

**MINUTES OF
CHELMSFORD CITY COUNCIL CABINET**

on 15 November 2022 at 7.00pm

Present:

Cabinet Members

Councillor S Robinson, Leader of the Council (Chair)
Councillor M Goldman, Deputy Leader and Cabinet Member for Connected Chelmsford
Councillor C Davidson, Cabinet Member for Fairer Chelmsford
Councillor M Mackrory, Cabinet Member for Sustainable Development
Councillor R Moore, Cabinet Member for Greener and Safer Chelmsford

Opposition Spokespersons

Councillors R.J. Hyland, I Roberts, M. Sismey, M Steel, A Thorpe-Apps and R T Whitehead

Also present: Councillors A Davidson, S Goldman and B Knight

1. Apologies for Absence

Apologies for absence were received from Councillors Bentley, Daden, Gisby, Massey, Potter, Poulter and Raven.

2. Declarations of Interest

Members of the Cabinet were reminded to declare at the appropriate time any pecuniary and non-pecuniary interests in any of the items of business on the meeting's agenda.

3. Minutes and Decisions Called-in

The minutes of the meeting on 15 November 2022 were confirmed as a correct record. No decisions at that meeting had been called in.

4. Public Questions

There were no questions or statements from members of the public.

5. Members' Questions

Questions were asked by Councillors under the relevant items.

6. Rural England Prosperity Fund (Connected Chelmsford)

Declarations of interest:

None.

Summary:

The Cabinet considered a report providing them with information on the Rural England Prosperity Fund. The report detailed how the Council had worked to identify how the funding could be used to support Chelmsford's rural businesses and community groups. The report sought authority to submit the REPF addendum to Government ahead of the stated deadline.

Options:

1. To accept the recommendations as set out within this report.
2. To make amendments to the recommendations set out within this report.
3. To not accept the recommendations within this report.

Preferred option and reasons:

Option 1 is the preferred option. Due to the tight timeframes involved, any option other than option 1 may jeopardise the ability to submit the REPF addendum to Government for approval by the 30th November deadline. If the 30th November deadline is missed, Chelmsford will not receive its allocation of REPF.

Discussion:

It was noted that the sum of money was from central government and was similar to the UK shared prosperity fund and was around £400k.

In response to questions, the Cabinet Member for Connected Chelmsford noted that the fund was specifically for rural areas. The Cabinet heard that South Woodham Ferrers had been thought of as likely area to spend the money, but it had not appeared on the Government's recently created list of towns under 30,000 population. It was noted that the Council would work in collaboration with other district councils in the North of Essex to pool the funds as had been done with similar funds in the past. The Cabinet Member for Connected Chelmsford, also informed the Cabinet that the fund could be spent in villages or hamlets with a population of below 10,000 or market hub towns up to 30,000 that served surrounding rural areas. It was also noted that Maldon District Council would be one of the other districts the Council would look into pooling funds with.

RESOLVED that;

1. The publication of the prospectus for the Rural England Prosperity Fund be noted.
2. Chelmsford's approach to identifying the interventions and priorities that are to be prioritised be endorsed.

3. The pooling of Chelmsford's REPF to be used collaboratively in partnership with the North Essex Economic Board if it is found to be a worthwhile and viable option be supported.
4. Authority be delegated to the Chief Executive, in consultation with the Leader of the Council and the Council's S151 Officer to take the necessary actions and decisions required to approve the REPF addendum for submission to the Government for approval within the state timeframes, including agreeing any subsequent arrangements for how a capital grant funding scheme would operate.

(7.02pm to 7.10pm)

7.1 Treasury Management Mid- Year Review 2022/23 (Fairer Chelmsford)

Declarations of Interest:

None

Summary:

The Cabinet considered a report on the Treasury Management activities undertaken in the first part of 2022-23 and the extent of compliance with the approved Treasury Management Strategy. The Treasury Management and Investment Sub-Committee had concluded that no changes to the Strategy were required ahead of the full, annual review later in the financial year.

Options:

1. Accept the recommendations contained within the report.
2. Recommend changes to the way the Council's investments are to be managed.

Preferred Option and Reasons:

Recommend the report to Council without amendment for consideration and thereby meet statutory obligations.

Discussion:

In response to a question on rising interest rates, the Cabinet Member for Fairer Chelmsford stated that this was a mid year review and not a forecast for the following year. It was noted that rising interest rates would be considered when looking at future strategies. The Cabinet also heard that decisions were made as to whether to invest in shorter or longer term investments, based on whether rates were expected to quickly increase for example.

