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# Chelmsford City Council Overview and Scrutiny Committee

**10<sup>th</sup> February 2025**

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## **Report on Decisions Taken Under Delegation to the Chief Executive**

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### **Report by:**

Director of Connected Chelmsford

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### **Officer Contact:**

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### **Purpose**

To report on the decisions taken under delegation to the Chief Executive for the period 1 November 2023 to 31 January 2025.

### **Recommendations**

That the report be noted.

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## **1. Background**

- 1.1. The Constitution of the Council includes, at Part 3 (Responsibility for Functions), details of matters on which the officers of the Council are authorised to take decisions. These are known as delegations to officers and among them is the following, which is delegated to the Chief Executive:

“Deal with any matter on grounds of urgency, following consultation with the Leader of the Council or the Chair and Vice Chair of the appropriate Committee in respect of non-executive matters.

- 1.2. The decisions taken by the Chief Executive under this delegation are recorded and notified to the public and members of the Council by publication on the

Council's website. On 8 February 2010, the Overview and Scrutiny Committee agreed that a list of those decisions should also be brought to the Committee for information in June and November each year.

## 2. Latest Decisions

2.1. Seven decisions were taken under delegation to the Chief Executive during the period 1 November 2023 to 31 January 2025. The summary of the decisions are attached as appendix 1 to this report.

2.2. Members are asked to note the content of the report.

### List of appendices:

Appendix 1 – Decisions taken under delegation to the Chief Executive for the period 1 November 2023 to 31 January 2025.

Background papers: Nil

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## Corporate Implications

Legal/Constitutional: The Committee are required to be notified of urgent decisions.

Financial: None

Potential impact on climate change and the environment: None

Contribution toward achieving a net zero carbon position by 2030: None

Personnel: None

Risk Management: None

Equality and Diversity: None

Health and Safety: None

Digital: None

Other: None

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### Consultees:

Director of Connected Chelmsford

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### Relevant Policies and Strategies:

None relevant

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**Subject:** Response to Local Government Boundary Commission for England (LGBCE) review

**Date of Decision:** 19<sup>th</sup> February 2024

**Decision Number:**

1/2024

**Background:**

The Local Government Boundary Commission (LGCBE) are currently undertaking a review of the electoral boundaries for the Essex County Council area. They have published their draft recommendations online and are seeking consultation from local representatives and interested parties.

[The proposals related to the Chelmsford City Council area can be viewed on their website.](#)

Chelmsford City Council intend to submit the following response in support of the comments submitted by the Chelmsford Garden Community Council regarding the boundaries that cross the community council area:

*Chelmsford City Council broadly support the proposals suggested within this review but would like to support the request submitted by Chelmsford Garden Community Council to retain the whole of the community council within one county division and propose a further, related change.*

*To accommodate this, we propose moving SBE-Little Waltham and the entire SBF-Belsteads polling districts to the Chelmer division from Broomfield and Writtle and SAC-Great and Little Leighs to Broomfield & Writtle, (where it is on existing boundaries).*

Electoral equality

*This would increase Broomfield & Writtle to 17620 (11% above average) and reduce Chelmer to 16621 (4% above average). However, it is noted that Chelmsford's largest allocation of new housing in the Local Plan will then all be within the smaller division, Chelmer, which will be best suited to accommodate growth.*

Community Identity

*Chelmsford Garden Community has stronger ties with Little Waltham than Great and Little Leighs, with some of the area falling under Little Waltham prior to the Community Governance Review (CGR) and children attending schools within Little Waltham.*

*Great & Little Leighs is currently in Broomfield & Writtle and therefore existing links between the parish and the county councillor would be maintained. The physical links between The Leighs and Boreham are limited to a single, unclassified road, with residents more regularly travelling through or to the Broomfield and Writtle division for facilities.*

*The River Chelmer, which gives the division its name, runs through the middle of Little Waltham.*

Effective and convenient government

*Following our CGR we conducted an interim polling district review which abolished Broomfield East polling district and reallocated the electors to Belsteads. Should the proposals be adopted as they are then the area would have to be separated again.*

*This would require the allocation of a new polling venue, or possibly, two polling stations hosted in one venue with different ballot papers being issued and increased risk of error.*

*Finally, it is anticipated that when the City Council boundaries are considered that it would be appropriate for a ward to be realigned or a new one created to cover the whole of the Garden Community Council area. It would be more effective for county divisions to acknowledge the same community identity.*

