of the property known as Hutton Community Centre be carried out to determine the current open market rental that could be expected.**
2. **The process for seeking bids for a lease of Hutton Community Centre be carried out in accordance with the process set out in the report.**
3. **Those bids received be considered by a future meeting of the Policy, Finance and Resources Committee.**

### **REASON FOR RECOMMENDATION**

To secure a lease to a suitable Community group to manage and operate the centre for the benefit of the local community whilst securing the best rental return to the Council.

## 80. Bell Mead, Ingatestone - Sale

At the Asset & Enterprise Committee held on 15 July 2014 it was resolved:-

*“That conditional contracts for the sale of this site should be exchanged with the party that had submitted the highest compliant and deliverable bid”.*

Terms were agreed with a prospective purchaser and conditional contracts were exchanged in October 2014, Appendix A (Exempt).

The prospective purchaser following several pre app meetings with Planning submitted a planning application for a scheme to provide 14 units, a mixture of apartments and 4 town houses. The contract required the purchaser to provide 5 affordable units and an additional 10 community car parking spaces, Appendix B.



Following the submission of the planning application and consultation the purchasers has been advised by Planning to reduce the massing of the rear block which previous was to be 4 town houses. The scheme now provides 16 units all of which are to be apartments, of which 5 are to be affordable plus 10 additional car parking spaces. All other terms to remain as previously agreed, Appendix C.

A motion was **MOVED** by Cllr Parker and **SECONDED** by Cllr Faragher to agree the recommendation in the report.

A vote was taken and by a show of hands it was **RESOLVED UNANIMOUSLY** that:

- 1. The variation to the original scheme be approved.**

#### **REASON FOR RECOMMENDATION**

Planning has required the purchaser to vary the original scheme following consultations.

#### **81. Hutton Football Club**

The report considered the recommendation of the 27<sup>th</sup> March 2015 Asset and Enterprise Committee which dealt with the lack of rent reviews prior to the provision of a new lease as agreed by the 23<sup>rd</sup> January 2013 Asset panel.

*“Hutton Football Club had put forward an offer of £900.00 per annum going forward until the lease expired in 2019.*

*That the offer from Hutton Football Club be submitted to the next Finance and Resource Committee with a recommendation that it should be accepted”.*

A motion was **MOVED** by Cllr Hossack and **SECONDED** by Cllr Russell to agree the recommendation in the report.

A vote was taken and by a show of hands it was **RESOLVED UNANIMOUSLY** that:

- 1. The recommendation of the 27<sup>th</sup> March 2015 Asset and Enterprise Committee to accept the offer of £2000 back rental and £900 per annum going forward from Hutton Football Club until the lease expired in 2019 be agreed.**
- 2. The debt of the non crystallised back rent amounting to approximately £13,000 be written off.**
- 3. Negotiations be commenced concerning the provision of a new lease to the Hutton Football Club having regard to the terms agreed by the 23<sup>rd</sup> January 2013 Asset Panel and revised in the report.**

### **REASON FOR RECOMMENDATION**

To ratify the decision of the March Asset and Enterprise Committee and accept the offer made by the club in respect of the current rent review.

#### **82. King George's Playing Fields Cafe - Lease Renewal**

The cafe was let to Emine Mani t/a Mani Caterers. The tenant was originally granted a lease from May 2006 which had now expired. Provisional agreement had been reached regarding a new lease and approval was sought from the Committee to conclude and regularise the tenancy.

A motion was **MOVED** by Cllr Russell and **SECONDED** by Cllr Parker to agree the recommendation in the report.

A vote was taken and by a show of hands it was **UNANIMOUSLY RESOLVED** that:

- 1. Delegated Authority be given to the Head of Paid Service to grant a new lease to Emine Mani t/a Mani Caterers incorporating the terms as set out in Appendix A of the report (exempt appendix).**

### **REASON FOR RECOMMENDATION**

To ensure that a revenue stream was maintained.

#### **83. Shenfield Scout Lease**

A motion was **MOVED** by Cllr McKinlay and **SECONDED** by Cllr Russell to **DEFER** this item to the next meeting, so that negotiations can be undertaken with the Scouts. **RESOLVED by assent that:** This item be deferred to the next meeting.

#### **84. Performance Indicators Fourth Quarter and Year End 2014/15**

The report detailed the Operational Performance indicators agreed for 2014/15 and gave performance detail for the fourth quarter and year end 2014/15.

A motion was **MOVED** by Cllr Mrs McKinlay and **SECONDED** by Cllr Hirst to agree the recommendations in the report.

A vote was taken and by a show of hands it was **RESOLVED UNANIMOUSLY** that:

- 1. The Committee noted that Operational performance Indicators for 2014/15.**

2. **The Committee considered and noted the performance and contextual information against the Fourth Quarter and Year End Key Performance Indicators for 2014/15.**

#### **REASON FOR RECOMMENDATION**

That the Committee reviewed the 2014/15 Performance Indicators and the performance for the fourth quarter and year end 2014/15 as required by the Terms of Reference.

#### **TERMINATION OF MEETING**

During the preceding item, in accordance with Rule 28 of Part 4.1 – Council Procedure Rules, the businesses of the meeting not having concluded by two hours after its start, Members voted and agreed to continue with the meeting for a further 30 minutes.

### **85. Write Offs**

As outlined in the Council's constitution, all outstanding debts over £5,000 cannot be written off without Member approval.

The report requested the authorisation of the Committee to write off the Housing Benefit overpayment and Sundry debt listed within Appendices A and B to the report (exempt appendices).

A motion was **MOVED** by Cllr Mrs McKinlay and **SECONDED** by Cllr Hirst to agree the recommendation in the report.

A vote was taken and by a show of hands it was **RESOLVED UNANIMOUSLY** that:

1. **The Committee approve the write off of all debts listed within Appendix A and B (both exempt) to the report.**

#### **REASON FOR RECOMMENDATION**

All write offs over £5,000 must be approved by the Committee.

### **86. Exclusion of the press and public**

Cllr Mrs McKinlay **MOVED** and Cllr Hirst **SECONDED** and it was **RESOLVED** that the press and public be excluded and the following item be considered in private session on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 1 to Schedule 12A to the Local Government Act 1972 (namely information relating to individuals).

### **87. Revenues and Benefits Restructure**

Members discussed the report and **RESOLVED** to agree the officers recommendations as set out in the report.

**88. Urgent Business**

There were no items of Urgent Business.

The meeting concluded at 22.15