RESOLVED that the report on the Treasury Management activities in 2022/23 be noted and the Council be requested to review the report and approve the 2022-23 Treasury Strategy without change.

(7.11pm to 7.14pm)

7.2 Revenue Monitoring 2022/23 (Fairer Chelmsford)

Declarations of Interest:

None

Summary:

The report formed part of the reporting regime by which members and officers monitored the Council's forecast of expenditure and income and compared them with the approved estimates. It identified an expected level of expenditure and income by the Council for the year ending 31 March 2023 and set out actions relating to each of the material variations. The Cabinet was asked to consider the actions relating to the budget variances.

Options:

1. Note the latest forecast position and approve actions in Appendix 1.
2. Recommend changes to the service budgets or to the actions identified.

Preferred Option and Reasons:

The proposed actions would help ensure, as far as possible, that the Council would have sufficient funds to meet its revenue budget requirements in 2022-23.

Discussion:

The Cabinet Member for Fairer Chelmsford informed the Cabinet that the report detailed relatively good news as the expected income/expenditure gap of £2.5m was now expected to be £2.1m. It was noted that this was due to higher than expected business rate retention. The Cabinet heard though that there were still significant factors affecting the Council's finances, including, higher energy bills, a higher pay award and lower than expected car parking income.

In response to a question on the financial position, the Cabinet Member for Fairer Chelmsford stated that this was due to various factors including higher than expected business rate income. The Cabinet Member for Fairer Chelmsford stated that he had no influence on the figures reported and that the Section 151 Officer could be relied upon and trusted to report the Council finances fully.

RESOLVED that the revenue monitoring report be noted and that Cabinet Members monitor the identified actions.

(7.15.pm to 7.20.pm)

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7.3 Capital Programme Monitoring and Update (Fairer Chelmsford)

Declarations of Interest:

None

Summary:

The Cabinet received a report on the latest position on the capital programme. The report also provided updates on the approved Capital Schemes and Asset Replacement Programme to reflect variations in cost and timing which had been identified to date and sought approval for additional budgets.

Options:

Approve or not the variations to Capital Schemes and the Asset Replacement Programme.

Preferred Option and Reasons:

The Capital Programme as submitted represented new phasing and expenditure required for Capital Schemes and the Asset Replacement Programme.

Discussion:

The Cabinet heard that there had not been any major changes to the Capital Programme or asset replacement programme. It was noted that the Council had withdrawn from a strategic property purchase due to rising interest rates and inflation. The Cabinet Member for Fairer Chelmsford stated that continuing with the purchase would not have been sensible in the current climate. It was noted that the report just asked for approval to three small increases in capital schemes, some small asset replacement programme amendments and the rephrasing of schemes to the following year.

In response to a question on the capital scheme to improve the public realm at Tindal Square, it was noted that, additional funding had been applied for. The Cabinet heard that the Council were confident they would receive the additional funding as applied for.

The Cabinet Member for Connected Chelmsford also responded to a question on the theatre modernisation. The Cabinet heard that as with many major projects additional funding was often required part way through the project due to various factors. It was noted that the requests had been agreed during the project and that the reasons had been explained at previous meetings. The Cabinet also heard that the project would be discussed by the Overview and Scrutiny Committee once the project had been completed.

In response to a question on the Chelmsford Flood Resilience programme scheme, it was noted that the S106 money had been provided to the Environment Agency . It was clarified that this money could be returned to the developer under a time clause in the S106 agreement, if it remained unspent. However, the Environment Agency had agreed to use the S106 money as intended on developing a revised flood defence scheme.

RESOLVED that

1. The proposed increase of £0.051m in the capital scheme programme, shown in Appendix 1 and detailed in paragraph 6.3 of the report to the meeting, be approved.
2. The proposed changes to the Asset Replacement Programme for 2022-23 and 2023-24, the increase in scheme costs of £105k in 2022-23, and the rephasing of spend from 2022-23 of £992k, as shown in Appendix 3 and detailed in paragraph 7.3 of the report, be approved.
3. A request for £1.1m additional budget, as shown in Appendix 1, be approved by an urgency decision by the Chief Executive using his delegated authority under paragraph 3.4.2.7 of the Constitution and agreed by Cabinet at the meeting held 18th October 2022.

(7.21.pm to 7.29.pm)

8. Urgent Business

There were no items of urgent business.

9. Reports to Council

RESOLVED that Item 7.1, Treasury Management Mid-Year Review 2022/23 be the subject of report to the Council.

The meeting closed at 7.30pm

Chair