*It is also noted that the LGBCE specifically asked for comments about adding Margaretting and Stock to the Broomfield & Writtle division.*

*Margaretting and Writtle do have close ties, Margaretting village is close to the southern edge of Writtle parish and is linked by two roads: (a) Margaretting Road, Writtle becomes Writtle Road, Margaretting at the parish boundary (running northsouth), and (b) the A414 also links the two parishes – being Greenbury Way and Three Mile Hill. Margaretting was in the Broomfield & Writtle division until the 2005 review.*

*We acknowledge that Stock's links to Writtle are not as strong, as the community identity in Stock holds a strong local connection with the Hanningfields. However, we considered that making any changes to your proposals would break existing community ties elsewhere and be too disruptive.*

**Decision and Reasons for Urgency:**

The Chief Executive decided to submit the above response to the LGBCE consultation on the proposed boundaries for the Essex County Council area. This was done on the grounds that the consultation window did not accommodate the matter being taken to Full Council for consideration (28th November to 19th February).

**Supporting Information:**

The Leader of the Council and minority group leaders were consulted on this decision.

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**Subject:** Urgency Pay Award

**Date of Decision:** 19.9.24

**Decision Number:**

2/2024

**Background:**

Chelmsford City Council has for a number of years adopted local pay and conditions and consulted with regional Unison in this regard.

A pay award has been negotiated and agreed for Council staff, this means the Council's pay scales have increased either by £1290 or 2.5% whichever is higher. This pay increase will be effective from 1<sup>st</sup> April 2024.

Staff will receive their new salary payments from October 2024 and this will also include their backpay from 1<sup>st</sup> April 2024.

Given the cost-of-living crisis and need to maintain staff goodwill in a difficult financial situation it is imperative to get the back pay and the additional pay to staff in their October 2024 salaries. It is therefore appropriate take this decision as an urgency action.

The total cost of the pay award will be approximately £0.5m over the current approved budget and this will be an ongoing cost.

**Decision and Reasons for Urgency:**

The Chief Executive decided to exercise their delegated authority to take urgent decisions and authorise the increase in the revenue budget. They did so on the grounds that there was an urgent need to pay staff the pay award in their October 2024 salaries.

**Supporting Information:**

The Leader of the Council was consulted before taking the decision and had no objection to it.

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**Subject:**

Business Rates Pooling and Pilot for Non-Domestic Rates in 2025-26

**Date of Decision:**

11<sup>th</sup> October 2024

**Decision Number:**

3/2024

**Background:**

**Business Retention scheme**

In April 2013 the Government introduced a business rates retention scheme that was intended to create incentives for local authorities to promote business growth over the long term. Under the scheme local authorities are allowed to retain some of the benefit from any growth in non-domestic rates, however, are also exposed to the risk of reduced income from any reduction in the amounts of Rates collected.

If an authority collects more business rates than the Government has determined they need to fund their services (business rates baseline funding) then these authorities are required to pay over the excess to Central Government in the form of a tariff. Conversely, if an authority's funding requirement is higher than income collected, then they will receive a "top-up" from central government.

There is a levy mechanism built into the Business Rates Retention regime, so that authorities will pay a proportion of their growth to Central Government. The levy rate is set at 50% for Chelmsford City Council, which means the Council will only retain half of the increase in business rates growth over and above a Government set business rates baseline.

The Government has put in place a safety net to protect local authorities from significant negative shocks to their income by guaranteeing that no authority will see its income from business rates fall beyond 7.5% of its spending baseline. The maximum loss for Chelmsford in this instance would be £0.3m.

### **Business Rates Pooling**

As part of the rates retention scheme, authorities can formally seek designation as a pool. The pool will be formed of two or more authorities and enables those authorities to retain a higher percentage of business rate growth by reducing or removing the levy that needs to be paid on any income growth. If an authority experiences negative growth that falls below the Government set 7.5% safety net, the loss needs to be funded by the pool and therefore has an adverse impact on the other authorities in the pool. The Government treat the Pool and its members as one authority and the safety net limit is calculated on overall Baseline funding level of the Pool.

For 2025/26 it worth noting that :

- The Government can nationally decide to abolish pools, even after the Council has signed up. This is thought to be unlikely but none the less is possible.

### **Pool arrangements for 2024/25**

Chelmsford entered into an Essex Business rates pool with other Local Authorities in 2018/19 and remained member of the Essex pool in 2019/20, 2020/21 2021/22 2022/23 2023/24 and 2024/25. In 2018/19 the Council received additional income of £1m, in 2019/20 received additional income of £0.6m, in 2020/21 received additional income of £0.8m in 2021/22 received an additional income of £1.1m in 2022/23 received an additional income of £0.8m and in 2023/24 received an additional income of £0.9m from the pool as a proportioned benefit of levy saved that would have otherwise been paid to the Government. The income from the Pool for 2021/22, 2022/23 and 2023/24 is subject to the risk of change during the external audit of member authorities. The lead authority (Essex County Council) is currently estimating just over £1m of additional income from the Pool in 2024/25 for Chelmsford.

## **Chelmsford's options for 2025/26**

Chelmsford and the lead authority is required to notify the Government of its intentions for pooling for the next financial year by 29<sup>th</sup> October 2024. Essex County Council are therefore seeking a formal confirmation of our intention to remain in the Essex Business rates pool. Depending on the response from other Essex authorities, the options for the pool are to either continue as it is with the current members, to dissolve completely or to dissolve and seek designation as a new pool for 2025/26 should the pool's membership change.

To provide assurances before entering the pool, historic experience has shown pool membership to be beneficial to the authority, even during the COVID-19 pandemic due to government support. The current pool members have been asked to expressed confidence in being able to maintain their business rates income at a required level for the pool to remain successful.

Members of the pool have until 28 days after the provisional Local Government Finance Settlement to withdraw from the pool. A withdrawal of any single member would cause the pool to end. This not expected to happen but does provide some additional safeguards.

### **Option 1**

Notify the lead authority of the intention to leave the Essex Business rates pool and continue as a standalone authority

- Potential increase from Business Rates growth £0.3m
- Maximum loss £0.3m (7.5% of Government set Baseline need)

### **Option 2**

Join the Essex business rates pool for another year, with the intention to maximise the business rates income retained by the authority. Indicatively the gain to the City Council could be an extra £1m based on the projected gain for 2024/25. This is the option I favour and, in view of the need for the decision to be made by the end of October, I intend to exercise my delegated authority to take urgent decisions and authorise the Accountancy Services Manager to negotiate for the Council the terms on which the Council will enter the Pool.

The risk, in the unlikely situation where income for the whole pool falls below its business rates baseline is that Chelmsford will lose its additional income and will have to proportionately suffer the loss of pool income. The extent of City Council losses will depend on the overall position of the pool. This cannot be accurately quantified until the end of the pool's financial year, but losses could exceed the £0.3m maximum identified in option 1.

### **Decision and Reasons for Urgency:**

The Chief Executive was of the view that option 2 would be of most benefit to the Council. As a decision on whether to join the Pool needed to be made by 11 October 2024, they agreed to exercise their delegated authority to take urgent decisions and authorised the Accountancy Services Manager to negotiate for the Council the terms on which the Council would enter the Pool and to join it if those terms were acceptable.

### **Supporting Information:**

The Leader of the Council was consulted before making this decision and had no objection to it.

**Subject:**

The Purchase of Land at Main Road Boreham

**Date of Decision:**

29<sup>th</sup> October 2024

**Decision Number:**

4/2024

**Background:**

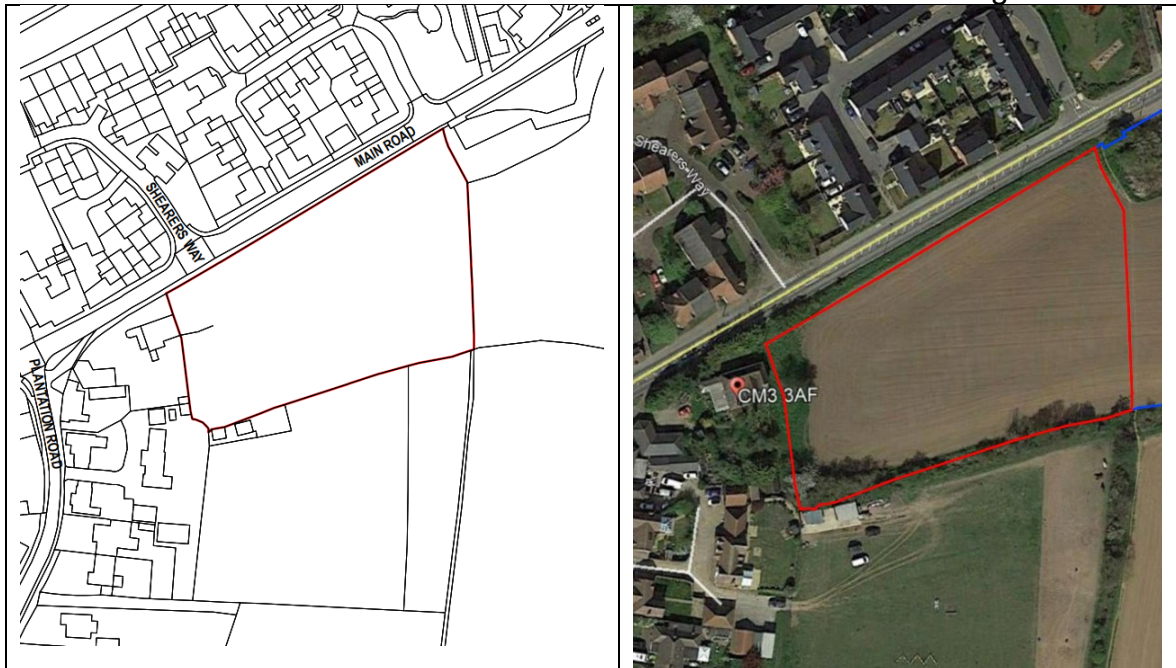
The Council has agreed terms to purchase land at Main Road Boreham for the development of affordable homes. This item was previously reported to Full Council in July 2023 and accords with the budget and policy framework but now requires executive sign off for completion. The seller is requiring the council to complete the purchase by 31st October and as a result the matter cannot wait until the next Cabinet meeting. Hence, it is proposed to authorise this via urgency decision.

Minutes of the Policy Board from 16th January 2020 detail discussion by the Affordable and Social Housing Working Group where it was resolved to promote Entry Level Exception Sites for Registered Provider land-led schemes. Also, to continue to investigate the acquisition of land by the Council for additional housing and entry-level exception sites. The policy allows parcels of land up to one hectare in size to come forward as affordable housing sites in exception to the Local Plan allocations.

The land although not identified for development in the local plan is considered to meet the criteria of an Entry Level Exception Site and the Council wish to bring forward such sites for the development of affordable housing. Although many sites were considered through this review process only the land at Main Road Boreham was considered suitable and had an owner willing to dispose of the land.

The purchase of the land has been agreed based on the potential for the site to accommodate up to 22 units ranging in size from two to four bed homes although the site will be developed to best suit the Councils housing need. Once acquired the Council will work with CHP to secure planning consent. The purchase of this land will be financed from Section 106 contributions collected for offsite affordable housing provision.

With the land having been used for farming and grazing in the recent past it should not attract holding costs other than general land management work.



### Supporting Information:

The Leader of the Council was consulted before making this decision and had no objection to it.

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### Subject:

Dovedale Refurbishment

### Date of Decision:

21<sup>st</sup> November 2024

### Decision Number:

5/2024

### Background:

The Council agreed in February 2022 to commit £1,464,000 to the refurbishment of Dovedale Sports Centre. This is a joint-use centre owned by and operated in partnership with Chelmsford College, who are also contributing to the budget. The sum was included within the Capital Programme for 2022/23 with delegations to the Director of Public Places to decide on a preferred scheme. The initial scheme was subsequently developed with a view to address the urgent backlog of works whilst upgrading the facilities to enable the best possible financial return, essentially through upgraded fitness facilities and support accommodation.

In order to test affordability, value for money and provide greater cost certainty the scheme was subjected to an early tender exercise and this was completed in August 2024. The Business Case was updated, particularly in lieu of the overwhelming success of the Riverside scheme where membership and income growth has exceeded expectations, also mirrored by the more modest gym investment at CSAC in 2023.

The Business Case also highlights the primary aims and benefits the scheme will achieve:

- Upgrade joint use community leisure centre to benefit College students and local community
- Enable morning use of the fitness room/studio for the local community (not currently available)
- Increased number of total attendances, the number of different community groups participating and attract new and key customer groups.
- Create a modernised, good quality alternative option for City centre customers with additional benefits of relieving pressure on the Council's other extremely popular fitness venues.
- Raise the standard of Dovedale to the same as the other Council's leisure centres.
- Improved energy efficiency of the plant and carbon reduction
- A positive net revenue return

It should also be recognised that an options appraisal identified that a "do nothing" approach would result in significant ongoing and increasing maintenance costs to keep the existing building operational, estimated at £1,050,000 over the next 5 years. The 2025/26 budget would have identified a worsening net position of around £50,000 as a result of additional costs and reducing revenue, a situation which would have continued without this investment.

Proceeding with this scheme will see income increase from £219,000 in 2024/25 to £359,000 in 2028/29.

A start date of June 2025 is critical to the delivery of the scheme and as such to ensure statutory consents (Planning & Building Control) and construction lead in times are achieved ahead of this the matter cannot wait until the next Cabinet/ Council meetings. Hence, it is proposed to authorise this via urgency decision with additional capital requirement identified below requiring executive sign off.

The outcome of the tender exercise and budget review requires approval of additional capital budget of £710,000 (total budget for the scheme will be £2,340,000). Of this additional approval, £655,000 would need to be funded by the Council.

The revised cost plan has been market tested with competitive tenders received from 4 Essex based contractors. This early tender exercise provides a greater level of confidence, together with a good contingency sum will help to de-risk the project against unforeseen cost increases.

The revenue impact of the project after allowing capital financing costs will be an additional net cost over existing 2024/25 budget of £16,000 in 2025/26, rising to £81,000 in 2026/27, £28,000 in 2027/28 and improving by £5,000 in 2028/29 with continued positive improvement after this.

Importantly, the joint use agreement will be extended to 2050 and with the additional daytime use will ensure this facility helps to complement the Riverside facility and meet the needs of a growing city.

### **Supporting Information:**

The Leader of the Council was consulted before making this decision and had no objection to it.

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**Subject:**

The Purchase of Land at the entrance to Baddow Road Car Park

**Date of Decision:**

2<sup>nd</sup> January 2025

**Decision Number:**

1/2025

**Background:**

The Land identified in the images below forms the entrance to Baddow Road Car Park and will be part of the new road constructed as part of the Waterside Bridge project.

The roadway was adopted as part of the highway network in 2005, and the landowner has disputed the validity of this process since it occurred.

The owner of the land has instructed solicitors to defend their position and over the last few years the Council has engaged in this dispute and has sought advice on the validity of the landowners claim.

Given the potential impact on the Chelmer Waterside project a negotiated settlement has been reached with the landowner by which the Council will acquire this land and make a capped contribution towards their legal fees. The budget agreed by Council in July 2023 will be supplemented by a virement from the Chelmer Waterside Bridge project contingency to fund the final settlement.

Other solutions to this issue have been considered including the use of compulsory purchase powers but it is felt that this would bring uncertainty and delay.

Given that the bridge works will impact this land and there is a potential that delay in completing this transaction could result in negotiations being reopened we are recommending the use of urgency powers to conclude this transaction.



**Supporting Information:**

The Leader of the Council was consulted before making this decision and had no objection to it.

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**Subject:**

A Council Loan to CHESS

**Date of Decision:**

2<sup>nd</sup> January 2025

**Decision Number:**

2/2025

**Background:**

The proposal is to provide a 19 year loan of up to £700,000 to CHESS. This will ensure that CHESS continues to effectively deliver services to the homeless and whilst developing additional units of temporary accommodation.

The terms of the loan will be agreed by s151 officer of the Council, but in principle:

- The loan would be secured against a property owned by CHESS.
- An independent valuation of the CHESS property would be obtained
- The loan would not represent the full value of the asset used as security.
- The loan would be at the prevailing fixed interest rate charged by the Public Works Loan Board making it cost neutral to the Council.
- Accounting practice means the loan is not made from a revenue budget. However, should the Council fail to recover some or all of the loan, any loss would have to be funded from the Council's revenue reserves.

CHESS need the loan to replace an existing mortgage at lower interest rate but more importantly to provide financial resilience as they develop 24 modular units for vulnerable single homeless people. These tenants need support to avoid the risk of becoming repeat homeless. The accommodation requirement has been identified following Strategic Gap analysis requested by MCHLG as part of the Single Homelessness Accommodation Programme funded by MCHLG and Homes England. The Council has committed a £350,000 grant to this project and is overseeing the funding arrangement on behalf of the Government.

The loan has been under discussion for several months, but it has become apparent that for cashflow reasons it has become urgent. Without the loan being made early in the new year Chess will have to organise additional temporary borrowing, which will be expensive and could create delays in the development of the 24 units. So, it is appropriate to seek an urgency action.

**Supporting Information:**

The Leader of the Council was consulted before making this decision and had no objection to it.